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FRANCHISE DISCLOSURE DOCUMENT

NUTTY SCIENTISTS USA, INC
A Florida Corporation
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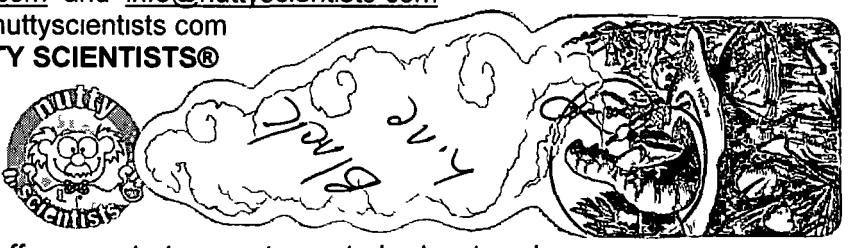
NUTTY SCIENTISTS®



As a Nutty Scientists franchisee, you will offer an entertainment-oriented educational program in almost every area of scientific thought, with the objective of leading children to discover and enjoy science under the Mark "NUTTY SCIENTISTS "

The total investment necessary to begin operation of a NUTTY SCIENTISTS franchised business is from $50,700 - $62,100 Home Based and $161,050 - $263,100 if a retail Lab space is developed This includes $28,000 that must be paid to the franchisor for the initial franchise fee and $15,000 for the on-site training and equipment package to operate the franchise Noted in Item 7 is an option to secure additional schools at an additional fee of $100 per school added to the initial franchise fee

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English Read this disclosure document and all accompanying agreements carefully You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale **Note, however, that no government 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 Shery Christopher at 520-743-0022 or email us at shery@nuttyscientists com

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

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

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

ISSUANCE DATE April 17, 2017

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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 B 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 ARIZONA OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN ARIZONA THAN IN YOUR OWN STATE

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

3 THE FRANCHISOR'S FINANCIAL RESOURCES MIGHT N OT BE ADEQUATE TO FUND THE FRANCHISOR'S PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING COSTS

4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Effective Date See the next page for State Effective Dates

STATE EFFECTIVE DATES

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

This Franchise Disclosure Document is registered on file or exempt from registration in the following states having franchise registration and disclosure laws with the following effective dates

STATE	EFFECTIVE DATE	ANNIVERSARY DATE
California	04 20 2016	04 20 2017
Hawaii		
Illinois	04 25 2016	04 30 2017
Indiana		
Maryland	05 19 2016	05 19 2017
Michigan		
Minnesota		
New York	08 03 2016	04 30 2017
North Dakota		
Rhode Island		
South Dakota		
Virginia	05 26 2016	05 26 2017
Washington		
Wisconsin		

In all the other states the effective date of this Franchise Disclosure Document is the issuance date of April 17 2017

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

To simplify the language in this Disclosure Document, 'we," "us," and "Nutty Scientists" means Nutty Scientists USA, Inc , the franchisor "You" means the person or legal entity, and its owners, directors, and employees, who buy the franchise to operate a franchise under the Nutty Scientists System

Franchisor, Parent and Affiliates

We conduct business under the name Nutty Scientists USA, Inc Our principal business address is 2114 W Grant Rd #66, Tucson, AZ 85745 Nutty Scientists USA, Inc is a Florida corporation, incorporated August 11, 2008 We offer franchises under the mark Nutty Scientists " You can find information about Nutty Scientists on the World Wide Web at "www nuttyscientists com

Our predecessor is EDUCACION Y OCIO INTEGRAL SL, offices located in Madrid, Spain (28046), Paseo de la Castellana 164-166 which operates as Fun Science in other countries except for the USA Fun Science began operations in Madrid, Spain in 1996 and offered its first franchise for the concept in November 1997, with over 140 outlets operating in 35 countries at this time It is the intent of Nutty Scientists to incorporate the experience, business practices and methods utilized by Fun Science in its business operations with its franchisees Fun Science will continue to offer franchises in other countries except for the United States Fun Science does not offer franchises in any other lines of business

We are affiliated with Interactive Children Education and Entertainment Corp ('ICEE"), our parent, a Florida corporation, incorporated October 12, 2007 ICEE controls the franchising and development of Nutty Scientists franchises throughout the rest of the world except for the USA and Canada which is controlled by exclusively Nutty Scientists USA ICEE owns and operates the Miami, Florida Nutty Scientists outlet and has done so since November 2008

Other than as stated above, we do not have any parents, predecessors or affiliates significant to the franchise

Agent for Service of Process

Our agents for service of process are listed in Exhibit B Capitalized terms in this Disclosure Document that are not otherwise defined have the same meanings as those terms in the Franchise Agreement, attached as part of Exhibit C

Prior Experience

We currently own and operate a business similar to the one being franchised in Tucson Arizona, and have done so since February 2009, and our parent and affiliate, International Children Education and Entertainment Corp has owned and operated one in Miami, Florida since November 2008 We began granting Nutty Scientists franchises in 2011 We are not involved in any other business activities and we do not offer any other franchise businesses

The Business We Offer

We grant to qualified persons franchises to offer entertainment-oriented educational programs in almost every area of scientific thought, with the objective of leading children between the ages of 5 to 16, to discover and enjoy science under the Mark "NUTTY SCIENTISTS" and other marks we may use in accordance with the terms of our Franchise Agreement We authorize you to use the trademarks of and to operate a Nutty Scientists franchise

The prospective franchisee will use Nutty Scientists teaching systems and various educational techniques notably the **TPR** (Total Physical Response) Method, **SDAIE** (Specifically Designed Academic Instruction in English) and the **PQS** (Plonsky Question System), all of which are structured on Vygotsky s theory of psychology, to conduct the franchised business

Sales are not typically seasonal and some franchisees may choose to operate from a developed retail location that we call "The Lab" Our programs foster children's motivation, self-esteem and integration, and help them to better understand the world of science Furthermore, the programs give them early exposure to scientific concepts that may prove valuable further down the road, Nutty Scientists, as the number one business in its activity sector in Europe, complements the education that our future engineers, architects and scientists require, bringing the world of science closer to children in a way that is altogether original

Applicable Regulations

While we are not aware of any regulations specific to the industry, there may be laws or regulations in your state, which apply to operating a business in general, including one that is normally home based Additionally, your franchise may be subject to federal, state and local laws, regulations and guidelines relating to consumer protection and/or truth in advertising " You may also be subject to general laws relating to businesses, including those relating to employment, labor and taxes Please consult your lawyer about all of these laws, rules and regulations

Franchisee and Instructors are not required to hold a teaching certification but must agree to have a certified police report, criminal background check and fingerprinting completed prior to being employed with franchisee and on an annual basis The operation of a Nutty Scientists Lab location may require additional licenses related to certificates of occupancy, permits and the ability to running an activity center for children In our research, each state government agency will list different requirements and it is up to you to determine what your particular state will require

Competition

The market for educational children's programs is well developed and competitive The competition for Nutty Scientists franchises are companies or businesses which offer the same type of educational programs for children, other franchise operations offering similar entertaining science programs and local retail outlets

Item 2
BUSINESS EXPERIENCE

Santiago Pablo Martin Rodriguez– CFO

Santiago has held his position since April 2015 Prior to April 2015, he was the Director of Development Santiago is the founder of Nutty Scientists USA in 2008 and Fun Science Spain in 1996 Santiago also operates an outlet similar to the franchise being offered in this disclosure document from 1996 until present in Madrid, Spain Santiago is also the founder and President of Interactive Children Education and Entertainment Corp, a Florida corporation formed in Miami, Florida October 12, 2007 Santiago is also the founder and director of EDUCACION Y OCIO INTEGRAL SL, located in Madrid, Spain which operates as Fun Science in other countries except for the USA and began operations in 1996

Natalia Puig-La Calle – CEO

Natalia has held her CEO position since November 2008 She joined Nutty Scientists in November 26, 2008 Natalia is also the Secretary of Interactive Children Education and Entertainment Corp in Miami, Florida and has held her position since 2015 Natalia has worked with Fun Science in Spain since 2006

Shery Christopher – Senior Vice President/Secretary

Shery became our Senior Vice President and Secretary on November 26, 2008 and also operates the Tucson Arizona location for Nutty Scientists USA, Inc Shery also owns and operates Shery Christopher Consulting, LLC located in Tucson, AZ, a franchise development consulting firm working with franchisors in the US and internationally since 1986

Item 3
LITIGATION

No litigation is required to be disclosed in this Item

Item 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item

Item 5
INITIAL FEES

Initial Franchise Fee

You must pay us a uniform, initial franchise fee in a lump sum when you sign the Franchise Agreement Our standard initial franchise fee currently is $28 000 for one location (home based or location based) to include up to 150 elementary schools Initial franchise fees are fully earned when paid and are not refundable under any circumstances

We offer the option for you to secure an area that includes more than the initial 150 elementary school minimum If you request an area with more than 150 schools, you will pay us an additional $100 per additional elementary school in the expanded territory

There is an additional fee of $15,000 for the five-day on-site training of instructors, the Initial Equipment Package and supplies we will provide you with, which will include materials needed for the workshops you will present, scenographic materials, costumes, promotional materials and stationary The training is more fully described in Item 11 of this disclosure document The equipment and materials package is not refundable once paid and will be shipped to directly to your address

The Initial Equipment Package will include at the minimum
* 3 different Scientific Shows for events or parties (Materials, equipment and supplies)
* 3 different After School Programs (Materials, equipment and supplies)
The materials and supplies will be enough for numerous shows and programs, the total amount of activities will depend on how many children you have at each activity and how much of the materials and supplies you use
* 1 set of Professional Laboratory Items (Van der Graaf, Leyden Jar, Flask, other laboratory items)
* Branded Items for events Table cloth, Nutty Scientists pop up, Laboratory Backdrop, Table Display, 3 - Adult Lab Coats 2 Little Scientists Lab coats 4 – Adult T-shirts

* Branded Marketing materials Nutty Scientists Folders, Nutty Stickers, Birthday Party Flyer, After School Activity Flyer, Summer Camp Flyer, Set of Diplomas Nutty Scientists Lab Notebooks
* 1 Nutty Scientists Mascot (outfit of the Nutty Professor)
* Complete access to all scripts, shows, programs, camps and activities located on our secure Intranet and any new shows, programs, scripts, camps and activities as they are developed
* Custom Micro Website for your specific location (editable by you)

Item 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fees	7% of Gross Revenue but no less than $300 per month (1)	Payable on the 5th of the month beginning the 7th month from signing the Franchise Agreement	See definition of Gross Revenues (2) See Note below about first three years of royalty fees*
Advertising Fund	2% of monthly gross sales	Payable on the 5th of the month	See Item 11 for detailed discussion about this fund Franchisor may receive a financial consideration of up to 10% of the funds collected for administering the advertising fund which will be paid from the advertising fund
Webpage Support	$375 per year	Due February 1st each year	Maintenance and updating of webpage
Intranet Access	Not to exceed $75 per month/per user	Billed monthly	This is for access to the Intranet/online training system
Additional Training	$1 000 per day	Prior to Training	If you request us to provide additional on-site training after the Initial Training program at your location You will also be required to pay our travel expenses
Advertising Expenses (3)	Minimum of 2% of monthly Gross Sales but no less than $250 per quarter – whichever is greater	As incurred	To be spent by you in your local marketing area
Bi-annual Convention	$500	When registering for convention	Franchisee will be responsible for their own travel and lodging during the convention
Audit Expenses (4)	Cost of inspection or audit	15 days after billing	Due if you do not give us reports supporting records or other required information or if you understate required Continuing Support and Royalty payments or Fund contributions by more than 2%
Renewal Fee	25% of initial franchise fee paid	90 (thirty) days prior to renewal date	Renewal fee is 25% of the initial franchise fee paid
Transfer Fee	25% of our then-current initial franchise fee and $5 000 for training new franchisee	Before transfer is completed	No charge if transferred to an entity you control
Interest on Late Payments	18% interest on overdue amounts	As incurred	Payable on all overdue accounts
Indemnification	Will vary under	As incurred	You must reimburse us if we are

Type of Fee	Amount	Due Date	Remarks
	circumstances		held responsible for claims from your business operation
Costs of Enforcement	Will vary under circumstances	As incurred	Payable if incurred by us in obtaining injunctive or other relief for the enforcement of any term of the Franchise Agreement
* Except as for products and service purchases described in Item 8, and except as otherwise noted in this Item 6 all fees are uniformly imposed and collected by are paid to us Except as noted above, all fees are non-refundable			

NOTES

1 Royalty Fees – The monthly Royalty Fee is 7% of Gross Revenues beginning the sixth (6th) month after signing the franchise agreement, with a monthly minimum of $300 per month, that can be increased annually based on the Consumer Price Index (CPI) The Royalty fee for the first three years will be reduced to 6% with a monthly minimum of $200 to jump start the franchisees business (see Franchise Agreement Section 4 3) In addition to the royalty fee payment you must also provide us with a correct statement of your Gross Revenues for the month just ended and any monthly reports outlined in the Manual You will also allow us to reasonably inspect your original books and records

2 "Gross Revenues" means the total of all revenues and income from Birthday Parties, After School programs, Workshops, Special Events, Camps, Merchandise, Government grants, sponsorships, trade transactions and other sums derived from providing educational and entertainment services and related merchandise to your customers or any other source, whether or not sold or performed at or from the Nutty Scientists Franchised Business and whether received in cash, in services, or credit (whether or not payment is received), or otherwise The amount of all free passes to non-profit groups, tips, sales tax receipts or similar tax receipts which, by law, are chargeable to customers, if these taxes are separately stated when the customer is charged and paid to the appropriate taxing authority, will be deducted from Gross Revenues for purposes of computation (but only to the extent they have been included) There will also be deducted from Gross Revenues the amount of any documented refunds, chargebacks, credits and allowances given in good faith to customers by you Gross revenues will also include all services, equipment, merchandise and other items sold from your business and from the Lab if a location is opened This will include any retail items if a retail space is established and drinks, snacks etc if a café is located in the Lab

3 Advertising Expense - Each calendar month you will spend the greater of 2% of the Gross Revenues of the Franchised Business for the same month during the previous fiscal year or $100 on local advertising and promotion These expenditures will be made directly by you, subject to approval and direction by us, in a manner approved by us You will provide us with an accurate accounting of your expenditures on local advertising, and any deviation from these guidelines requires our prior approval Each of our affiliates operating in the Advertising Coverage Area will have one vote as will each franchisee in the system

4 Audit Expenses – if an inspection or audit of your books and records reveals that any payments due to us have been understated in any report, then you must immediately pay us upon our demand, the understated amount plus interest from the date this amount was due until paid If an inspection or audit discloses an understatement of 2% or more for any given month, then you must also reimburse us for all costs and expenses, including accounting and attorneys' fees, connected with the inspection or audit

Item 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditures	Estimated Amount or Estimated Low-High Range	Method of payment	When due	To whom payment is made
1) Initial Franchise Fee	$28 000	Lump Sum	On Signing Franchise Agreement	Us
2) Initial Equipment & Supply Package and Training	$15 000	Lump Sum	Within 30 days of signing the FA	Us
3) Travel and Expenses During Training	$500 - $1 500	As Incurred	As incurred	Transportation Hotels and Restaurants
4) Rent	0 - $300	As Arranged	Monthly	Landlord
5) Office Furniture and Equipment	0 - $1 500	As Arranged	As Arranged	You determine
6) Computer System	0 - $1 500	As Incurred	As Incurred	You determine
7) Opening Inventory and Supplies	$200-$300	As Incurred	As Incurred	Suggested suppliers
8) Grand Opening Advertising	$500 - $1,000	As Incurred	As Arranged	Suppliers
9) Insurance Permits Deposits etc	$500-$1,000	As Arranged	As Arranged	Insurance Carrier Local Municipalities Phone Company Etc
10) Miscellaneous Pre-Opening and Organization Costs	$1 000 - $2 000	As Incurred	As Arranged	Attorney CPA, State/local agencies etc
11) Additional Funds – 3 months	$5,000 - $10 000	As Arranged	As Incurred	You Determine
12) TOTAL ESTIMATED INITIAL INVESTMENT	**$50,700 - $62,100**			
LAB LOCATION DEVELOPMENT				
13) Real Estate rent/lease deposits	$350 – $1 500	As Arranged	As Incurred	Landlord/Realtor
14) Architectural fees	$4,000 - $6,000	As Arranged	As Incurred	Us and Architect
15) Leasehold improvements	$50 000-$100 000	As Arranged	As Incurred	Carpenter Electrician Builder Contractor
16) Furniture fixtures signs POS	$45 000-$75 000	As Arranged	As Incurred	Carpenter retail outlets etc
17) Additional Materials and Supplies for Lab	$2 000 - $3 500	As Arranged	As Incurred	Suppliers Us
18) Working Capital	$4 000 - $8 000	As Arranged	As Incurred	Expenses Employees etc
19) Lab Development and Opening Fees	$5,000 - $7 000	As Arranged	As Arranged	Us and local press
20) ESTIMATED TOTAL IF LAB IS DEVELOPED	**$161,050 - $263,100**			

Explanatory Notes

1 Initial Franchise Fee – the Initial Franchise Fee is uniform and due upon signing the Franchise Agreement, but no later than 30 days prior to attending the initial training The initial fee will provide for a territory of up to 150 elementary schools This fee is not refundable once paid We do not finance any fee

2 Initial Equipment and Supply Package and Training This includes the 5 days of training at your location, custom micro website for your location, and equipment and supplies listed in Item 7 above This fee is due upon signing the Franchise Agreement or no later than 30 days prior to attending the initial training and is non-refundable

3 Training – you are responsible for arranging transportation and paying the expenses for meals and lodging for any persons attending the initial training program The amount spent will depend on the distance you must travel and the type of accommodations you choose Training is further described in Item 11 and is held in Miami, FL or Tucson, AZ unless we specify another location prior to scheduling the training Not normally refundable once travel commences

4 Rent - You are not required to establish an office in a commercial location for the franchise and we suggest that you operate from a home based office to control costs You will be traveling to the customer's location to conduct your educational programs If you decide to operate your franchise from a commercial location, you will not need more than a space of 100 sq ft to set up a desk and file cabinet space We will not approve a specific location for you to operate your franchise from These expenses may be refundable

5 Office Furniture and Equipment – You must own or purchase various office furniture and equipment for the operation of the Franchised Business including a desk, telephone, filing cabinet an inventory of miscellaneous chemicals and other miscellaneous items Not normally refundable

6 Computer System – you must purchase, if you do not already have one, a computer complete with printer and internet connection and other software and hardware that may be required, and have internet access Not normally refundable

7 Opening Inventory and Supplies – this includes educational products, chemicals, paper products and other supplies Not normally refundable

8 Grand Opening Advertising – this is the suggested amount you should spend on grand opening advertising Not normally refundable

9 Insurance - You will obtain insurance coverage with the limits required by us and as described below and in the Operations Manual This figure represents an estimate of your annual premium payment Not normally refundable

10 Miscellaneous Pre Opening and Organization Costs – You will need to establish a business entity in a name other than Nutty Scientists and use our mark as a DBA only You will have costs related to establishing the business, setting up the company, your accounts and other related expenses Not normally refundable

11 Additional Funds – Additional funds is an estimate of the funds needed to cover business (not personal) expenses during the first 3 months of operation of the Franchised Business You will need capital to support ongoing costs of your business, such as payroll, utilities, taxes, loan

payments and other expenses, to the extent that revenues do not cover the business costs The estimates presented relate only to costs associated with the franchised business and do not cover any personal, 'living" or other expenses you may have

12 This is the total estimated investment for a home based Nutty Scientists franchise We relied on 18 years of operating and franchising Fun Science in Europe and 6 years with Nutty Scientists in the USA to compile these figures You should review these figures carefully with a business advisor before deciding to acquire the franchise We do not offer financing directly or indirectly for any part of the initial investment The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral and lending policies of financial institutions from which you request a loan

If you decide to operate from a retail location by developing the Nutty Scientists Lab you will incur additional costs as noted below

13 Real Estate/Rent/Lease/Deposits – Depending on the size of your space and we suggest a space of 1,000 (for just a Lab space) and 1,500 to 3,000 sq ft for a full Lab with creative space and theatre You will have rent, deposits and other costs related to securing the space

14 Architectural fees - We will provide you with a Basic layout of the floor plan for the Lab (design, interior, walls restroom equipment, desk, theatre and all related specifications) A local architect will be responsible for code compliance and completing a set of plans (to be approved by us before the contractor bidding process and before plan submittal to review committees) All modifications to the original floor plan provided by us must be approved in writing (including, but not limited to construction materials, equipment rearrangement, equipment specification changes, etc) These fees are typically not refundable

15 Leasehold Improvements – You will have to lease an appropriate site to operate the Nutty Scientists Lab Generally, a lease extends for a period of five (5) years with an option to renew for a period of five (5) years The amounts specified for leasehold improvements are based on our designers estimated costs and we have not developed a retail Lab in the US as of the date of this offering circular Leasehold improvement costs are typically not refundable These costs may vary depending on the size, condition, and location of the leased premises, and the amount of such costs, which the landlord is willing to assume These costs are paid as incurred to your landlord, suppliers, and tradesmen We will refer you to approved suppliers who have extensive experience in the build-out facilities similar to ours or you may engage a local contractor in your area for this work We highly recommend receiving up to 3 bids for the construction of your project We would like to review all bids to help ensure the entire scope of work for the project is covered, as well as, help assess the valuation of the construction costs

16 Furniture/Fixtures – The Lab will require furniture and fixtures that meet our recommendation and approval This will include specific lighting in the rooms and other areas, tables, chairs, storage and seating areas and other furniture and fixtures, POS and signage as outlined in the Lab development package you will receive after you sign the franchise agreement These items may or may not be refundable once purchased

17 Additional Materials and Supplies for the Lab – You will need to purchase additional materials supplies and equipment to be used in the Lab The list of these materials are listed in the Lab materials package you will receive after you sign the franchise agreement These items may or may not be refundable once purchased

18 Working Capital – This amount is a suggest minimum you should have available to cover

expenses, employee salaries and other costs during the initial development of your retail location "The Lab" This is an estimate of working capital and may be more or less depending on your specific circumstances, how quickly you develop the location and if you will need to take a salary

19 Lab Development and Opening Fees – When you open a Lab we will provide you with layouts, plans and design details for developing your Lab We will review your designs from your designer and approve or comment as required We will work with you on the Grand Opening and also travel to your location to be present for the grand opening event

20 This is the total estimated investment for the Nutty Scientists with the development of the Nutty Scientists Lab We have not included working capital under this program as we have yet to establish a prototype of the Lab in the United States and only our international partners have developed these retail locations at this time These figures are estimates only and may be more or less depending on your location, the size of your space, contractor fees, material fees and other fees that will be incurred for the lease and build out of a Nutty Scientists Lab

Item 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases

You must operate your franchise based on our guidelines, the Manuals and specifications Specifications may include minimum standards for performance, warranties, packaging and delivery We may disclose specifications to you at your request, but we are not required to do so on any proprietary materials The Manual will list all required products and materials used in the operation of the franchise and these products and materials are readily available from stores in your local area, or on the Internet

We may from time to time conduct control visits The purpose of these visits is for us to ensure that the Nutty Scientists system, standards, methods, Brand Image and Know-How evolution are complied with, and to advise franchisee of any changes deemed necessary by us in order for us to fully benefit from the Concept and obtain maximum efficiency in the operation of the Activity

Required and Approved Suppliers

We will provide you with a list of preferred suppliers for future purchases of materials, chemicals and equipment you will use in the operation of your franchise and do not restrict you from purchasing any of these items from other suppliers at this time In the future, we may require that you only buy certain materials, chemicals and/or equipment from us or approved suppliers that we determine

We, or persons affiliated with us, are not presently considered approved suppliers of these items, but we reserve the right to do so in the future

Approval of Alternative Suppliers

You may buy products locally from specific stores or outlets that carry the specified products and materials used in the operation of the Nutty Scientists franchise

We do not own an interest in any supplier at this time but we reserve the right to do so in the future

During fiscal year 2015, we did not derive any revenue from selling items to franchisees, nor did we receive any rebates from suppliers on account of purchases of required and approved items by

franchisees We reserve the right to receive such payments or revenues in the future and as of the date of this disclosure document we cannot determine the precise basis by which we will derive such revenue We estimate that the purchases described above, based on specifications and listings in the Manual will represent about 30% of your overall purchases in establishing your franchise and 70% of your overall purchases and leases in operating the franchise

Insurance

You undertake to obtain and maintain in full force and effect insurance policies for an amount of at least $2,000,000 General Aggregate, $1,000,000 Products/Completed Operations Aggregate, $1,000,000 personal and Advertising Injury, $1,000,000 Each Occurrence, the required minimum coverage for Fire Damage (any one fire) Medical Expense (any one person) and accident policy, as well as vehicle and collision insurance, covering the operation of the Franchised Business, and employer's liability insurance as well as other insurance as may be required by statute or rule of the state in which the Franchised Business is located and operated and additional insurance that may be required for the operation of the Lab You additionally agree to name us as an additional insured on all policies (Section 14 of Franchise Agreement)

If you at any time fail or refuse to maintain in effect any insurance coverage required by us, or to furnish satisfactory evidence of such insurance, we may, at our option and in addition to our rights and remedies under the Franchise Agreement, obtain such insurance coverage, on your behalf, and you must promptly execute any applications or other forms or instruments required to obtain any such insurance and pay to us on demand any costs and premiums incurred by us Your obligation to obtain and maintain the insurance described in the Franchise Agreement will not be limited to in any way by reason of any insurance maintained by us

Cooperatives

We do not have any purchasing or distribution cooperatives

Negotiated Prices

We may negotiate purchase arrangements with suppliers (including price terms), for the benefit of the franchise system

Material Benefits

We do not provide any material benefits to you if you buy from sources we approve

Item 9
FRANCHISEE'S OBLIGATIONS

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

FRANCHISEE'S OBLIGATIONS

Obligation	Section in Agreement	Disclosure Document item
(a) Site selection and acquisition/lease	Section 5 1 of Franchise Agreement,	Item 11
(b) Pre-opening purchases/lease	Section 3 of Franchise Agreement	Items 5, 7, 8 and 11
(c) Site development and other pre-opening requirements	Sections 5, 6 and 14 of Franchise Agreement	Items 6 7, 8 and 11
(d) Initial and ongoing training	Section 6 of Franchise Agreement	Item 11
(e) Opening	Section 5 of Franchise Agreement	Item 5, 6, 7, 11
(f) Fees	Section 4 of Franchise Agreement	Items 5, 6, 7and 8
(g) Compliance with standards and policies/Operations Manual	Sections 1 3, 7 3 – 7 5, 20 3 and 23 2 of Franchise Agreement	Items 5, 8 and 11
(h) Trademarks and proprietary information	Sections 7 7 8 7, 9, 11 and 17 6 of Franchise Agreement	Items 13 and 14
(i) Restrictions on products/services offered	Section 1 3 of Franchise Agreement	Item 16
(j) Warranty and customer service requirements	Sections 21 3, 28 1, 28 7 and 28 8 of franchise agreement	
(k) Territorial development and sales quotas	Not Applicable	Item 12
(l) On-going product/service purchases	Section 3 2 and 8 6 of Franchise Agreement	Items 8, 16
(m) Maintenance, appearance and remodeling requirements	Sections 7 6 2 of Franchise Agreement	
(n) Insurance	Section 14 of Franchise Agreement	Items 6, 7 and 8
(o) Advertising	Sections 3 4, 4 4 and 13 of the Franchise Agreement	Items 6 7 and 11
(p) Indemnification	Sections 21 4, 21 5 and Exhibit C of Franchise Agreement	Item 6 and 8
(q) Owner's participation/ management/staffing	Sections 8 3 and 28 4 of Franchise Agreement	Items 11 and 15
(r) Records/reports	Section 4 3 1 7 2 and 12 of the Franchise Agreement	Item 11
(s) Inspections/audits	Section 3 6 of the Franchise Agreement	Item 6
(t) Transfer	Section 15, 16 2 4, 18 3 and 19 3 3 of Franchise Agreement	Item 17
(u) Renewal	Section 2 2 Franchise Agreement	Item 17
(v) Post-termination obligations	Section 17 of Franchise Agreement	Item 17
(w) Non-competition covenants	Exhibit E of Franchise Agreement	Item 17

Obligation	Section in Agreement	Disclosure Document item
(x) Dispute resolution	Section 27 of Franchise Agreement	Item 17
(y) Other guarantee of franchisee obligations (Note 1)	Exhibit C of Franchise Agreement	Item 15
Notes (1) Each individual who is a principal member, partner or officer of the Franchise must sign an agreement not to compete (Exhibit E) and an agreement assuming and agreeing to discharge all obligation of the 'franchisee" under the Franchise Agreement (Exhibit C)		

Item 10
FINANCING

Nutty Scientists does not offer direct or indirect financing

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

Except as listed below, we are required to provide you with any assistance

Pre-Opening Assistance

Before you open your business, we will

1 At no charge to you, provide specifications for the basic business set-up, fixtures, furnishings and equipment required to operate the business, including suggested equipment manufacture's, though you are under no obligation to purchase from any specific supplier or manufacturer (FA 3 1)
2 Provide you with our standard initial training program at our offices in Miami, FL or Tucson, AZ or at another location we may designate for 5 days at no additional charge but you must pay for travel and lodging during the training You will be open for business once the initial 5-day training program is completed and will be required to begin marketing the services and programs in your area prior to the second training since our instructor will be presenting two Grand Opening shows/events for you when they travel to your location at our expense
3 Provide you with 5 days training at your location for instructors and grand opening events and along with the Micro Website and Initial Equipment Package as described in Item 5 above, which includes the equipment and supplies to begin operations for your franchise for the fee of $15,000 We will cover all costs for travel, lodging and meals for our instructor during this training at your location (Training is also discussed below in this Item 11 under the subheading "Training") (FA 3 2)
4 Provide you, on loan with copies of our confidential operations manual(s) and other manuals instructional materials, and written policies and correspondence which are located on our online/Intranet site (Collectively, the "Manual(s)") (FA 3 3)
5 Provide you with a list of our then current designated or approved suppliers (FA 8 6)
6 We will identify the Operating Assets, educational programs, other methods and supplies that you must use to develop and operate the business, the minimum standards and specifications that you must satisfy, and the designated and approved suppliers from whom you must or may buy or lease these items (which may be limited to or include us, or other specified exclusive sources) (FA 3 5, 3 7)
7 Franchisor will neither approve nor disapprove any particular site for the operation of the Franchised Business if Franchisee chooses to operate from a location outside of a home office, Franchisor suggests that Franchisee operate from a home based office unless a Lab is being developed (FA 5 1)
8 Provide you with the Design Plans, Equipment and Material List if you decide to lease and develop the Nutty Scientists Lab You will be required to hire a local architect to make any modifications for the space and local building requirements

Post-Opening Assistance

During the operation of your business, we will

1 Review and will have the right to approve or disapprove all advertising and promotional materials that you propose to use (FA 3 4)
2 Loan and/or provide you access to the manual via the Intranet or other electronic means The manual contains mandatory and suggested specifications, standards and procedures, and course program manual This manual is confidential and remains our property We may modify this manual (FA 3 3)
3 Provide ongoing training and support as required and as we determine (FA 6)
4 Supply you with written updates via the Intranet to the requirements in the Manual and other written policies supplied to you by us (FA 8 12)
5 May negotiate group rates for purchases of products and materials as we deem necessary
6 Provide you with online assistance from our Intranet, email and our website (FA 7 6)
7 Regulate and adapt Activities standards and products throughout the network of Franchised Businesses
8 Assist with the institution of proper administrative, bookkeeping accounting inventory control and, supervisory and general operating procedures for the effective operation of the Franchised Business (FA 3 5)
9 Organize annual conventions, and bi-annual meetings of at least 1 (one) day
10 We may modify the System as we choose, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new experiments or demonstrations, or new techniques or methods (FA 8 12)

Advertising

We have established an advertising fund (the "Fund") that all franchisees must contribute to in the amount of 2% of your monthly Gross Sales Any Company-Owned outlets will contribute the Fund in the same amount and on the same basis as franchisees We use this fund to create marketing and advertising materials and to advertise the Nutty Scientists System in local and regional advertising campaigns using print, radio and Internet and we may administer the fund in-house or hire an outside independent agency for national advertising programs We will initially spend the majority of the Fund in the area of existing franchisees until such time that we have enough contributing to the fund to advertise on a national basis However, we have no obligation to advertise in any specific geographic area We will control and administer the Fund and all advertising materials and you must submit any proposed advertising material to us for prior written approval before using it We will respond within 15 days to your request for approval of advertising material you create We will provide you with an accounting of the funds expenditures, at your request We are not required to audit the fund

The Fund will be managed by us in a separate account and we will provide annual financial statements on the use of the Fund to all franchisees We may administer the Fund and if so, we may receive a financial consideration of up to 10% for providing these services If the Fund is not used in the year collected, it will be rolled over to the following year No percentage of the fund will be used to solicit new franchise sales, but we reserve the right to post a notice stating Franchises Offered"

In the year ended, December 31, 2016 total amount collected under the ad fund from franchisees totaled $7 471 and the percentages spent by the Nutty Scientists advertising fund were as follows Creative Design and Programs 20%, Media/PR 65% and Development 15% (100% total)

You are required to spend a minimum of 2% of your gross sales on advertising in your area All advertising, promotion, and marketing must be completely clear, factual, and not misleading, and must conform to both the highest standards of ethical advertising and marketing and the advertising and marketing policies that we periodically require Before you use them, you must send us or our designated agency for review samples of all advertising, promotional, and marketing materials that we have not prepared or previously approved If you do not receive written disapproval within 15 days after we or our designated agency receives the materials, they are deemed to be approved You may not use any advertising, promotional, or marketing materials that we have not approved or have disapproved

When there are enough franchisees in the system, we may require our franchisees to create a Franchisee Advisory Council (the "Council") but we do not have one at this time When a Council is created it will provide input on the materials and placement used in advertising campaigns Members of the Council will be selected from existing franchisees and one of our officers

We do not require you to participate in any local or regional advertising cooperatives at this time but we reserve the right to do so in the future

Computer Requirements

You will need to have a computer system with access to the Internet, a color printer and telephone service to operate your franchise We do not require specific equipment at this time but may require you to use a proprietary or specialty system in the future and hi-speed Internet access We do not require you to upgrade, update or provide any ongoing maintenance to the computer system and we are not required to provide you with any such upgrades, updates or maintenance If you do not have a computer system, you may need to purchase one and the costs may be as low as $300 up to $1,500 depending on the type of system you purchase You will need to sign up for QuickBooks online to maintain all records for our activities, invoices and reports to us We will not have independent access to the data generated from your computer system but we reserve the right to obtain access to the data in the future This data may include client details, schools, workshops, parties and other events you promote and present through your Nutty Scientists franchise business

Operating Manual

We will loan you a copy of our Operating Manual that contains mandatory and suggested specifications, standards and procedures This manual is confidential and remains our property We may modify this manual but the modification will not alter your status and rights under the Franchise Agreement The Manual and all other training materials are located on our Intranet system and we will provide a webinar to you prior to your signing of the Franchise Agreement that will give you details on our Manual(s) and other programs used in the operation of the Nutty Scientists franchise

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Introduction to Nutty Scientists	2 hours	0	Arizona or Florida
Marketing and Strategy	6 hours	0	Arizona or Florida
Quality and Image	1 hours	0	Arizona or Florida
General Trends	1 hours	0	Arizona or Florida
Sales	4 hours	0	Arizona or Florida
The Lab	2 hours	0	Arizona or Florida
Human Resources	1 hours	0	Arizona or Florida
Preparation of Events	3 hours	0	Arizona or Florida

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Methodology	3 hours	0	Arizona or Florida
Administrative working	3 hours	0	Arizona or Florida
Logistics and equipment	3 hours	0	Arizona or Florida
Activity Observation	4 hours	0	Arizona or Florida
Preparation for 2nd training course	4 hours	0	Arizona or Florida
PHASE TWO TRAINING	AFTER OPENING MARKETING		Your Location
Training you and your instructors on the actual activities and scripts	3 days		Your Location
Presenting two shows/events for you with your instructors	2 days		Your Location

Our instructors will be Natalia Puig-La Calle, Shery Christopher, the CEO and Vice President of our company will provide the training along with employees of Nutty Scientists USA, experts in Children education and enrichment programs in the USA as well as Fun Science employees that provide the initial franchisee training to all franchisees worldwide at this time All instructors have experience of 3-8 years with the business

We will provide you with two full training courses The training course will last 10 days and will be divided into two parts The dates of the first phase of the initial training program shall be set by us The dates of the second training course will be set by both parties, taking into account the trainer s availability The training program expense will be paid in full by us, however, franchisee will be responsible for any lodging, food and travel expenses when traveling to the initial training at our offices We will pay for our instructors' travel, lodging and food expenses when the second part of the training is held at your location (Section 6 of the Franchise Agreement)

The first training course will last for 5 days and will be held at our offices in Arizona or Florida or at another location as designated by us prior to scheduling the training The initial training will cover everything related to management, marketing, our sales techniques, programs, personal policy and the organizational system of the business We will run the training as and when needed, and dates will be set by us

The second training course will be 5 days and held at your location The second training course will normally be given within 3 to 5 weeks of the first training course During this training we will train and help you select your instructors and assist in your initial promotional activities

It will be required that you successfully complete phase one of the training program to our satisfaction Upon completion of the first phase we will award you with a certificate called NUTTY SCIENTISTS Certificate' (the Certificate), acknowledging that you have completed the training course successfully and allowing you to begin operations of the business in marketing it to schools and other local venues If the franchisee fails to complete training to our satisfaction and obtain the Certificate by the end of the training, franchisee must attend the training program again Should franchisee not obtain the Certificate, we will be entitled to terminate the contract pursuant to Section 16 2 1 of the Franchise Agreement Franchisee shall attend the continuing training programs as set out pursuant to the financial terms and conditions aforementioned in Section 6 5 of the franchise agreement

Any additional training you request after the Initial Training Course will be held at your franchise location and will be at $1,000 per day You will also be required to pay the travel expenses incurred

by us in traveling to your franchise location (Section 3 2 1 of the Franchise Agreement)

We will offer continuing training programs and refresher courses at locations and through webinars and times we deem necessary

Time to Opening

From the time you sign the Franchise Agreement, you will normally begin operating your franchise within 60 to 90 days unless you are opening a Lab, which may require additional time to secure a location and complete all related build-out requirements The time fame may be up to 120 days for a Lab development The time frame to opening may be more or less depending on when you schedule to attend the initial training The second training will be to work with you to train your instructors and to assist in some grand opening events that you will have booked prior to our travel to your location We will work with you on your timing once you have determined the best days to schedule the initial training Failure to open and begin operating the franchise within 120 days unless previously agreed to by us may result in termination of the franchise Even if a Nutty Scientists Lab is being developed we recommend you begin operations of the franchised business to create community awareness and develop an initial customer base

Item 12
TERRITORY

Before signing the Franchise Agreement, we will work with you to decide upon your territory You will receive a territory within which you must operate a single location of the Franchised Business The territory will be determined based upon area demographics such as population, number of children in the territory and up to 150 elementary schools We offer territories that include more than 150 elementary schools for an additional fee of $100 per additional school You must receive our permission before relocating the Franchised Business You do not receive the right to open additional franchises within contiguous areas We will not open additional franchises within your territory

The territory will be an exclusive territory in that we will grant only one Franchised Business for each 150 schools minimum Streets, roads and highways, or city and county lines and zip code(s) will geographically define the territory We reserve the right to establish company-owned units, or to license other franchisees to establish Franchised Businesses, at any site we deem appropriate outside of the territory, regardless of the site's location to the boundaries of the existing territory

We may modify your territory and/or terminate your franchise should you fail open for business, operate continuously, or fail to make the monthly royalty payments Continued failure to pay the monthly service fee may be grounds for termination of the Franchise Agreement as detailed in Section 16 2 9 and 16 3 1 of the Franchise Agreement

Other than above, there are no other circumstances that permit us to modify your territorial rights We do not operate or franchise the operation of, or have any presently formulated plans or policy to operate or franchise the operation of, any Franchised Business or other channel of distribution selling or leasing similar products or services under the same and/or different trademarks, however, the Franchise Agreement contains no such limitations on us other than as stated above

We may offer a first right of refusal on other areas, but we are not obligated to do so

During the term of the Franchise Agreement although we do not have any plans to do so at this time, we (and any affiliates that we periodically might have) have the right

(1) to establish and operate, and grant rights to other franchise owners to establish and operate, similar businesses inside or outside of the Territory on any terms and conditions we deem appropriate, up to the maximum allowed based on the number of schools per franchisee as stated above),

(2) to own, acquire, establish and/or operate, and license others to establish and operate, businesses under proprietary marks other than the Proprietary Marks whether such businesses are similar or different from the Franchised Business, at any location outside the Territory,

(3) to sell Proprietary Products or Products through any distribution channels we think best, wherever located or operating except not through franchised franchises (other than your franchise), the physical premises of which are located outside of your Territory,

(4) to be acquired (regardless of the form of transaction) by a business identical or similar to Nutty Scientists franchises, except if the other business operates, franchises and/or licenses competitive businesses in your Territory, and

(5) to engage in any other business activities not expressly prohibited by the Franchise Agreement, anywhere

You may solicit customers and prospective customers in your Approved Area only

Item 13
TRADEMARKS

We grant you the right to operate a franchise under the name Nutty Scientists You may also use our other current or future trademarks to operate your franchise By trademark Nutty Scientists means trade names, trademarks, service marks and logos used to identify your business The following marks have been registered on the principal register of the United States Patent and Trademark Office (USPTO) by Santiago Pablo Martin Rodriguez, the founder of Fun Science in Spain and Nutty Scientists in the USA and our CFO Mr Rodriguez has granted us an exclusive license to use and sublicense the Marks indefinitely during the full term of all franchise agreements signed by us Although there are no plans to do so should Mr Rodriguez terminate the license agreement with the franchisor, he has agreed in writing to allow all franchises to continue use of the trademark We grant you a nontransferable, non-exclusive license to use, in the operation of your Franchise, during the term of the Franchise Agreement the trademarks, trade names, service marks logo, and all advertising or other commercial symbols, which identify your Franchise Business as a Nutty Scientists franchisee

Serial Number	Filing Date	Reg Number	Registration Date	Mark	Goods & Services	First Use	Status
77832346	09/22/09	3795607	06/01/10		Education Services	12/14/08	Section 8 and 15 accepted 06/25/2014

Serial Number	Filing Date	Reg Number	Registration Date	Mark	Goods & Services	First Use	Status
77570792	09/16/08	3602414	04/07/09	Nutty Scientists	Education Services	01/11/08	Sections 8 and 15 accepted 07/16/14

You must follow our rules when you use the Marks, including giving proper notices of trademark and service mark registration and obtaining fictitious or assumed name registrations required by law You may not use any Mark in your corporate or legal business name, with modifying words, terms, designs, or symbols (except for those we license to you), in selling any unauthorized services or products, or as part of any domain name homepage, electronic address, or otherwise in connection with a website

There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation, involving the principal Marks We do not actually know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state No agreements limit our right to use or license the use of the trademarks

You must notify us immediately of any apparent infringement or challenge to your use of any Mark or of any person's claim of any rights in any Mark, and you may not communicate with any person other than us, our attorneys, and your attorneys, regarding any infringement, challenge, or claim We may take the action we deem appropriate (including no action) and control exclusively any litigation, PTO proceeding, or other administrative proceeding arising from any infringement, challenge, or claim You must assist us in protecting and maintaining our interests in any litigation or PTO or other proceeding We will reimburse you for your costs of taking any action that we ask you to take

If it becomes advisable at any time for us and/or you to modify or discontinue using any Mark and/or to use one or more additional or substitute trade or service marks, you must comply with our directions within a reasonable time after receiving notice We need not reimburse you for your direct expenses of changing the Store's signs, for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark

We will reimburse you for all damages and expenses that you incur in any trademark infringement or unfair competition proceeding disputing your authorized use of any Mark under the Franchise Agreement if you have timely notified us of, and comply with our directions in responding to, the proceeding At our option, we may defend and control the defense of any proceeding arising from your use of any Mark

Item 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

There are no patents or pending patent applications material to the Franchise

Copyrights

There is no copyrights material to the franchise

Confidential Information

We consider certain or our technical knowledge to be proprietary and therefore we may restrict the sources of supply of this knowledge This includes educational program contents, program supports, entertainment contents and management and sales techniques We will disclose to you certain confidential or proprietary information, trade secrets and Know-How Except as necessary in connection with the operation of the business and as we approve, you may not during the term or at any time after the expiration or termination of the Franchise Agreement, regardless of the cause of termination, directly or indirectly, use for your own benefit or communicate or divulge to, or use for the benefit of any other person or entity, any trade secrets, confidential information, knowledge or know-how concerning the educational programs, program supports, entertainment contents or management and sales techniques You may disclose to your employees only such confidential, proprietary or trade secret information as is necessary to operate the business and then only while the Franchise Agreement is in effect Any and all information, knowledge, or know-how, including without limitation, materials, equipment, marketing, and other data which we designate as secret or confidential will be deemed secret and confidential for purposes of the Franchise Agreement

You must acknowledge the originality of the Know-How, and declare that you had no knowledge whatsoever about said know-how before signing this agreement

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

The business shall at all times be under the direct supervision of you (or the controlling shareholder, member or partner if you are a corporation, or limited liability company or partnership) You (or the controlling shareholder, member or partner if you are a corporation, limited liability company or partnership) must devote your full time and efforts (excluding reasonable vacation periods) to oversee the operation and if determined by you, a trained manager of the business Although we recommend it, you are not required to work in the business on a daily basis, but you must be trained in all aspects of the business to effectively oversee the daily operations and supervise your manager Any Monitor (employee/staff who assist, or run Nutty Scientists events) must

(a) Be properly trained by you,
(b) Have their identity disclosed to us and
(c) Execute, upon our request, an agreement in the form provided by us agreeing not to divulge any trade secret or confidential or proprietary information, including the contents of the Operating Manual, or to engage in or have any interest in any other similar business

If you are a business entity, your on-premises supervisor need not have any amount equity interest in the Franchised Business

If you are a corporation, partnership or limited liability company, each shareholder, partner or managing member must personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by, and personally liable for the breach of, every provision of the Franchise Agreement, agree to be bound by the confidentiality and non-competition provisions of the Franchise Agreement and agree to certain restrictions on their ownership interests

Item 16
RESTRICTIONS ON WHAT THE FRANCHISE MAY SELL

You must offer for sale and sell only and all those techniques, services or products that we approve or specify You may not offer for sale any techniques, services or products that we have not approved (See Items 8 and 9) We have the right to change the types of authorized techniques or

services from time to time and there are no limits upon our right to do so

Item 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise Agreement	Summary
a Length of the franchise term	Section 2 1 of Franchise Agreement	10 years
b Renewal or extension of the term	Section 2 2 of Franchise Agreement	Agreements will be renewed additional 10 year terms
c Requirements for franchisee to renew or extend	Section 2 2 of Franchise Agreement	Parties are required to enter into a new agreement no later than 6 (six) months before the end of the term
d Termination by franchisee	Not Applicable	Subject to state law
e Termination by franchisor without cause	Not Applicable	
f Termination by franchisor with cause	Sections 16 1 and 16 2 of Franchise Agreement	You commit any of the following breaches fail to complete all pre-opening obligations fail to begin operation of the franchise loss of your right to do or transact business transfer any rights or obligations under the Agreement that is contrary to the terms of Section 15 in the Agreement disclosing or divulging the contents of the Manuals or other confidential information fails to comply with the covenants in Section 18 2 of the Agreement or fails to timely obtain execution of the covenants required under Section 18 5 of the Agreement misuses or makes any unauthorized use of the Proprietary Marks or any other identifying characteristics of the System operate the Franchised Business in a manner that materially impairs the reputation or goodwill associated with the System Proprietary Marks or our rights in those matters, If after curing a default according to Sections 16 3 or 16 4 of this Agreement commits the same default again whether or not cured after notice Commits three (3) or more defaults under this Agreement in any twelve (12) month period whether or not each such default has been cured after notice ceases to operate or otherwise abandons the Franchised Business for a period of thirty (30) consecutive days unless such closure is approved in writing by Franchisor or excused by *force majeure* breaches any material provision of this Agreement which breach is not susceptible to cure
g "Cause defined—curable defaults	Section 16 3 and 16 4 of the Franchise Agreement	Failure to make or deliver required monthly reports failure to make required royalty payments failure to comply with operating standards and guidelines
h Cause" defined—non-curable defaults	Section 16 1 of Franchise Agreement	You become insolvent make a general assignment for the benefit of creditors file bankruptcy if a receiver is appointed for your assets, if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed)

Provision	Section in Franchise Agreement	Summary
		if the franchise is dissolved if execution is levied against your business or property if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against you and not dismissed within thirty (30) days if the real or personal property of the Franchised Business will be sold after levy thereupon by any sheriff marshal or constable
i Franchisee s obligations on termination/non-renewal	Section 17 of Franchise Agreement	Stop operating stop using the System, cancel assumed names no use of proprietary marks or Trade Dress in other business pay franchisor all amounts due and return Manuals and Confidential Information Comply with Covenants
j Assignment of contract by franchisor	Section 15 1 of Franchise Agreement	We have no restrictions on our right to assign the franchise agreements to a qualified buyer
k "Transfer by franchisee—defined	Section 15 2 of Franchise Agreement	You must provide us with a copy of any deed indicating all financial terms name and address of the potential purchaser and Our right of first refusal
l Franchisor approval of transfer by franchisee	Section 15 3 of Franchise Agreement	We will approve or disapprove within 30 days
m Conditions for franchisor approval of transfer	Section 15 2 of Franchise Agreement	We have no obligation to approve any candidate
n Franchisor's right of first refusal to acquire franchisee s business	Sections 15 5 of Franchise Agreement	We have the right to first refusal in all cases mentioned in Sections 11-1 and 11-2 of the franchise agreement
o Franchisor s option to purchase franchisee s business	Section 15 5	We are not obligated to purchase your business
p Death or disability of franchisee	15 8 of Franchise Agreement	Notify us within a reasonable time follow guidelines for transfer of franchise
q Non-competition covenants during the term of the franchise	Exhibit E of Franchise Agreement	Non compete in a similar business
r Non-competition covenants after the franchise is terminated or expires	Exhibit E of Franchise Agreement	Covenants will apply for a two-year period after termination the agreement
s Modification of the agreement	Sections 8 12, 28 4 and 28 6 of Franchise Agreement	No modification allowed without prior written consent of both parties
t Integration/merger clause	Section 25 of Franchise Agreement	Only the terms of the Franchise Agreement (including the Operations Manual) are binding (subject to state law) Any statements or promised not in the Franchise Agreement or this disclosure document should not be relied upon and may not be enforceable Nothing in the Franchise or any other agreement is intended to disclaim the representations made in this Disclosure Document
u Dispute resolution by		Arbitration and actions for injunctive relief must be in the State

Provision	Section in Franchise Agreement	Summary
arbitration or mediation	Section 27 of Franchise Agreement	of Arizona unless your Franchised Area is located in California Hawaii, Illinois, Indiana Maryland, Minnesota New York North Dakota Oregon Rhode Island South Dakota Virginia Washington or Wisconsin, then the laws of that state will govern
v Choice of forum	Section 27 1 of Franchise Agreement	The state of Arizona unless your Franchised Area is located in California Hawaii Illinois, Indiana Maryland Minnesota, New York, North Dakota Oregon Rhode Island South Dakota Virginia Washington or Wisconsin then the laws of that state will govern
w Choice of law	Section 27 1 of Franchise Agreement	Governing law will be the laws of the state of Arizona unless your Franchised Area is located in California Hawaii Illinois Indiana Maryland Minnesota New York North Dakota Oregon Rhode Island South Dakota, Virginia Washington or Wisconsin then the laws of that state will govern

Item 18
PUBLIC FIGURES

Nutty Scientists does not use any public figure to promote our franchise No public figure is involved in the management of Nutty Scientists

Item 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

The Franchisor makes no representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets, nor do they authorize any employee or representative to make any such representations either orally or in writing If you are purchasing an existing outlet, however, they 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 management by contacting the Franchise Administration Department at 2114 W Grant Rd #66, Tucson, AZ 85745 (520) 743-0022, or at shery@nuttyscientists com, info@nuttyscientists com, the Federal Trade Commission, and the appropriate state regulatory agencies

Item 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
System wide Outlet Summary for Years 2014 to 2016

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2014	4	7	+3
	2015	7	10	+3
	2016	10	7	-3
Company-Owned	2014	1	1	+0
	2015	1	1	+0
	2016	1	1	+0
Total Outlets	2014	6	8	+2
	2015	8	11	+3
	2016	11	8	-3

TABLE 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2014 to 2016

State	Year	Number of Transfers
ALABAMA	2014	0
	2015	0
	2016	0
ALASKA	2014	0
	2015	0
	2016	0
ARIZONA	2014	0
	2015	0
	2016	0
ARKANSAS	2014	0
	2015	0
	2016	0
CALIFORNIA	2014	0
	2015	0
	2016	0
COLORADO	2014	0
	2015	0
	2016	0
CONNECTICUT	2014	0
	2015	0
	2016	0
DELAWARE	2014	0

State	Year	Number of Transfers
	2015	0
	2016	0
DISTRICT OF COLUMBIA	2014	0
	2015	0
	2016	0
FLORIDA	2014	0
	2015	0
	2016	0
GEORGIA	2014	0
	2015	0
	2016	0
HAWAII	2014	0
	2015	0
	2016	0
IDAHO	2014	0
	2015	0
	2016	0
ILLINOIS	2014	0
	2015	0
	2016	0
INDIANA	2014	0
	2015	0
	2016	0
IOWA	2014	0
	2015	0
	2016	0
KANSAS	2014	0
	2015	0
	2016	0
KENTUCKY	2014	0
	2015	0
	2016	0
LOUISIANA	2014	0
	2015	0
	2016	0
MAINE	2014	0
	2015	0
	2016	0

State	Year	Number of Transfers
MARYLAND	2014	0
	2015	0
	2016	0
MASSACHUSETTS	2014	0
	2015	0
	2016	0
MICHIGAN	2014	0
	2015	0
	2016	0
MINNESOTA	2014	0
	2015	0
	2016	0
MISSISSIPPI	2014	0
	2015	0
	2016	0
MISSOURI	2014	0
	2015	0
	2016	0
MONTANA	2014	0
	2015	0
	2016	0
NEBRASKA	2014	0
	2015	0
	2016	0
NEVADA	2014	0
	2015	0
	2016	0
NEW HAMPSHIRE	2014	0
	2015	0
	2016	0
NEW JERSEY	2014	0
	2015	0
	2016	0
NEW MEXICO	2014	0
	2015	0
	2016	0
NEW YORK	2014	0
	2015	0

State	Year	Number of Transfers
	2016	0
NORTH CAROLINA	2014	0
	2015	0
	2016	0
NORTH DAKOTA	2014	0
	2015	0
	2016	0
OHIO	2014	0
	2015	0
	2016	0
OKLAHOMA	2014	0
	2015	0
	2016	0
OREGON	2014	0
	2015	0
	2016	0
PENNSYLVANIA	2014	0
	2015	0
	2016	0
RHODE ISLAND	2014	0
	2015	0
	2016	0
SOUTH CAROLINA	2014	0
	2015	0
	2016	0
SOUTH DAKOTA	2014	0
	2015	0
	2016	0
TENNESSEE	2014	0
	2015	0
	2016	0
TEXAS	2014	0
	2015	0
	2016	0
UTAH	2014	0
	2015	0
	2016	0
VERMONT	2014	0

State	Year	Number of Transfers
	2015	0
	2016	0
VIRGINIA	2014	0
	2015	0
	2016	0
WASHINGTON	2014	0
	2015	0
	2016	0
WEST VIRGINIA	2014	0
	2015	0
	2016	0
WISCONSIN	2014	0
	2015	0
	2016	0
WYOMING	2014	0
	2015	0
	2016	0
PUERTO RICO	2014	0
	2015	0
	2016	0
U S VIRGIN ISLANDS	2014	0
	2015	0
	2016	0
OTHER U S TERRITORIES AND POSSESSIONS	2014	0
	2015	0
	2016	0
TOTAL	2014	0
	2015	0
	2016	0

TABLE 3
Status of Franchised Outlets for Years 2014 to 2016

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
ALABAMA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
ALASKA	2014	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
ARIZONA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
ARKANSAS	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
CALIFORNIA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
COLORADO	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
CONNECTICUT	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
DELAWARE	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
DISTRICT OF COLUMBIA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
FLORIDA	2014	0	1	0	0	0	0	1
	2015	1	1	0	0	0	0	2
	2016	2	0	0	0	0	0	2
GEORGIA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
HAWAII	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
IDAHO	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
ILLINOIS	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
INDIANA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2016	0	0	0	0	0	0	0
IOWA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
KANSAS	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
KENTUCKY	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	1	0
LOUISIANA	2014	0	0	0	0	0	0	0
	2015	0	1	0	0	0	0	1
	2016	1	0	0	0	0	0	1
MAINE	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
MARYLAND	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
MASSACHUSETTS	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
MICHIGAN	2014	0	1	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
MINNESOTA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
MISSISSIPPI	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
MISSOURI	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
MONTANA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
NEBRASKA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
NEVADA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
NEW HAMPSHIRE	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
NEW JERSEY	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
NEW MEXICO	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
NEW YORK	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
NORTH CAROLINA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
NORTH DAKOTA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
OHIO	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
OKLAHOMA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
OREGON	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
PENNSYLVANIA	2014	1	0	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	0	1
RHODE ISLAND	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
SOUTH CAROLINA	2014	0	1	0	0	0	0	1
	2015	1	0	0	0	0	0	1
	2016	1	0	0	0	0	1	0
SOUTH DAKOTA	2014	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
TENNESSEE	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
TEXAS	2014	2	0	0	0	0	0	2
	2015	2	1	0	0	0	0	3
	2016	3	0	0	0	0	1	2
UTAH	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
VERMONT	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
VIRGINIA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
WASHINGTON	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
WEST VIRGINIA	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
WISCONSIN	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
WYOMING	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
PUERTO RICO	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
U S VIRGIN ISLANDS	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
OTHER U S TERRITORIES AND POSSESSIONS	2014	0	0	0	0	0	0	0
	2015	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0
Totals	2014	4	3	0	0	0	0	7
	2015	7	3	0	0	0	0	10

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
	2016	10	0	0	0	0	3	7

TABLE 4
Status of Company Owned Outlets for years 2014 to 2016

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
FLORIDA	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1
Totals	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
	2016	1	0	0	0	0	1

TABLE 5
Projected New Franchised Outlets as of December 31, 2016

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company – Owned Outlets In the Next Fiscal Year
ALABAMA	0	0	0
ALASKA	0	0	0
ARIZONA	0	0	0
ARKANSAS	0	0	0
CALIFORNIA	0	0	0
COLORADO	0	0	0
CONNECTICUT	0	0	0
DELAWARE	0	0	0
DISTRICT OF COLUMBIA	0	0	0
FLORIDA	0	1	0
GEORGIA	0	0	0
HAWAII	0	0	0
IDAHO	0	0	0
ILLINOIS	0	0	0
INDIANA	0	0	0
IOWA	0	0	0
KANSAS	0	0	0
KENTUCKY	0	0	0
LOUISIANA	0	0	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company – Owned Outlets In the Next Fiscal Year
MAINE	0	0	0
MARYLAND	0	0	0
MASSACHUSETTS	0	0	0
MICHIGAN	0	0	0
MINNESOTA	0	0	0
MISSISSIPPI	0	0	0
MISSOURI	0	0	0
MONTANA	0	0	0
NEBRASKA	0	0	0
NEVADA	0	0	0
NEW HAMPSHIRE	0	0	0
NEW JERSEY	0	0	0
NEW MEXICO	0	0	0
NEW YORK	0	1	0
NORTH CAROLINA	0	0	0
NORTH DAKOTA	0	0	0
OHIO	0	0	0
OKLAHOMA	0	0	0
OREGON	0	0	0
PENNSYLVANIA	0	0	0
RHODE ISLAND	0	0	0
SOUTH CAROLINA	0	0	0
SOUTH DAKOTA	0	0	0
TENNESSEE	0	0	0
TEXAS	0	0	0
UTAH	0	0	0
VERMONT	0	0	0
VIRGINIA	0	0	0
WASHINGTON	0	0	0
WEST VIRGINIA	0	0	0
WISCONSIN	0	0	0
WYOMING	0	0	0
PUERTO RICO	0	0	0
U S VIRGIN ISLANDS	0	0	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company – Owned Outlets In the Next Fiscal Year
Other U S Territories and Possessions	0	0	0
Total	0	2	0

Exhibit F-1 lists the names of all of our operating franchisees and the addresses and telephone numbers of their Stores as of April 17, 2017 Exhibit F-2 lists the franchisees who have signed Franchise Agreements for Stores which were not yet operational as of April 17, 2017 Exhibit F-3 lists the name, city and state, and business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system

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

During the last 3 fiscal years, we have not signed any confidentiality clauses with current or former franchisees, which would restrict them from speaking openly with you about their experience with us

There are no trademark-specific franchisee organizations associated with this franchise system

Item 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit E are our audited financial statements as of December 31, 2014, 2015 and 2016 Franchisor's year-end is December 31

Item 22
CONTRACTS

The following agreements are attached as exhibits to this Disclosure Document

Franchise Agreement and Exhibits

Item 23
RECEIPTS

Attached as Exhibit I is a Receipt acknowledging your receipt of this disclosure document

EXHIBIT B
TO THE DISCLOSURE DOCUMENT

LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

CALIFORNIA Department of Business Oversight One Sansome Street Ste 600 San Francisco CA 94104 (415) 972-8559 Department of Business Oversight 320 W 4th Street Suite 750 Los Angeles California 90013 Department of Business Oversight 1515 K Street Suite 200 Sacramento California 95814 (866) 275-2677 Toll Free Agent Commissioner of Business Oversight	MARYLAND Office of the Attorney General Securities Division 200 St Paul Place Baltimore Maryland 21202-2020 (410) 576-6360 Agent Maryland Securities Commissioner 200 St Paul Place Baltimore Maryland 21202-2020
HAWAII Commissioner of Securities Department of Commerce and Consumer Affairs 335 Merchant Street Honolulu Hawaii 96813 (808) 586-2744 Agent Commissioner of Securities of the Department of Commerce and Consumer Affairs	MICHIGAN Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 670 Law Building Lansing Michigan 48913 (517) 373-7177 Agent Michigan Department of Commerce Corporations and Securities Bureau
ILLINOIS Franchise Division Office of Attorney General 500 South Second Street Springfield Illinois 62706 (217) 782-4465 Agent Illinois Attorney General	MINNESOTA Minnesota Department of Commerce 85 7th Place East Suite 500 St Paul Minnesota 55101-2198 (651) 296-6328 Agent Minnesota Commissioner of Commerce
INDIANA Franchise Section Indiana Securities Division Room E-111 302 West Washington Street Indianapolis Indiana 46204 (317) 232-6681 Agent Indiana Secretary of State Indiana Securities Division 201 State House Indianapolis IN 46204	NEBRASKA Nebraska Department of Banking and Finance 1200 N Street P O Box 95006 Lincoln Nebraska 68509-5006

NEW YORK Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway New York NY 10271 (212) 416-8211 Agent New York Secretary of State 99 Washington Avenue Albany New York 12231	SOUTH DAKOTA Division of Securities c/o 118 West Capitol Pierre South Dakota 57501 (605) 773-4013 Agent Director of South Dakota Division Securities
NORTH DAKOTA Office of Securities Commissioner Fifth Floor 600 East Boulevard Bismarck North Dakota 58505 (701) 328-2910 Agent North Dakota Securities Commissioner	TEXAS Secretary of State P O Box 12887 Austin Texas 78711
OREGON Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387 Agent Director of Oregon Department of Insurance and Finance	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street 9th Floor Richmond, Virginia 23219 (804) 371-9051 Agent Clerk of the State Corporation Commission 1300 E Main St 1st Fl Richmond VA 23219 Tel (804) 371-9733
RHODE ISLAND Division of Securities Suite 232 233 Richmond Street Providence Rhode Island 02903 (401) 222-3048 Agent Director of Rhode Island Department of Business Regulation	WASHINGTON Director Department of Financial Institutions Securities Division P O Box 9033 Olympia Washington 98507 (360) 902-8760 Agent Securities Administrator Director of Department of Financial Institutions
WISCONSIN Securities and Franchise Registration Securities Division of the Wisconsin Department of Financial Institutions P O Box 1768 Madison, Wisconsin 53703 (608) 266-8559 Agent Wisconsin Commissioner of Securities	NORTH CAROLINA Department of the Secretary of State PO Box 29622 Raleigh NC 27626-0622
CONNECTICUT State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford CT 06103-1800 (860) 240-8230 Agent Banking Commissioner	

EXHIBIT C

NUTTY SCIENTISTS USA, INC

FRANCHISE AGREEMENT

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EXHIBITS TO THE FRANCHISE AGREEMENT

EXHIBIT A – TERRITORY
EXHIBIT B – LIST OF FRANCHISEE S PRINCIPALS
EXHIBIT C - GUARANTY
EXHIBIT D – OWNERS
EXHIBIT E – CONFIDENTIALITY AND NON-COMPETE AGREEMENTS
EXHIBIT F - LOGO AND MARKS
EXHIBIT G - INTRANET TERMS OF USE

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the **Agreement**) is made and entered into on this _____day of _____ 20___ (the **Effective Date**) by and between

- Nutty Scientists USA Inc a Florida corporation whose principal place of business is 2114 W Grant Rd #66 Tucson AZ 85745 (**Franchisor**) and

- _____a [resident of] [corporation organized in] [limited liability company organized in] *[select one]* having offices at _____
  _____
  _____
  _____ (**Franchisee**)

- Franchisor advises Franchisee that if the Franchise Agreement is entered into with an individual franchisee the Franchisee may not be eligible for SBA financing as SBA does not extend loans to individuals

BACKGROUND

A Franchisor and its predecessor Fun Science located in Tucson Arizona have developed and owns a format and system (the **System**) relating to the establishment and operation of a business designed to offer entertainment-oriented educational programs (the **Programs**) in almost every area of scientific thought as well as environmental programs, health and habit creator programs and nutrition with the objective of leading children between the ages of 4 to 17 to discover and enjoy science under the Mark Nutty Scientists The programs are offered through birthday parties after school programs workshops and other similar programs for children The franchise will operate under the Proprietary Mark(s) Nutty Scientists®

B The distinguishing characteristics of the System include standards of operations techniques and specifications for the System uniform standards specifications and procedures for operations procedures for inventory and control training and assistance certain specialty products (the **Products**) and marketing and promotional programs, all of which may be changed improved and further developed by Franchisor from time to time

C The System is identified by means of certain trade names service marks, trademarks logos emblems and indicia of origin as are now designated and may hereafter be designated by Franchisor in writing for use in connection with the System including the mark Nutty Scientists and other marks (the "**Proprietary Marks**) The Proprietary Marks are owned by an officer of Franchisor Santiago Pablo Martin Rodriguez **("Santiago")** and Santiago has signed a license agreement with Nutty Scientists to use and license its franchisees the use of the Proprietary Marks in the operation of the Nutty Scientists franchised business

D Franchisee desires to enter into the business of operating as a Nutty Scientists franchisee under the System and using the Proprietary Marks and wishes to enter into this agreement with Franchisor for that purpose and to receive the training and other assistance provided by Franchisor in connection therewith

E Franchisee understands and acknowledges the importance of the high standards of Franchisor for quality appearance and service and the necessity of operating the business franchised by this Agreement in conformity with the standards and specifications of Franchisor

F Franchisee acknowledges that Franchisee has no knowledge whatsoever about the specific managing techniques of the services operating under the System before signing this Franchise Agreement and consequently acknowledges that Franchisee shall learn from Franchisor what is necessary

in order to achieve full performance with the Franchise

NOW, THEREFORE, the parties agree as follows

SECTION 1 - GRANT

1 1 **Grant and Acceptance** Franchisor grants to Franchisee the right and Franchisee by this agreement undertakes the obligation on the terms and conditions set forth in this Agreement to (a) establish and operate a Nutty Scientists franchise (the **Franchised Business**) (b) use only in connection therewith the Proprietary Marks and the System as they may be changed improved or further developed from time to time by Franchisor and (c) operate the Franchised Business only within the Approved Area (as defined in Section 1 2 below) in accordance with this Agreement

1 2 **Approved Area** Franchisee agrees to develop and operate the Franchised Business only in the area specified in Exhibit A to this Agreement as the **Approved Area** Franchisee will not relocate the Franchised Business without Franchisor's prior written consent and/or otherwise in writing by Franchisor as provided in Section 8 10 below The Approved Area will consist of an Approved Area based on a minimum of 150 pre-school elementary and secondary schools (the **Schools**"), and will be defined by streets and zip codes The Approved Area may be a commercial location that will be operated under the name The Nutty Scientists Lab

1 2 1 If Franchisee obtains the opportunity to offer its services (other than Birthday Parties and Schools see below) outside of its Approved Area notwithstanding its lack of marketing there it shall pay a commission to the franchisee who has the Approved Area in which the services are performed The commission shall be 10% of Gross Revenues from those services paid to the other franchisee within 10 days following payment to Franchisee Payment shall be accompanied by a written explanation of the commissioned amount and Franchisee shall at the same time provide a copy of that written explanation to Franchisor Any dispute regarding commissions to adjoining Approved Area franchisees shall be submitted to Franchisor who shall resolve that dispute in Franchisor's sole and absolute discretion

1 3 **Limit on Sales** Franchisee's rights in this Agreement will be limited to offering and selling the Programs Products and Services offered by the franchise and as outlined in the proprietary Operations Manual (the "**Manual**) provided by Franchisor and only within the Approved Area Franchisee will not without the prior written approval of Franchisor engage in any other type of sale or offer to sell or distribution of science activity related programs services or products

1 4 **Approved Area and Reserved Rights** Except as otherwise provided in this Agreement during the term of this Agreement Franchisor will not establish or operate nor license more than one (1) franchisee per 150 schools in the Approved Area to operate a Nutty Scientists franchise See Exhibit A (the **Approved Area**) Franchisor retains the rights among others on any terms and conditions Franchisor deems advisable and without granting Franchisee any rights

1 4 1 To own acquire establish and/or operate and license others to establish and operate Nutty Scientists Franchises under the System at any location within or outside of the Approved Area based on the minimum number of schools for each Nutty Scientists franchise

1 4 2 To own acquire establish and/or operate and license others to establish and operate businesses under proprietary marks other than the Proprietary Marks whether such businesses are similar or different from the Franchised Business at any location outside the Approved Area

1 4 3 To sell the Products or Programs through any distribution channels Franchisor thinks best except through a franchise located within Franchisee's Approved Area

1 4 4 To be acquired (regardless of the form of transaction) by a business identical or similar to Nutty Scientists franchises except if the other business operates franchises and/or licenses competitive businesses in your Approved Area and

1 4 5 To engage in any other business activities not expressly prohibited by this Franchise Agreement anywhere

SECTION 2 - TERM AND RENEWAL

2 1 **Initial Term** This Agreement will be in effect on its acceptance and execution by Franchisor and except as otherwise provided in this Agreement this Agreement will expire ten (10) years from the Effective Date

2 2 **Renewal** Franchisee may apply to operate the Franchised Business for successive additional terms of ten (10) years each if the following conditions are met before each renewal

2 2 1 Franchisee will give Franchisor written notice of Franchisee s election to renew at least six (6) months but not more than twelve (12) months before the end of the term of this Agreement,

2 2 2 Franchisee will not have any past due monetary obligations or other outstanding obligations to Franchisor and its affiliate, the approved suppliers of the System if any or the landlord of the Premises if you lease a location to operate the franchise,

2 2 3 Franchisee will not be in default of any provision of this Agreement or successor of this Agreement or any other agreement between Franchisee and Franchisor or its affiliate the approved suppliers of the System or the landlord of the Premises and Franchisee will have substantially complied with all the terms and conditions of such agreements during the terms of this Agreement

2 2 4 Franchisee will execute a general release in a form prescribed by Franchisor of any and all claims against Franchisor and its affiliates and its respective officers directors agents and employees

2 2 5 Franchisee will execute the then-current form of franchise agreement offered by Franchisor which will supersede this Agreement in all respects and the terms of which may differ from the terms of this Agreement including requirements to pay additional and/or higher fees

2 2 6 Franchisee will comply with the then-current qualification and training requirements of Franchisor

2 2 7 Franchisee will upgrade any products and marketing materials as Franchisor may reasonably require

2 2 8 Franchisee will pay Franchisor a renewal fee of 25% of the initial franchise fee paid under this Agreement upon signing the new franchise agreement

SECTION 3 - DUTIES OF FRANCHISOR

3 1 **Initial Business Set-up** Franchisor will make available at no charge to Franchisee specifications for the basic business set-up and computer equipment required to operate the business though Franchisee is under no obligation to purchase from any specific supplier or manufacturer Franchisee acknowledges that such standard specifications may not meet the requirements of any federal state or local law code or regulation

3 2 **Initial Training** Franchisor will provide its initial training for Franchisee (**Initial Training**) as described in Section 6 of this Agreement Franchisor will also provide such ongoing training as it may from time to time deem appropriate

3 2 1 Franchisee may request additional training at Franchisee s location and agrees to pay Franchisor $1 000 per day for a minimum of two (2) days and pay all travel expenses for on-site

training

3 3 **Loan of Manuals** Franchisor will provide Franchisee on loan, a copy of the Franchisor s confidential operations manual and written policies and correspondence (collectively the **Manuals**) as more fully described in Section 10 in this Agreement

3 4 **Advertising Programs and Materials** Franchisor will review and will have the right to approve or disapprove all advertising and promotional materials that Franchisee proposes to use as specified in Section 13 of this Agreement Franchisor will administer the National or Cooperative Ad Funds if such funds exist or are created in the manner set forth in Section 13 of this Agreement

3 5 **Guidance** Franchisor may provide periodic advice or offer guidance to Franchisee in the marketing management and operation of the Franchised Business as Franchisor determines at the time(s) and in the manner determined by Franchisor

3 6 **Inspections** Franchisor will conduct as it deems advisable inspections of the operation of the Franchised Business by Franchisee

3 7 **Equipment Package**

The Initial Equipment Package will include at the minimum
* 3 different Scientific Shows for events or parties (Materials equipment and supplies)
* 3 different After School Programs (Materials equipment and supplies)
The materials and supplies will be enough for numerous shows and programs the total amount of activities will depend on how many children you have at each activity and how much of the materials and supplies you use
* 1 set of Professional Laboratory Items (Van der Graaf Leyden Jar Flask other laboratory items)
* Branded Items for events Table cloth Nutty Scientists pop up Laboratory Backdrop Table Display 5 - Adult Lab Coats 4 Little Scientists Lab coats, 4 – Adult T-shirts and 4 Children s T-shirts
* Branded Marketing materials Nutty Scientists Folders Nutty Stickers Birthday Party Flyer After School Activity Flyer Camp Flyer Set of Diplomas
* 1 Nutty Scientists Mascot (outfit of the Nutty Professor)
* Complete access to all scripts shows, programs camps and activities located on our secure Intranet and any new shows programs, scripts camps and activities as they are developed
* Custom Micro Website for your specific location (editable by you)

3 8 **Location Design** Franchisor will provide Franchisee with basic design plans material list and layout concept of the Nutty Scientists Lab if Franchisee determines now or in the future to open a Nutty Scientists Lab outlet in its Approved Area

SECTION 4 - FEES

4 1 **Initial Franchise Fee and Other Fees** The initial franchise fee will be Twenty-eight Thousand Dollars ($28 000) for all franchisees The Franchise Fee will be paid in full on the execution of this Agreement but no later than thirty (30) days prior to attending the initial training program

4 1 1 Training Equipment Supply and Micro Website fee A fee of Fifteen Thousand ($15 000) is to be paid for the onsite training, micro website and the equipment and supply package provided to Franchisee by Franchisor no later than thirty (30) days prior to attending the initial training program

4 2 **Refundability** Payment of the Franchise Fee will be non-refundable in consideration of administrative and other expenses incurred by Franchisor in granting this franchise and for Franchisor s lost or deferred opportunity to franchise others

4 3 **Service Fees** Franchisee will pay to Franchisor without offset, credit or deduction of any nature, so long as this Agreement shall be in effect a Service Fee equal to six percent (6%) of the Gross

Revenues derived from the Franchised Business or $200 per month minimum whichever is greater with the first payment due the 7th Month for the preceding 6th month and to continue until month thirty-seven (37) when the Monthly Service Fee will increase to seven percent (7%) of the Gross Revenues derived from the Franchised Business, or $300 per month minimum, whichever is greater and will continue for the balance of the term of this Franchise Agreement The Service Fee will be paid monthly in the manner specified below or as otherwise prescribed in the Manual Franchisor reserves the right in its discretion to require that the Service Fee be paid weekly Franchisee will use its best efforts to maximize Gross Revenues The minimum Service Fee will be increased annually according to the Consumer Price Index (CPI)

4 3 1 On or before the fifth (5th) day of each month beginning the seventh (7th) month after signing this Franchise Agreement Franchisee will submit to Franchisor on a form approved by Franchisor a correct statement signed electronically or manually by Franchisee of Franchisee's Gross Revenues for the preceding month Each monthly statement of Gross Revenues shall be accompanied by the Service Fee payment based on the Gross Revenues reported in the statement so submitted and any monthly reports outlined in the Manual Franchisee will make available to Franchisor all original books and records that Franchisor may deem necessary to ascertain Franchisee's Gross Revenues for reasonable inspection at reasonable times

4 3 2 The term "**Gross Revenues**' as used herein and throughout this Agreement shall mean and include the total of all revenues and income from the sale of all program fees party charges merchandise government grants sponsorships trade transactions and other sums derived from providing educational and entertainment services and related merchandise food, drinks etc to customers of Franchisee or any other source whether or not sold or performed at or from the Nutty Scientists Franchised Business and whether received in cash in services on credit (whether or not payment is received therefore) or otherwise There will be deducted from Gross Revenues for purposes of said computation (but only to the extent they have been included) the amount of all free passes to non-profit groups tips sales tax receipts or similar tax receipts which by law are chargeable to customers, if such taxes are separately stated when the customer is charged and if such taxes are paid to the appropriate taxing authority There will be further deducted from Gross Revenues the amount of any documented refunds chargeback credits and allowances given in good faith to customers by Franchisee

4 3 2 a When/If a Lab location is opened Franchisee is authorized to set up a retail location and a Nutty Scientists Café to offer branded items and approved retail items as well as coffee tea and other food and drink items Franchisee understands and agrees that all merchandise food or otherwise sold in or from the Lab location will be included as Gross Revenues and included in all reports and royalty payments to Franchisor

4 3 3 Franchisee shall pay a late fee of Fifty dollars ($50) for any Service fees received more than five (5) business days late after the applicable due date Franchisee acknowledges that this Paragraph 4 shall not constitute an agreement by Franchisor to accept such payments after same are due or a commitment by Franchisor to extend credit to or otherwise finance Franchisee's operation of the Franchised Business Further Franchisee acknowledges that its failure to pay all amounts when due may constitute cause for termination of this Agreement as provided in Paragraph 16 3 1, hereof notwithstanding the provisions of this Paragraph 4

4 3 4 All other amounts owed by Franchisee to Franchisor including but not limited to franchise fees amounts for any product and/or equipment purchases and technology fund contributions that are not paid when due shall bear interest at the rate of Eighteen percent (18%) per annum or at the maximum rate permitted by law

4 3 5 In the future all Service Fees advertising contributions amounts due for purchases by Franchisee from Franchisor and other amounts which Franchisee owes to Franchisor may be required to be paid through an Electronic Depository Transfer Account ("Electronic Depository Transfer Account") as further described in the Manual Payment for all amounts owed to Franchisor shall be in accordance with the procedures set forth in the Manual and possible payment methods include electronic

funds transfer credit card check certified check money order or wire transfer We reserve the right to modify the payment method or payment period

4 3 6 Notwithstanding any designation by Franchisee Franchisor shall have the sole discretion to apply any payments by Franchisee to any past due indebtedness of Franchisee for Service Fees advertising contributions, purchases from Franchisor interest or any other indebtedness

4 3 7 Notwithstanding any designation by you we (and/or any affiliate) can apply any payments received from you whether designated as payable to us or otherwise to any past due or other indebtedness of yours (or any affiliate of yours) for service fees marketing contributions, purchases, interest or otherwise as we choose in our sole and absolute discretion We (and/or any affiliate) can set off from any amounts that may be owed to you (or any affiliate of yours) any amount that you owe to us (and/or any affiliate) or with respect to any marketing contribution or otherwise We can retain any amounts we have received for your account (whether rebates or other funds and whether paid by or due from suppliers or otherwise) as a credit and payment against any amounts that you (or any affiliate of yours) owe or will owe to us (or any affiliate) or with respect to any marketing contribution without notice and at any time

4 3 8 Unless expressly provided otherwise or unless we consent in writing to the contrary all amounts due us and/or any affiliate will be paid in the designated amount in United States Dollars and all references to any amounts shall be deemed to be references to United States Dollars

4 4 **Advertising Contributions** Franchisee will contribute two (2%) percent of Gross Revenues derived from the Franchised Business The Advertising Fund contributions will be paid monthly in the manner specified in Section 13 2 below or as otherwise prescribed in the Manual Franchisor has the right to establish the Advertising Fund at any time when there are a certain number of franchisees in the system

4 4 1 **Local Advertising** Franchisee agrees to spend a minimum of two percent 2% of gross revenues or $250 every quarter on local advertising whichever is greater

4 5 **Intranet Fees/Website Fees** Franchisee will pay a monthly service fee for access to Franchisor's secure Intranet System The fee is based on the number of users Franchisee has and will not exceed $50 per month and will be outlined in the Intranet Terms of Use Agreement (Exhibit G to this Franchise Agreement) you will sign prior to receiving access to the Intranet System Franchisee will pay Franchisor an annual fee of $375 for hosting the micro website/page that Franchisor will establish for Franchisee This annual fee is due February 1st of each year and will be pro-rated for the period when this Franchise Agreement is signed until the following February 1st The Website Fee may be increased annually not to exceed 10% per year

4 6 **When Payments Due** All payments required by Section 4 3 above will be due by Check Credit Card direct debit or bank wire transfer

4 7 **Police Report** Prior to the final approval and signing of this Franchise Agreement Franchisee agrees to deliver to Franchisor a certified police report and criminal background check on Franchisee and any partners, employees or other individuals who will be involved in the business Upon receipt of this report Franchisor will issue the final approval on your Franchise Franchisee will use the approved supplier of Franchisor for these services as outlined in the Operations Manual and agrees to have police and criminal background checks completed on employees on an annual basis

SECTION 5 - LOCATION AND OPENING OF BUSINESS

5 1 **Location** Franchisor will neither approve nor disapprove any particular site for the operation of the Franchised Business except in the case of the Nutty Scientists Lab but will review sites with Franchisee at Franchisee request and make suggestions to appropriate sites Unless Franchisee is establishing a Nutty Scientists Lab Franchisor suggests that Franchisee operate from a home based office

5 1 1 Franchisee will comply with all federal, state and local laws codes and regulations regarding the operation of the Franchised Business including any business licenses as may be required by local municipalities

5 1 2 Franchisee will be responsible for obtaining all zoning classifications and clearances that may be required by state or local laws ordinances or regulations or that may be necessary to operate the business

5 1 3 Franchisee may establish and operate a retail location called The Nutty Scientists Lab which will be designed and built out according to the design specifications of Franchisor and as outlined in the Nutty Scientists Lab development package Franchisor will have the right but not the obligation to approve the location of the retail site

5 1 4 Franchisee agrees to design develop and open the Nutty Scientists Lab according to the specifications from Franchisor and to secure all permits insurance and licensing as may be required in Franchisees local territory and to provide Franchisor with written documentation and copies of all leases insurance design development and other required documentation as Franchisor may require

5 2 **Opening Date** Unless delayed by the occurrence of events constituting force majeure as defined in Section 5 3 below Franchisee will begin operating the Franchised Business within two (2) months following the completion of training The Nutty Scientists Lab will not need to be developed or completed before Franchisee begins operations of the Franchised Business

5 3 **Force Majeure** As used in this Agreement **force majeure** means an act of God war civil disturbance act of terrorism government action fire flood accident hurricane earthquake or other calamity strike or other labor dispute or any other cause beyond the reasonable control of Franchisee provided however force majeure will not include Franchisee s lack of adequate financing

SECTION 6 - TRAINING

6 1 **Initial Training and Attendees** Before opening the Franchised Business Franchisee will have satisfied all initial training obligations in 6 1 1 required by Franchisor which are as follows

6 1 1 Franchisee (or if Franchisee is other than an individual, the Designated Principal (defined in Section 8 3 below) will attend and successfully complete to Franchisor's satisfaction the initial training program offered by Franchisor within 90 days of signing this Franchise Agreement Franchisee will be open for business and ready to sell and market the business after the initial training

6 2 **Training Costs** The cost of all training (instruction and required materials) is described in Section 4 1 1 above All other expenses incurred in connection with training including without limitation the costs of transportation lodging, meals wages and worker's compensation insurance, will be borne directly by Franchisee

6 3 **Location of Training** All training programs will be at such times as may be designated by Franchisor Training programs will be provided at Franchisor s headquarters in Arizona or Florida and/or such other locations as Franchisor may designate

6 4 **On-site Training** Franchisor will provide a second training course in Franchisee s location to assist in organizing Franchisee s grand opening and marketing activities and to provide hands-on training of Franchisee s Nutty Scientists assistants (the **Monitors**) who will assist with Franchisee s delivery of the Programs

6 5 **Additional Training** If Franchisee requests that Franchisor provide additional on-site training or that any other training programs offered or required by Franchisor be conducted for Franchisee at the Franchised Business and Franchisor does so then Franchisee agrees that it will pay Franchisor s then-current per diem charges and out-of-pocket expenses which will be as set forth in the Manual or

otherwise in writing

SECTION 7 -TECHNOLOGY

7 1 **Computer Systems and Required Software** The following terms and conditions will apply with respect to the Computer System and Required Software

7 1 1 Franchisor does not require that Franchisee purchase or own any specific brand of computer to operate the business but may do so in the future to automate the system for uniformity with all locations Franchisee must have hi-speed internet access

7 1 2 Franchisee will record all sales into QuickBooks online which is required to be subscribed to and accessed through Franchisee s computer system

7 2 **Data** Franchisor may from time-to-time specify in the Manual or otherwise in writing the information that Franchisee will collect and maintain on the Computer System installed at the Franchised Business and Franchisee will provide to Franchisor such reports as Franchisor may reasonably request from the data so collected and maintained All data pertaining to the Franchised Business and all data created or collected by Franchisee in connection with the Franchisee s operation of the business is and will be owned exclusively by Franchisor and Franchisor will have the right to use such data in any manner that Franchisor deems appropriate without compensation to Franchisee Copies of such data must be provided to Franchisor on Franchisor s request

7 3 **Privacy** Franchisee will abide by all applicable laws pertaining to privacy of information collected or maintained regarding customers or other individuals ("**Privacy**) and will comply with Franchisor s standards and policies pertaining to Privacy If there is a conflict between Franchisor's standards and policies pertaining to Privacy and applicable law Franchisee will (a) comply with the requirements of applicable law (b) immediately give Franchisor written notice of the conflict and (c) promptly and fully cooperate with Franchisor and Franchisor's counsel as Franchisor may request to assist Franchisor in its determination regarding the most effective way if any to meet Franchisor s standards and policies pertaining to Privacy within the bounds of applicable law

7 4 **Telecommunications** Franchisee will comply with Franchisor s requirements (as set forth in the Manual or otherwise in writing) with respect to establishing and maintaining telecommunications connections between Franchisee s Computer System and Franchisor s Intranet (as defined below) if any and/or such other computer systems as Franchisor may reasonably require

7 5 **Intranet** Franchisor has established a website providing private and secure communications between Franchisor Franchisee franchisees licensees and other persons and entities as determined by Franchisor in its sole discretion (an **Intranet**") Franchisee will comply with Franchisor s requirements (as set forth in the Manual or otherwise in writing) with respect to connecting to the Intranet and utilizing the Intranet in connection with the operation of the Franchised Business The Intranet includes without limitation the Manuals training other assistance materials and management reporting solutions (both upstream and downstream as Franchisor may direct) Franchisee will purchase and maintain such computer software and hardware as may be required to connect to and utilize the Intranet and pay the monthly access fee as outlined in 4 5 above

7 6 **Websites** As used in this Agreement the term **Website**" (**www nuttyscientists com**) means an interactive electronic document, series of symbols or otherwise that is contained in a network of computers linked by communications software The term Website includes but is not limited to Internet and World Wide Web home pages In connection with any Website Franchisee agrees to the following

7 6 1 Franchisor has established and will continue to maintain all Websites related to the Nutty Scientists business and the services promoted by the Nutty Scientists franchisees Franchisor will have the sole right to control all aspects of the Website, including without limitation its design content functionality links to the websites of third parties legal notices and policies and terms of usage Franchisor

will also have the right to discontinue operation of the website

7 6 2 Franchisor will establish Franchisee micro-sites that will be in a WordPress format allowing Franchisee to make certain modifications to their particular location services hours and programs with Franchisor s approval Such web page(s) to be located within Franchisor s Website Franchisee will comply with Franchisor's policies with respect to the creation maintenance and content of any such web pages and Franchisor s will have the right to refuse to post and/or discontinue posting any content and/or the operation of any webpage

7 6 3 Franchisee will not establish a separate Website will not register or secure any domain names that include the marks Nutty Scientists Fun Science or any other marks used and owned by Franchisor and will not market the System and Programs online on any website social media social networking site or similar sites anywhere without the prior written approval of Franchisor

7 6 4 Franchisor will have the right to modify the terms of this Section 7 relating to Websites as Franchisor will solely determine is necessary or appropriate

7 7 **Online Use of Marks** Franchisee will not use the Proprietary Marks or any abbreviation or other name associated with Franchisor and/or the System as part of any e-mail address domain name and/or other identification of Franchisee in any electronic medium Franchisee agrees not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without Franchisor s prior written consent as to Franchisee s plan for transmitting such advertisements

7 8 **Changes to Technology** Franchisee and Franchisor acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement In order to provide for inevitable but unpredictable changes to technological needs and opportunities Franchisee agrees that Franchisor will have the right to establish in writing reasonable new standards for the implementation of technology in the System and Franchisee agrees that it will abide by those reasonable new standards established by Franchisor as if this Section 7 were periodically revised by Franchisor for that purpose

SECTION 8 - OTHER DUTIES OF FRANCHISEE

8 1 **Details of Operation** Franchisee understands and acknowledges that every detail of the System and this Agreement is important to Franchisee Franchisor and other franchisees in order to develop and maintain high operating quality and service standards to increase the demand for the Programs offered by all franchisees to protect Nutty Scientists franchisees operating under the System and to protect the reputation and goodwill of Franchisor

8 2 **Comply with the Agreement, including the Manuals** Franchisee will operate the Franchised Business in strict conformity with this Agreement and such standards and specifications as Franchisor may from time to time prescribe in the Manuals or otherwise in writing and will refrain from deviating from such standards specifications and procedures without the prior written consent of Franchisor

8 3 **Management of Business & Designated Principal** If Franchisee is other than an individual before beginning training, Franchisee will comply with the following

8 3 1 Franchisee will designate subject to Franchisor s reasonable approval, one Principal who is both an individual person and owns at least a ten percent (10%) beneficial interest in Franchisee and who will be responsible for general oversight and management of the operations of the Franchised Business on behalf of Franchisee (the **Designated Principal**) In the event the person designated as the Designated Principal dies becomes incapacitated transfers his/her interest in Franchisee or otherwise ceases to supervise the operations of the Franchised Business Franchisee will promptly designate a new Designated Principal subject to Franchisor s reasonable approval

8 3 2 Franchisee acknowledges and agrees that Franchisor will have the right to rely on either or both the Designated Principal or General Manager to have been given by Franchisee the responsibility and decision-making authority regarding the Franchised Business s operation and Franchisee s business

8 4 **Conformity to Standards** To insure that the highest degree of quality and service is maintained Franchisee will operate the Franchised Business in strict conformity with such methods standards and specifications as Franchisor may from time to time prescribe in the Manuals or otherwise in writing Without limitation Franchisee agrees as follows

8 5 2 Franchisee will offer and sell only the Programs that Franchisor specifies, using the Proprietary marks unless otherwise approved in writing by Franchisor and Franchisee will offer and sell all of the Programs as Franchisor may specify from time-to-time through the Franchised Business Franchisee will offer and sell the Programs utilizing the standards and techniques as specified by Franchisor

8 6 **Purchases and Approved Suppliers** Franchisee will purchase certain supplies and materials used for the operation of the franchise from suggested or approved suppliers Franchisee may purchase all other equipment and supplies that it determines to use for the establishment and operation of the Franchised Business from suppliers of its choice Franchisor reserves the right to designate, at any time and for any reason a single supplier for any equipment supplies services or products and to require Franchisee to purchase exclusively from such designated supplier which exclusive designated supplier may be Franchisor or an affiliate of Franchisor

8 7 **Trademarked Items** Franchisee will ensure that all advertising and promotional materials signs forms and stationery used in the Franchised Business products and other items specified by Franchisor bear the Proprietary Marks in the form color location, and manner prescribed by Franchisor Franchisee will place and illuminate all signs in accordance with Franchisor s specifications

8 8 **Obligations to Third Parties** Franchisee must at all times pay its distributors contractors, suppliers trade creditors employees and other creditors promptly as the debts and obligations to such persons become due and failure to do so will constitute a breach of this Agreement

8 9 **Notice of Legal Actions** Franchisee will notify Franchisor in writing within five (5) days of the start of any suit to foreclose any lien or mortgage or any action suit or proceeding and of the issuance of any order writ injunction award or decree of any court agency or other governmental instrumentality including health agencies which (i) relates to the operation of the Franchised Business (ii) may adversely affect the operation or financial condition of the Franchised Business or (iii) may adversely affect Franchisee s financial condition

8 10 **No Relocation** Franchisee will not relocate the Franchised Business outside of the Approved Area without prior written approval of Franchisor Franchisees operating a Nutty Scientists Lab location must receive written approval from Franchisor to move the Lab to a new location

8 11 **Franchisee Advisory Councils** If Franchisor should during the term of this Agreement form or require the formation of a franchisee advisory council or association (the **Advisory Council**") or such successor council to serve as an advisory council to Franchisor with respect to advertising marketing, and other matters relating to franchised Nutty Scientists Franchises Franchisee will become a member of the Advisory Council In such event Franchisee will pay to the Advisory Council all dues and assessments authorized by the Advisory Council and will otherwise abide by the rules and regulations of the Advisory Council and will at all times maintain its membership in the Advisory Council in good standing

8 12 **Changes to the System** Franchisee acknowledges and agrees that from time to time hereafter Franchisor may change or modify the System presently identified by the Proprietary Marks as Franchisor deems appropriate including without limitation to reflect the changing market and to meet new and changing consumer demands and that variations and additions to the System may be required from

time to time to preserve and enhance the public image of the System and operations of Nutty Scientists Franchises Changes to the System may include, without limitation the adoption and use of new modified or substituted products, services, equipment and new techniques and methodologies and (as described in Section 9 below) additional or substitute trademarks service marks and copyrighted materials Franchisee will with reasonable notice, accept implement use and display in the operation of the Franchised Business any such changes in the System as if they were part of this Agreement at the time of execution of this Agreement at Franchisee's sole expense Additionally Franchisor reserves the right, in its sole discretion to vary the standards throughout the System as well as the services and assistance that Franchisor may provide to some franchisees based on the peculiarities of a particular site or circumstance existing business practices or other factors that Franchisor deems to be important to the operation of any Nutty Scientists Franchises or the System Franchisee will have no recourse against Franchisor on account of any variation to any franchisee and will not be entitled to require Franchisor to provide Franchisee with a like or similar variation of this Agreement

8 13 **Location and Upkeep of the Nutty Scientists Lab** At all times you are required to perform regular maintenance and repair within the Nutty Scientists Lab From time to time during the term of this Agreement in order to maintain or improve the appearance and efficient operation of the Nutty Scientists Lab to increase its sales potential and/or to ensure compliance with our standards and the franchise identity we reserve the right to require that you refurbish the Nutty Scientists Lab In such event we shall provide you a written notice of the specific actions required to be taken by you in connection with any required refurbishing all of which shall be completed within six (6) months of receipt of said notice By way of example and not limitation refurbishing may include

(a) replacement of worn out or obsolete equipment fixtures furniture and signs

(b) the substitution or addition of new or improved equipment including computer hardware and software fixtures furniture and signs

(c) redecorating as may be reasonably required by Franchisor

(d) repair of the interior and exterior of the premises repair and resurfacing of parking facilities and

(e) structural modifications and remodeling of the premises

Except in connection with a renewal of the franchise, you will not be required to make aggregate expenditures for refurbishing of the Nutty Scientists Lab other than expenditures which may be required for changes to corporate identity, in excess of two and one-half percent (2-1/2%) of the gross sales of the Nutty Scientists Lab from the date of its opening to the date of any required refurbishing You will not be required to refurbish the Nutty Scientists Lab during the last twelve (12) months of the initial term of the franchise

SECTION 9 - PROPRIETARY MARKS

9 1 **Ownership** Franchisor represents with respect to the Proprietary Marks (Exhibit G) that

9 1 1 Franchisor is the owner of all right title and interest in and to the Proprietary Marks

9 1 2 Franchisor will take all steps reasonably necessary to preserve and protect the ownership and validity in and to the Proprietary Marks

9 2 **License to Franchisee** Franchisee s right to use the Proprietary Marks is limited to such uses as are authorized under this Agreement and any unauthorized use of the Proprietary Marks will constitute an infringement of rights of Franchisor

9 3 **Terms of Franchisee's Usage** With respect to Franchisee s use of the Proprietary Marks Franchisee agrees to

9 3 1 Use only the Proprietary Marks designated by Franchisor and to use them only in the manner authorized and permitted by Franchisor

9 3 2 Franchisee will use the Proprietary Marks only for the operation of the business franchised by this Agreement and only as approved by Franchisor in relation to advertising

9 3 3 Operate and advertise the Franchised Business only under the name Nutty Scientists and use the Proprietary Marks without prefix or suffix unless otherwise authorized or required by Franchisor

9 3 4 Franchisee will not use the Proprietary Marks as part of its corporate or other legal name, or as part of any e-mail address domain name or other identification of Franchisee in any electronic medium or social media such as LinkedIn Facebook, Twitter and other similar social media and social networking sites Franchisee may as necessary to conduct the business of the Franchised Business and to obtain governmental licenses and permits for the Franchised Business indicate that Franchisee will be operating the Franchised Business under the trade name Nutty Scientists provided that Franchisee will also clearly identify itself as the owner and operator of the Franchised Business

9 3 5 Identify itself as the owner of the Franchised Business (in the manner required by Franchisor) in conjunction with any use of the Proprietary Marks including on invoices, order forms receipts and business stationery as well as at such conspicuous locations on the Premises if any as Franchisor may designate in writing

9 3 6 Not use the Proprietary Marks to incur any obligation or indebtedness on behalf of Franchisor,

9 3 7 Execute any documents deemed necessary by Franchisor to obtain protection for the Proprietary Marks or to maintain their continued validity and enforceability and

9 3 8 Promptly notify Franchisor of any suspected unauthorized use of the Proprietary Marks any challenge to the validity of the Proprietary Marks or any challenge to Franchisor s ownership of the right of Franchisor to use and to license others to use, or Franchisee s right to use the Proprietary Marks Franchisee acknowledges that Franchisor has the sole right to direct and control any administrative proceeding or litigation involving the Proprietary Marks including any settlement of the proceeding Franchisor has the right, but not the obligation to take action against uses by others that may constitute infringement of the Proprietary Marks Franchisor will defend Franchisee against any third-party claim suit or demand arising out of Franchisee s use of the Proprietary Marks If Franchisor in its sole discretion determines that Franchisee has used the Proprietary Marks in accordance with this Agreement, the cost of such defense including the cost of any judgment or settlement will be borne by Franchisor If Franchisor in its sole discretion determines that Franchisee has not used the Proprietary Marks in accordance with this Agreement, the cost of such defense including the cost of any judgment or settlement will be borne by Franchisee In the event of any litigation relating to Franchisee's use of the Proprietary Marks Franchisee will execute any and all documents and do such acts as may in the opinion of Franchisor be necessary to carry out such defense or prosecution including but not limited to becoming a nominal party to any legal action Except to the extent that such litigation is the result of Franchisee s use of the Proprietary Marks in a manner inconsistent with the terms of this Agreement Franchisor agrees to reimburse Franchisee for its out-of-pocket costs in doing such acts

9 4 **Franchisee Acknowledgments** Franchisee expressly understands and acknowledges that

9 4 1 Franchisor is the owner of all right title and interest in and to the Proprietary Marks and the goodwill associated with and symbolized by them and that Franchisor has the sole right to use and license others to use the Proprietary Marks

9 4 2 During the term of this Agreement and after its expiration or termination Franchisee will not directly or indirectly contest the validity of Franchisor s ownership of or right to use and to license others to use the Proprietary Marks

9 4 3 Franchisee s use of the Proprietary Marks does not give Franchisee any ownership interest or other interest in or to the Proprietary Marks

9 4 4 Any and all goodwill arising from Franchisee's use of the Proprietary Marks will inure solely and exclusively to the benefit of Franchisor and on expiration or termination of this Agreement no monetary amount will be assigned as attributable to any goodwill associated with Franchisee s use of the System or the Proprietary Marks

9 4 5 The right and license of the Proprietary Marks granted by this Agreement to Franchisee is nonexclusive and Franchisor thus has and retains the rights among others (a) to use the Proprietary Marks itself in connection with selling the Programs, (b) to grant other licenses for the Proprietary Marks and (c) to develop and establish other systems using the Proprietary Marks similar proprietary marks, or any other proprietary marks and to grant licenses to that Agreement without providing any rights to that Agreement to Franchisee, and

9 4 6 Franchisor will have the right to substitute different proprietary marks for use in identifying the System and the businesses operating under the System at the sole discretion of Franchisor

SECTION 10 - MANUALS

10 1 **The Manuals and Furnishings to Franchisee** In order to protect the reputation and goodwill of Franchisor and to maintain high standards of operation under the System Franchisee will operate the Franchised Business in accordance with the standards methods policies and procedures specified in the Manuals which Franchisee will receive on loan from Franchisor via electronic access or otherwise for the term of this Agreement on completion by Franchisee of initial training The Manuals may be set forth in several volumes including such amendments to the Manuals as Franchisor may publish from time to time Additionally Franchisee acknowledges and agrees that Franchisor may provide a portion or all (including updates and amendments) of the Manuals and other instructional information and materials in or via electronic media, including without limitation, through the use of computer disks or the Internet

10 2 **The Manuals are Proprietary and Confidential** Franchisee will treat the Manuals any other materials created for or approved for use in the operation of the Franchised Business and the information contained in the Manuals as confidential and will use all reasonable efforts to maintain such information (both in electronic and other formats) as proprietary and confidential Franchisee will not download copy duplicate record or otherwise reproduce the foregoing materials, in whole or in part or otherwise make the same available to any unauthorized person

10 3 **The Manuals Remain Franchisor's Property** The Manuals will remain the sole property of Franchisor and will be accessible only from a secure place on the Premises, and will be returned to Franchisor as set forth in Section 17 8 below on the termination or expiration of this Agreement

10 4 **Revisions to the Manuals** Franchisor may from time to time revise the contents of the Manuals and Franchisee expressly agrees to comply with each new or changed standard Franchisee will ensure that the Manuals are kept current at all times In the event of any dispute as to the contents of the Manuals the terms of the master copies maintained at the headquarters of Franchisor will be controlling

SECTION 11 - CONFIDENTIAL INFORMATION

11 1 **Agreement with respect to Confidentiality** Franchisee acknowledges and agrees that it will not during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person or entity any confidential information knowledge or know-how concerning Franchisor the

System the Programs and/or the marketing management or operations of the Franchised Business that may be communicated to Franchisee or of which Franchisee may be apprised by virtue of Franchisee s operation under the terms of this Agreement Franchisee will divulge such confidential information only to such of its employees as must have access to it in order to operate the Franchised Business Any and all information knowledge, know-how and techniques which Franchisor designates as confidential will be deemed confidential for purposes of this Agreement except information which Franchisee can demonstrate came to its attention before disclosure of this Agreement by Franchisor or which at or after the time of disclosure by Franchisor to Franchisee had become or later becomes a part of the public domain through publication or communication by others

11 2 **Individual Covenants of Confidentiality** At Franchisor's request, Franchisee will require its manager and any personnel having access to any confidential information of Franchisor to execute covenants that they will maintain the confidentiality of information they receive in connection with their employment by Franchisee at the Franchised Business Such covenants will be in a form satisfactory to Franchisor (the current forms of which are included in Exhibit F to this Agreement), which will include specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them

11 3 **Remedies for Breach** Franchisee acknowledges that any failure to comply with the requirements of this Section 11 will cause Franchisor irreparable injury, and Franchisee agrees to pay all court costs and reasonable attorney s fees incurred by Franchisor in obtaining specific performance of or an injunction against violation of the requirements of this Section 11

11 4 **Grantback** Franchisee agrees to disclose to Franchisor all ideas concepts methods techniques and products conceived or developed by Franchisee, its affiliates owners or employees during the term of this Agreement relating to the development and/or operation of the Franchised Business Franchisee by this agreement grants to Franchisor and agrees to procure from its affiliates owners or employees a perpetual non-exclusive and worldwide right to use any such ideas concepts methods techniques in all businesses operated by Franchisor or its affiliates franchisees and designees Franchisor will have no obligation to make any payments to Franchisee with respect to any such ideas concepts methods techniques or products Franchisee agrees that Franchisee will not use or allow any other person or entity to use any such concept method technique or product without obtaining Franchisor's prior written approval

SECTION 12 - ACCOUNTING AND RECORDS

12 1 **Books and Records** With respect to the operation and financial condition of the Franchised Business Franchisor may require that Franchisee adopt until otherwise specified by Franchisor a fiscal year that coincides with Franchisor s then-current fiscal year as specified by Franchisor in the Manual or otherwise in writing Franchisee will maintain for a period of not less than five (5) years during the term of this Agreement and for not less than three (3) years following the termination expiration or non-renewal of this Agreement full complete and accurate books records, and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by Franchisor from time to time in the Manuals or otherwise in writing including but not limited to (i) weekly sales reports (ii) cash receipts journal and general ledger (iii) Outlet account details and complete contact information (iv) monthly bank statements deposit slips and cancelled checks (v) all tax returns (vi) supplier's invoices (paid and unpaid) (vii) dated daily and Monthly transaction journal, (viii) semi-annual fiscal period balance sheets and fiscal period profit and loss statements, (ix) Franchisee is required to set up and subscribe to QuickBooks online to maintain all records of the franchise operation (x) such other records as Franchisor may from time to time request

12 1 1 **Computer and Software Systems** Franchisor may require a specific computer/software program or Point of Sale System that Franchisee agrees to secure and operate its business from to include customer registration invoice tracking royalty payments and other reporting that Franchisor believes will be of benefit to Franchisee and the brand The costs for this system will not exceed a $500 set up fee and no more than $100 per month

12 2 **Franchisee's Reports to Franchisor** Franchisee is required to provide monthly reports to Franchisor as outlined in Section 4 3 1 of this Franchise Agreement and the Operations Manual

SECTION 13 - MARKETING AND PROMOTION

13 1 **Franchisee's Advertising Obligations** Recognizing the value of marketing and promotion and the importance of the standardization of marketing and promotion programs to the furtherance of the goodwill and public image of the System Franchisee and Franchisor agree as follows

13 1 1 Franchisee understands and agrees that all sales made for the franchised business are most effective by face to face meeting with prospective Clients With that in mind Franchisee or sales representatives of Franchisee will go out to direct market the Programs to schools day care centers after school programs local summer camp programs and similar programs in Franchisee s Approved Area

13 1 2 With that said Franchisor reserves the right now or in the future to require that Franchisee during each Month to spend a minimum amount not to exceed $200 per month on local advertising of the franchised business Franchisee will submit receipts for all advertising done in Franchisee s area when the minimum advertising requirement as outlined in this Sub-Section 13 1 2 becomes active

13 2 **National Ad Fund** Franchisee will contribute to the National Ad Fund in the manner specified in Section 4 4 above The National Ad Fund will be maintained and administered by Franchisor as follows

13 2 1 Franchisor will direct all marketing programs with sole discretion over the concepts materials and media used in such programs and the placement and allocation for them Franchisor is not obligated in administering the National Ad Fund, to make expenditures for Franchisee which is equivalent or proportionate to Franchisee s contribution or to ensure that any particular Franchisee benefits directly or pro rata from expenditures by the National Ad Fund

13 2 2 The National Ad Fund all contributions to the National Ad Fund and any earnings thereon will be used exclusively to meet any and all costs of maintaining, administering directing conducting and preparing marketing advertising public relations and/or promotional programs and materials and any other activities including socially responsible activities which Franchisor believes will enhance the image of the System including among other things the costs of preparing and conducting media marketing campaigns direct mail advertising marketing surveys and other public relations activities or public relations agencies to assist in the enhancement of the System sponsorship of organizations and events purchasing promotional items and providing promotional and other marketing materials and services to Nutty Scientists Franchises operating under the System

13 2 3 Franchisee will contribute to the National Ad Fund by separate payment made payable (or as otherwise directed for payment) to Franchisor by electronic funds transfer (See Exhibit C to this Franchise Agreement) All sums paid by Franchisee to the National Ad Fund will be accounted for separately and will not be used to defray any of the expenses of Franchisor except for such reasonable costs salaries and overhead if any, as Franchisor may incur in activities reasonably related to the direction and implementation of the System Ad Fund and marketing programs for operators and the System including costs of personnel for creating and implementing marketing advertising and promotional programs The National Ad Fund and any earnings from it will not otherwise inure to the benefit of Franchisor Franchisor will maintain separate bookkeeping accounts for the National Ad Fund

13 2 4 Franchisor on request will provide Franchisee with an annual accounting of National Ad Fund receipts and disbursements

13 2 5 Franchisor reserves the right at its sole discretion, to discontinue the National Ad

Fund on written notice to Franchisee

13 2 6 Franchisor may but is not required to make available to Franchisee from time to time marketing plans and promotional materials including newspaper mats merchandising materials sales aids point-of-purchase materials special promotions direct mail materials, and similar marketing and promotional materials produced from contributions to the National Ad Fund Franchisee acknowledges and agrees that it will be reasonable for Franchisor to not provide any such materials to Franchisee during any period in which Franchisee is in not in full compliance with its obligations to contribute to the National Ad Fund Additionally if monies of the National Ad Fund are used to produce point of sale materials or other samples or other promotional materials and items Franchisor may on the behalf of the National Ad Fund sell such items to franchisees in the System at a reasonable price and any proceeds from the sale of such items or materials will be contributed to the National Ad Fund

13 3 **Standards for Advertising** All advertising marketing and promotion to be used by Franchisee the National Ad Fund or any Cooperative Ad Fund will be in such media and of such type and format as Franchisor may approve will be conducted in a dignified manner, and will conform to such standards and requirements as Franchisor may specify Franchisee will not use any marketing or promotional plans or materials that are not provided by Franchisor unless and until Franchisee has submitted the materials to Franchisor according to the procedures and terms set forth in Section 13 3 and 13 4 in this Agreement

13 4 **Franchisor's Approval of Proposed Plans and Materials** If Franchisee desires to use marketing and promotional plans and materials that have not been provided or previously approved by Franchisor Franchisee will submit samples of all such marketing and promotional plans and materials to Franchisor (as provided in Section 24 in this Agreement) for prior approval (except with respect to prices to be charged) If written notice of disapproval is not received by Franchisee from Franchisor within five (5) business days of the date of receipt by Franchisor of such samples or materials Franchisor will be deemed to have approved them

13 5 **Ownership of Advertising Plans and Materials** Franchisee acknowledges and agrees that any and all copyrights in and to advertising and promotional materials developed by or on behalf of Franchisee which bear the Proprietary Marks will be the sole property of Franchisor and Franchisee agrees to execute such documents (and if necessary require its independent contractors to execute such documents) as may be deemed reasonably necessary by Franchisor to give effect to this provision Any advertising marketing promotional public relations, or sales concepts plans programs activities or materials proposed or developed by Franchisee for the Franchised Business or the System and approved by Franchisor may be used by Franchisor and other operators under the System of Franchisor without any compensation to Franchisee

SECTION 14 - INSURANCE

14 1 **Insurance** Franchisee will procure at its expense and maintain in full force and effect during the term of this Agreement an insurance policy or policies protecting Franchisee and Franchisor and their officers directors partners and employees against any loss liability personal injury death or property damage or expense whatsoever arising or occurring on or in connection with Franchisee s operations and the Franchised Business as Franchisor may reasonably require for their own and Franchisee s protection Franchisor and such of its respective affiliates will be named additional insured in such policy or policies

14 2 **Coverages** Such policy or policies will be written by an insurance company satisfactory to Franchisor in accordance with standards with least an "A" Rating Classification as indicated in Best's Key Rating Guide and specifications set forth in the Manual or otherwise in writing provided however that Franchisor will have the right to designate from time to time one or more insurance companies as the insurance carrier(s) for Nutty Scientists Franchises and if required by Franchisor Franchisee will obtain its insurance coverage from the designated insurance company (or companies) The policy or policies will include at a minimum (except as different coverages, umbrella coverages and policy limits may reasonably

be specified for all Franchisees from time to time by Franchisor in the Manual or otherwise in writing) the following

14 2 1 All risks coverage insurance on the Franchised Business and all fixtures equipment, supplies,and other property used in the operation of the Franchised Business, for full repair and replacement value of the equipment improvements and betterments without any applicable co-insurance clause except that an appropriate deductible clause will be permitted

14 2 2 Worker's compensation and employer s liability insurance as well as such other insurance as may be required by statute or rule of the state in which the Franchised Business is located and operated If Franchisee is permitted to and elects not to have worker s compensation insurance for its owners and officers Franchisee will have alternative coverages at all times for work-related injuries

14 2 3 Comprehensive general liability insurance with limits of at least One Million Dollars ($1 000 000) per occurrence and Two Million Dollars ($2 000 000) general aggregate including the following coverages personal injury (employee and contractual inclusion deleted) products/completed operation and tenant s legal liability, insuring Franchisor and Franchisee against all claims suits obligations, liabilities and damages including attorneys' fees, based on or arising out of actual or alleged personal injuries or property damage resulting from, or occurring in the course of or on or about or otherwise relating to the Franchised Business provided that the required amounts in this Agreement may be modified from time to time by Franchisor to reflect inflation or future experience with claims

14 2 4 Automobile liability insurance and property damage liability including owned non-owned and hired vehicle coverage with at least Five Hundred Thousand Dollars ($500 000) combined single limit or as required by law

14 2 5 Such insurance and types of coverage as may be required by the terms of any lease for the premises for a Lab location local requirements for working with children at the premises/Lab or as may be required from time to time by Franchisor

14 3 **Certificates of Insurance** The insurance afforded by the policy or policies respecting liability will not be limited in any way by reason of any insurance which may be maintained by Franchisor At least thirty (30) days before the opening of the Franchised Business but in no event later than the date on which Franchisee acquires an interest including any leasehold interest, in any real property on which it will operate the Franchised Business and thereafter on an annual basis Franchisee will provide Franchisor with a Certificate of Insurance and copy of the Declaration Page from the Policy(ies) showing compliance with the foregoing requirements Such certificate will state that the policy or policies will not be canceled or altered without at least thirty (30) days prior written notice to Franchisor and will reflect proof of payment of premiums Maintenance of such insurance and the performance by Franchisee of the obligations under this Paragraph will not relieve Franchisee of liability under the indemnity provision set forth in this Agreement Franchisee acknowledges that minimum limits as required above may be modified by Franchisor in its sole discretion from time to time by written notice to Franchisee

SECTION 15 - TRANSFER OF INTEREST

15 1 **Franchisor's Rights to Transfer** Franchisor will have the right to transfer or assign this Agreement and all or any part of its rights or obligations in this Agreement to any person or legal entity and any designated assignee of Franchisor will become solely responsible for all obligations of Franchisor under this Agreement from the date of assignment In addition and without limitation to the foregoing Franchisee expressly affirms and agrees that Franchisor may sell its assets its Proprietary Marks or its System may sell its securities in a public offering or in a private placement may merge acquire other corporations or be acquired by another corporation and may undertake a refinancing, recapitalization leveraged buy-out or other economic or financial restructuring

15 2 **No Transfers Without Franchisor's Approval** Franchisee understands and acknowledges that the rights and duties set forth in this Agreement are personal to Franchisee or the

Principals of Franchisee if Franchisee is not an individual and that Franchisor has granted this franchise in reliance on Franchisee s or Franchisee s Principals business skill financial capacity and personal character Accordingly

15 2 1 Franchisee will not without the prior written consent of Franchisor transfer pledge or otherwise encumber (a) the rights and/or obligations of Franchisee under this Agreement or (b) any material asset of Franchisee or the Franchised Business

15 2 2 If Franchisee is a corporation or limited liability company Franchisee will not without the prior written consent of Franchisor issue any voting securities or securities convertible into voting securities and the recipient of any such securities will become a Principal under this Agreement if so designated by Franchisor

15 2 3 If Franchisee is a partnership or limited partnership, the partners of the partnership will not without the prior written consent of Franchisor admit additional general partners remove a general partner, or otherwise materially alter the powers of any general partner Each general partner will automatically be deemed a Principal of Franchisee

15 2 4 A Principal will not without the prior written consent of Franchisor transfer pledge or otherwise encumber any interest of the Principal in Franchisee as such is identified in Exhibit B

15 3 **Conditions on Transfer** Franchisor will not unreasonably withhold any consent required by Section 15 2 above provided that if the proposed transfer alone or together with other previous simultaneous or proposed transfers would have the effect of changing control of Franchisee results in the assignment of the rights and obligations of Franchisee under this Agreement or transfers the ownership interest in all or substantially all of the assets of the Franchised Business or the business franchised by this Agreement Franchisor will have the right to require any or all of the following as conditions of its approval

15 3 1 All of Franchisee s monetary obligations and all other outstanding obligations to Franchisor its affiliates and any approved suppliers of the System have been satisfied in full

15 3 2 Franchisee will not be in default under any provision of this Agreement any other agreement between Franchisee and Franchisor or its affiliate the approved suppliers of the System, or the landlord (or sub-landlord) for the Premises if Franchise is operated from a retail location

15 3 3 Each transferor (and if the transferor is other than an individual the transferor and such owners of beneficial interest in the transferor as Franchisor may request) will have executed a general release in a form satisfactory to Franchisor of any and all claims against Franchisor and its affiliates and their respective officers directors agents and employees

15 3 4 The transferee of a Principal will be designated as a Principal and each transferee who is designated a Principal will enter into a written agreement in a form satisfactory to Franchisor agreeing to be bound as a Principal under the terms of this Agreement as long as such person or entity owns any interest in Franchisee Additionally the transferee and/or such owners of the transferee as Franchisor may request will guaranty the performance of the transferee s obligations in writing in a form satisfactory to Franchisor

15 3 5 The transferee will demonstrate to Franchisor s satisfaction that the terms of the proposed transfer do not place an unreasonable financial or operational burden on the transferee and that the transferee (or if the transferee is other than an individual such owners of beneficial interest in the transferee as Franchisor may request) meets Franchisor s then-current application qualifications (which may include educational managerial socially responsible and business standards good moral character business reputation and credit rating), has the aptitude and ability to operate the Franchised Business and absence of conflicting interests and has adequate financial resources and capital to operate the Franchised Business

15 3 6 At Franchisor s option Franchisee will execute the form of franchise agreement then being offered to new System franchisees and such other ancillary agreements required by Franchisor for the business franchised by this Agreement which agreements will supersede this Agreement and its ancillary documents in all respects and the terms of which may differ from the terms of this Agreement including without limitation a higher and/or additional fees

15 3 7 If so requested by Franchisor Franchisee at its expense will upgrade the Franchised Business and any other equipment used to conform to the then-current standards and specifications of new Nutty Scientists Franchises then-being established in the System and will complete the upgrading and other requirements within the time specified by Franchisor

15 3 8 The transferor will remain liable for all of the obligations to Franchisor in connection with the Franchised Business that arose before the effective date of the transfer and will execute any and all instruments reasonably requested by Franchisor to evidence such liability

15 3 9 The transferee (and if the transferee is not an individual such Principals of the transferee as Franchisor may request) and the transferee s manager (if applicable) will at the transferee s expense successfully attend and successfully complete any training programs then in effect for operators and managers on such terms and conditions as Franchisor may reasonably require

15 3 10 Franchisee will pay a transfer fee in an amount of 25% of the then current initial franchise fee for expenses incurred in connection with the transfer and Franchisee or transferee will pay a $5 000 training to attend Franchisor s initial training program including training at Franchisee/transferee s location

15 3 11 The transferee(s) at the request of Franchisor will agree in writing to comply with the covenants set forth in Section 18 below

15 3 12 The transferor will provide the required certified police report and background check on transferee and any partners employees or other individuals who will be involved in this business prior to the final approval of transfer by Franchisor

15 4 **Security Interests** Neither Franchisee nor any Principal will grant a security interest in or otherwise encumber any of the assets or securities of Franchisee, including the Franchised Business unless Franchisee satisfies the requirements of Franchisor which include without limitation execution of an agreement by the secured party in which it acknowledges the creditor s obligations under this Section 15 and agrees that if there are any defaults by Franchisee under any documents related to the security interest Franchisor will have the right and option (but not the obligation) to be substituted as obligor to the secured party and to cure any default of Franchisee and if Franchisor exercises such option any acceleration of indebtedness due to Franchisee s default will be void

15 5 **Right of First Refusal** If Franchisee or any Principal desires to accept any *bona fide* offer from a third party to purchase Franchisee any material asset of Franchisee, or any direct or indirect interest in Franchisee Franchisee or such Principal will promptly notify Franchisor and will provide such information and documentation relating to the offer as Franchisor may require Franchisor will have the right and option exercisable within thirty (30) days after receipt of the written transfer request and the required information and documentation related to the offer (including any information that Franchisor may reasonably request to supplement or clarify information provided to Franchisor with the written transfer request) to send written notice to the seller that Franchisor intends to purchase the seller s interest on the same terms and conditions offered by the third party provided, however a spouse domestic partner, parent or child of the seller will not be considered a third party for purposes of this Section 15 5 If Franchisor elects to purchase the seller s interest closing on such purchase will occur within forty-five (45) days from the date of notice to the seller of the election to purchase by Franchisor or if longer on the same timetable as contained in the *bona fide* offer Under SBA requirements for franchises secured under SBA loans, Franchisor will not become a partial owner in the franchise

15 5 1 Any material changes thereafter in the terms of the offer from the third party or by Franchisee or a change in the identity of the third party will constitute a new offer subject to the same rights of first refusal by Franchisor as in the case of the third party s initial offer Failure of Franchisor to exercise the option afforded by this Section 15 5 will not constitute a waiver of any other provision of this Agreement including all of the requirements of this Section 15 with respect to a proposed transfer

15 5 2 If the consideration terms and/or conditions offered by a third party are such that Franchisor may not reasonably be required to furnish the same consideration terms and/or conditions then Franchisor may purchase the interest proposed to be sold for the reasonable equivalent in cash If the parties cannot agree within a reasonable time on the reasonable equivalent in cash of the consideration terms and/or conditions offered by the third party Franchisor will designate an independent appraiser to make a binding determination The cost of any such appraisal will be shared equally by Franchisor and Franchisee If Franchisor elects to exercise its right under this Section 15 5 Franchisor will have the right to set off all amounts due from Franchisee, and one-half (½) of the cost of the appraisal if any against any payment to the seller

15 6 **Death of a Principal** Upon the death of a Principal the deceased s executor administrator or other personal representative will transfer the deceased s interest to a third party approved by Franchisor within six (6) months after the death If no personal representative is designated or appointed or no probate proceedings are instituted with respect to the deceased s estate then the recipient of such interest must be approved by Franchisor If the recipient is not approved by Franchisor then the recipient will transfer the deceased s interest to a third party approved by Franchisor within three (3) months after the deceased s death

15 7 **Permanent Disability of Controlling Principal** Upon the permanent disability of any Principal with a controlling interest in Franchisee Franchisor will have the right to require such interest to be transferred to a third party in accordance with the conditions described in this Section 15 within six (6) months after notice to Franchisee **Permanent Disability** will mean any physical emotional or mental injury illness or incapacity that would prevent a person from performing the obligations set forth in this Agreement for at least six (6) consecutive months and from which condition recovery within six (6) consecutive months from the date of determination of disability is unlikely Permanent disability will be determined by a licensed practicing physician selected by Franchisor on examination of such person or if such person refuses to be examined, then such person will automatically be deemed permanently disabled for the purposes of this Section 15 8 as of the date of refusal Franchisor will pay the cost of the required examination

15 8 **Notice to Franchisor of Death or Permanent Disability** Upon the death or permanent disability any Principal of Franchisee such person or his representative will promptly notify Franchisor of such death or claim of permanent disability Any transfer on death or permanent disability will be subject to the same terms and conditions as any *inter vivos* transfer

15 9 **Limited Exceptions** Notwithstanding anything to the contrary in this Section 15

15 9 1 Franchisee will not be required to pay the transfer fee due under Section 15 3 10 above if the transferee (a) is a spouse domestic partner parent or direct lineal descendant or sibling of Franchisee or of a Principal of Franchisee (or more than one of such persons), provided that the transferee has been involved in and is knowledgeable regarding the operations of the Franchised Business (b) is a Principal of Franchisee or (c) is a transferee under Sections 15 6 or 15 7 above

15 9 2 If Franchisee is an individual and seeks to transfer this Agreement to a corporation partnership or limited liability company formed for the convenience of ownership the conditions of Sections 15 3 6 (signing a new franchise agreement) 15 3 7 (upgrading the Franchised Business) and 15 3 10 (transfer fee) will not apply and Franchisee may undertake such transfer provided that Franchisee owns one hundred percent (100%) of the equity interest in the transferee entity and the Franchisee personally guarantees, in a written guaranty satisfactory to Franchisor the performance of the obligations of the

Franchisee under the Franchise Agreement

15 10 **Securities Offerings** All materials required for any offering of securities or partnership interests in Franchisee by federal or state law will be submitted to Franchisor by the offering party for review before filing with any government agency, and any materials to be used in any exempt offering will be submitted to Franchisor for review before their use No offering will imply by use of the Proprietary Marks or otherwise that Franchisor is participating in an underwriting, issuance or offering of securities of either Franchisee or Franchisor and review by Franchisor of any offering will be limited solely to the subject of the relationship between Franchisee and Franchisor At its option Franchisor may require the offering materials to contain written statements or disclaimers prescribed by Franchisor including, but not limited to any limitations stated above in this paragraph Franchisee and the other participants in the offering must fully indemnify Franchisor in connection with the offering For each proposed offering Franchisee will reimburse Franchisor for its actual costs and expenses associated with reviewing the proposed offering materials including legal and accounting fees Franchisee will give Franchisor written notice at least sixty (60) days before the date of commencement of any offering or other transaction covered by this Section 15 10 Any such offering will be subject to prior written consent of Franchisor and right of first refusal as provided in Section 15 5

15 11 **No Waiver** The consent of Franchisor to any transfer according to this Section 15 will not constitute a waiver of any claims it may have against the transferring party nor will it be a waiver of the right of Franchisor to demand exact compliance with any of the terms of this Agreement by the transferor or transferee

15 12 **Bankruptcy** If Franchisee or any person holding any interest (direct or indirect) in Franchisee becomes a debtor in a proceeding under the U S Bankruptcy Code or any similar law in the U S or elsewhere it is the parties' understanding and agreement that any transfer of the ownership of Franchisee Franchisee s obligations and/or rights by this Agreement and/or any material assets of Franchisee, will be subject to all of the terms of this Section 15

15 13 **No Transfers in Violation of Law** Notwithstanding anything to the contrary in this Agreement no transfer will be made if the transferee any of its affiliates or the funding sources for either is a person or entity designated with whom Franchisor or any of its affiliates are prohibited by law from transacting business

SECTION 16 - DEFAULT AND TERMINATION

16 1 **Automatic Termination** Franchisee will be in default under this Agreement and all rights granted to Franchisee in this Agreement will automatically terminate without notice to Franchisee if Franchisee will become insolvent or make a general assignment for the benefit of creditors if a petition in bankruptcy is filed by Franchisee or such a petition is filed against and not opposed by Franchisee, if Franchisee is adjudicated a bankrupt or insolvent if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee s business or assets is filed and consented to by Franchisee if a receiver or other custodian (permanent or temporary) of Franchisee s assets or property or any part of the assets or property is appointed by any court of competent jurisdiction if proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed) if Franchisee is dissolved if execution is levied against Franchisee's business or property if suit to foreclose any lien or mortgage against the Premises or equipment is instituted against Franchisee and not dismissed within thirty (30) days if the real or personal property of the Franchised Business will be sold after levy thereupon by any sheriff marshal or constable

16 2 **Termination Upon Notice** Franchisee will be deemed to be in default and Franchisor may at its option terminate this Agreement and all rights granted by this Agreement without affording Franchisee any opportunity to cure the default effective immediately on the provision of notice to Franchisee (in the manner provided under Section 24 in this Agreement) on the occurrence of any of the following events of default

16 2 1 If Franchisee fails to complete all pre-opening obligations and to begin operating the Franchised Business within the time limits as provided in Section 5 2 above

16 2 2 If Franchisee or any of its Principals is convicted of a felony a crime involving moral turpitude or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System, the Proprietary Marks, the goodwill associated to the System the Proprietary Marks or the interest of Franchisor to the System the Proprietary Marks

16 2 3 If Franchisee s action or inaction at any time results in the loss of Franchisee's right to do or transact business in the jurisdiction where the Franchised Business is located

16 2 4 If Franchisee or any Principal purports to transfer any rights or obligations under this Agreement or any interest to any third party in a manner that is contrary to the terms of Section 15 in this Agreement

16 2 5 If contrary to the terms of Sections 9 or 10 of this Agreement Franchisee discloses or divulges the contents of the Manuals or other confidential information provided to Franchisee by Franchisor

16 2 6 If Franchisee fails to comply with the covenants in Section 18 2 below or fails to timely obtain execution of the covenants required under Section 18 5 below,

16 2 7 If Franchisee misuses or makes any unauthorized use of the Proprietary Marks or any other identifying characteristics of the System or if Franchisee otherwise operates the Franchised Business in a manner that materially impairs the reputation or goodwill associated with the System Proprietary Marks or the rights of Franchisor in those matters

16 2 8 If Franchisee after curing a default according to Sections 16 3 or 16 4 of this Agreement commits the same default again whether or not cured after notice

16 2 9 If Franchisee commits three (3) or more defaults under this Agreement in any twelve (12) month period whether or not each such default has been cured after notice (this provision in no way limits Section 16 2 8 above)

16 2 10 If Franchisee at any time ceases to operate or otherwise abandons the Franchised Business for a period of thirty (30) consecutive days unless such closure is approved in writing by Franchisor or excused by *force majeure*

16 2 11 If Franchisee breaches any material provision of this Agreement which breach is not susceptible to cure

16 3 **Notice and Opportunity to Cure - 7 Days** Franchisor may at its option terminate this Agreement by giving written notice of termination (in the manner set forth under Section 24 in this Agreement) stating the nature of the default to Franchisee at least seven (7) days before the effective date of termination provided however that Franchisee may avoid termination by immediately initiating a remedy to cure such default curing it to the satisfaction of Franchisor and by promptly providing proof of it to Franchisor within the seven (7) day period If any such default is not cured within the specified time or such longer period as applicable law may require this Agreement will terminate without further notice to Franchisee effective immediately on the expiration of the seven (7) day period or such longer period as applicable law may require

16 3 1 If Franchisee fails, refuses or neglects promptly to pay any monies owing to Franchisor or its affiliates when due franchisee shall only be entitled to one opportunity to cure pursuant to this Section 16 3 in any given period of twelve (12) consecutive months

16 4 **Notice and Opportunity to Cure - 30 Days** Except as otherwise provided in Sections 16 1 and 16 2 of this Agreement, on any other default by Franchisee Franchisor may terminate this Agreement by giving written notice of termination (in the manner set forth under Section 24 in this Agreement) stating the nature of the default to Franchisee at least thirty (30) days before the effective date of termination provided however that Franchisee may avoid termination by immediately initiating a remedy to cure such default curing it to the satisfaction of Franchisor and by promptly providing proof of it to Franchisor within the thirty (30) day period If any such default is not cured within the specified time, or such longer period as applicable law may require this Agreement will terminate without further notice to Franchisee effective immediately on the expiration of the thirty (30) day period or such longer period as applicable law may require

SECTION 17 - OBLIGATIONS ON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement all rights granted by this Agreement to Franchisee will terminate and

17 1 **Stop Operating** Franchisee will immediately cease to operate the Franchised Business and will not thereafter directly or indirectly represent to the public or hold itself out as a present or former operator of Franchisor in connection with the promotion or operation of any other business

17 2 **Stop Using the System** Franchisee will immediately and permanently cease to use in any manner whatsoever, any confidential methods, procedures and techniques associated with the System the Proprietary Mark Nutty Scientists and all other Proprietary Marks and distinctive forms slogans signs symbols and devices associated with the System In particular Franchisee will cease to use all signs marketing materials stationery forms products and any other articles which display the Proprietary Marks

17 3 **Cancel Assumed Names** Franchisee will take such action as may be necessary to cancel any assumed name registration or equivalent registration obtained by Franchisee which contains the mark Nutty Scientists" or any other Proprietary Marks and Franchisee will furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within five (5) days after termination or expiration of this Agreement

17 4 **No Use of Proprietary Marks or Trade Dress in other Businesses** Franchisee agrees not to use any reproduction counterfeit copy or colorable imitation of the Proprietary Marks either in connection with such other business or the promotion of it which in the sole discretion of Franchisor is likely to cause confusion mistake or deception or which in the sole discretion of Franchisor is likely to dilute the rights of Franchisor in and to the Proprietary Marks Franchisee further agrees not to utilize any designation of origin description, or representation (including but not limited to reference to Franchisor the System or the Proprietary Marks) which in the sole discretion of Franchisor suggests or represents a present or former association or connection with Franchisor the System, or the Proprietary Marks

17 5 **Pay Franchisor All Amounts Due** Franchisee will promptly pay all sums owing to Franchisor and its affiliates In the event of termination for any default of Franchisee such sums will include all damages costs and expenses including reasonable attorneys fees incurred by Franchisor as a result of the default and termination, and may include one year of royalty fees equal to the prior year of royalty fees paid or the minimum royalty fees due for a twelve (12) month period following termination if Franchisee ceases operation prior to end of the term of this agreement or Franchisor terminates Franchisee for any reasons as outlined in Section 16 above, which obligation will give rise to and remain until paid-in-full a lien in favor of Franchisor against any and all of the personal property furnishings equipment signs fixtures and inventory owned by Franchisee at the time of default

17 6 **Return Manuals and Confidential Information** Franchisee will at its own expense immediately deliver to Franchisor the Manuals and all other records, correspondence, and instructions containing confidential information relating to the operation of the Franchised Business (and any copies of it even if such copies were made in violation of this Agreement) all of which are acknowledged to be the

property of Franchisor

17 7 **Comply with Covenants** Franchisee and Principals will comply with the covenants contained in Section 18 3 of this Agreement

SECTION 18 - COVENANTS

18 1 **Time and Best Efforts** Franchisee covenants that during the term of this Agreement except as otherwise approved in writing by Franchisor Franchisee (or if Franchisee is not an individual the Designated Principal) or Franchisee s fully-trained General Manager will devote its time and best efforts to the management and operation of the Franchised Business

18 2 **During the Agreement Term** Franchisee specifically acknowledges that according to this Agreement Franchisee will receive valuable training and confidential information including information regarding the operational sales promotional, and marketing methods and techniques of Franchisor and the System Franchisee covenants that during the term of this Agreement except as otherwise approved in writing by Franchisor Franchisee will not either directly or indirectly for itself or through on behalf of or in conjunction with any person or legal entity

18 2 1 Divert or attempt to divert any present or prospective business or customer of any Nutty Scientists Franchise to any competitor by direct or indirect inducement or otherwise or do or perform directly or indirectly any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System

18 2 2 Own maintain operate engage in be employed by provide any assistance to or have any more than a one percent (1%) interest in (as owner or otherwise) any Competitive Business (as defined below) A **Competitive Business** will be considered to be any educational activity or entertainment program related to science or related services products and programs similar to Nutty Scientists Furthermore Franchisee acknowledges and agrees that Franchisee will be considered in default under this Agreement and that this Agreement will be subject to termination as provided in Section 16 2 8 in this Agreement, if a person in the immediate family (including spouse domestic partner, parent or child) of Franchisee (or, if Franchisee is other than an individual each Principal, or his/her immediate family that is subject to these covenants) engages in a Competitive Business that would violate this Section 18 2 3 if such person was subject to the covenants of this Section 18 2 3

18 3 **After the Agreement and After a Transfer** Franchisee covenants that except as otherwise approved in writing by Franchisor for a continuous uninterrupted period of two (2) years commencing on the date of (a) a transfer permitted under Section 15 of this Agreement (b) expiration of this Agreement (c) termination of this Agreement (regardless of the cause for termination) (d) a final order of a duly authorized arbitrator, panel of arbitrators or a court of competent jurisdiction (after all appeals have been taken) with respect to any of the foregoing or with respect to enforcement of this Section 18 3 or (e) any or all of the foregoing

18 3 1 Franchisee will not either directly or indirectly for itself or through on behalf of or in conjunction with any person or legal entity own maintain, operate engage in, be employed by provide assistance to, or have any interest in (as owner or otherwise) any Competitive Business that is or is intended to be within the Approved Area, or within a radius of twenty-five (25) miles of the Approved Area provided however that this provision will not apply to the operation by Franchisee of any business under the System under a franchise agreement with Franchisor or

18 4 **Exception for Ownership in Public Entities** Sections 18 2 3 and 18 3 will not apply to ownership by Franchisee of a less than five percent (5%) beneficial interest in the outstanding equity securities of any corporation which has securities registered under the Securities Exchange Act of 1934

18 5 **Covenants as Independent Clauses** The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement If all or

any portion of a covenant in this Section 18 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an un-appealed final decision to which Franchisor is a party Franchisee expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law as if the resulting covenant were separately stated in and made a part of this Section 18 as determined by said court or adjudicative body

18 6 **Franchisor's Right to Reduce Scope of the Covenants** Franchisee understands and acknowledges that Franchisor will have the right at its sole discretion to reduce the scope of any covenant set forth in this Section 18, or any portion of it without Franchisee s consent effective immediately on receipt by Franchisee of written notice of same and Franchisee agrees that it will comply forthwith with any covenant as so modified which will be fully enforceable notwithstanding the terms of Section 25 in this Agreement

18 7 **Covenants Survive Claims** Franchisee expressly agrees that the existence of any claims it may have against Franchisor whether or not arising from this Agreement, will not constitute a defense to the enforcement by Franchisor of the covenants in this Section 18 provided however any claims Franchisee may have against Franchisor may be brought in a separate proceeding Franchisee agrees to pay all costs and expenses (including reasonable attorneys fees) incurred by Franchisor in connection with the enforcement of this Section 18

SECTION 19 - CORPORATE, LIMITED LIABILITY COMPANY, OR PARTNERSHIP FRANCHISEE

19 1 **List of Principals** If Franchisee is a corporation limited liability company or partnership each Principal of Franchisee and the interest of each Principal in Franchisee will be identified in Exhibit B of this Agreement Franchisee will maintain a list of all Principals and immediately furnish Franchisor with an update to the information contained in Exhibit B on any change which will be made only in compliance with Section 15 above

19 2 **Guaranties** Such Principals as Franchisor may request will execute a guaranty indemnification and acknowledgment of Franchisee's obligations under this Agreement in the form attached to this Agreement as Exhibit C As set forth in Section 8 3 the Designated Principal will at all times have at least a ten percent (10%) interest in Franchisee

19 3 **Corporations and Limited Liability Companies** If Franchisee is a corporation or limited liability company Franchisee will comply with the following requirements

19 3 1 Franchisee will be newly organized and its governing documents will at all times provide that its activities are confined exclusively to operating the Franchised Business

19 3 2 Franchisee will on request of Franchisor promptly furnish to Franchisor copies of Franchisee's Articles of Incorporation Bylaws Articles of Organization Operating Agreement and/or other governing documents and any amendments to the governing documents including the resolution of the Board of Directors or members authorizing entry into this Agreement

19 3 3 Franchisee will maintain stop-transfer instructions against the transfer on its records of any equity securities and each stock certificate or issued securities of Franchisee will conspicuously endorse on its face a statement in a form satisfactory to Franchisor which references the transfer restrictions imposed by this Agreement provided, however that the requirements of this Section 18 2 3 will not apply to a publicly-held corporation

19 4 Partnerships and Limited Liability Partnerships If Franchisee or any successor to or assignee of Franchisee is a partnership or limited liability partnership, Franchisee will comply with the following requirements

19 4 1 Franchisee will be newly organized and its partnership agreement will at all times provide that its activities are confined exclusively to operating the Franchised Business

19 4 2 Franchise will furnish Franchisor with a copy of its partnership agreement as well as such other documents as Franchisor may reasonably request and any amendments to the documents

19 4 3 The partners of the partnership will not without the prior written consent of Franchisor admit additional general partners remove a general partner or otherwise materially alter the powers of any general partner

SECTION 20 - TAXES, PERMITS, AND INDEBTEDNESS

20 1 **Taxes** Franchisee will promptly pay when due all taxes levied or assessed including unemployment and sales taxes and all accounts and other indebtedness of every kind incurred by Franchisee in the operation of the Franchised Business Franchisee will pay to Franchisor an amount equal to any sales tax gross receipts tax or similar tax (other than income tax) imposed on Franchisor with respect to any payments to Franchisor required under this Agreement unless the tax is credited against income tax otherwise payable by Franchisor

20 2 **Dispute About Taxes** In the event of any bona fide dispute as to Franchisee s liability for taxes assessed or other indebtedness Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law, but in no event will Franchisee permit a tax sale or seizure by levy or execution or similar writ or warrant or attachment by a creditor to occur against any personal property utilized in the Premises of the Franchised Business

20 3 **Compliance with Laws** Franchisee will comply with all federal state and local laws rules and regulations and will timely obtain any and all permits certificates or licenses necessary for the full and proper conduct of the Franchised Business including licenses to do business fictitious name registrations sales tax permits and fire clearances

SECTION 21 - INDEPENDENT CONTRACTOR AND INDEMNIFICATION

21 1 **No Fiduciary Relationship** Franchisee is an independent contractor Franchisor and Franchisee are completely separate entities and are not fiduciaries partners joint ventures or agents of the other in any sense and neither will have the power to bind the other No act or assistance given by either party to the other according to this Agreement will be construed to alter the relationship Franchisee will be solely responsible for compliance with all federal state and local laws rules and regulations and for Franchisee s policies practices and decisions relating to the operation of the Franchised Business

21 2 **Public Notice** During the term of this Agreement, Franchisee will hold itself out to the public as an independent contractor operating the Franchised Business according to a franchise agreement from Franchisor Franchisee agrees to take such action as may be necessary to do so including exhibiting a notice of that fact in a conspicuous place at the Premises the content of which Franchisor reserves the right to specify

21 3 **No Assumption of Liability** Nothing in this Agreement authorizes Franchisee to make any contract agreement warranty or representation on the behalf of Franchisor or to incur any debt or other obligation in the name of Franchisor and Franchisor will in no event assume liability for or be deemed liable by this Agreement as a result of any such action nor will Franchisor be liable by reason of any act or omission of Franchisee in its operation of the Franchised Business or for any claim or judgment arising therefrom against Franchisee or Franchisor

21 4 **Indemnification By Franchisee** Franchisee will indemnify and hold Franchisor, Franchisor's owners and affiliates and their respective officers directors and employees (the **Indemnitees**") harmless against any and all causes of action claims losses costs expenses liabilities litigation damages or other expenses (including but not limited to settlement costs and attorneys' fees) arising directly or indirectly from as a result of or in connection with the operation of the Franchised Business and/or Franchisee's conduct under this Agreement (notwithstanding any claims that the Indemnitees are or were negligent) Franchisee agrees that with respect to any threatened or actual

litigation proceeding or dispute which could directly or indirectly affect any of the Indemnitees the Indemnitees will have the right but not the obligation in their discretion to (i) choose counsel (ii) direct manage and/or control the handling of the matter and (iii) settle on behalf of the Indemnitees and/or Franchisee, any claim against the Indemnitees All vouchers canceled checks receipts receipted bills or other evidence of payments for any such losses liabilities costs damages charges or expenses of whatsoever nature incurred by any Indemnitee will be taken as prima facie evidence of Franchisee s obligation by this Agreement

21 5 **Indemnification By Franchisor** Franchisor will indemnify and hold Franchisee Franchisee s owners and affiliates and their respective officers directors and employees (the **Indemnitees**) harmless against any and all causes of action claims losses costs expenses liabilities litigation damages or other expenses (including but not limited to settlement costs and attorneys fees) arising directly or indirectly from as a result of, or in connection with the use of the Proprietary Marks in the operation of the Franchised Business All vouchers canceled checks receipts receipted bills or other evidence of payments for any such losses liabilities costs damages, charges or expenses of whatsoever nature incurred by any Indemnitee will be taken as prima facie evidence of Franchisor's obligation by this Agreement

SECTION 22 - APPROVALS AND WAIVERS

22 1 **Approval Requests** Whenever this Agreement requires the prior authorization approval or consent of Franchisor Franchisee will make a timely written request to Franchisor and such approval or consent must be obtained in writing

22 2 **Non-waiver** No failure of Franchisor to exercise any power reserved to it by this Agreement or to insist on strict compliance by Franchisee with any obligation or condition by this Agreement and no custom or practice of the parties in variance with the terms of this Agreement will constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Agreement Waiver by Franchisor of any particular default by Franchisee will not be binding unless in writing and executed by the party sought to be charged and will not affect or impair Franchisor s right with respect to any subsequent default of the same or of a different nature nor will any delay waiver forbearance or omission of Franchisor to exercise any power or rights arising out of any breach or default by Franchisee of any of the terms, terms, or covenants of this Agreement affect or impair Franchisor s rights nor will such constitute a waiver by Franchisor of any right by this Agreement or of the right to declare any subsequent breach or default Subsequent acceptance by Franchisor of any payment(s) due to it by this Agreement will not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement

SECTION 23 - WARRANTIES OF OPERATOR

23 1 **Reliance by Franchisor** Franchisor entered into this Agreement in reliance on the statements and information submitted to Franchisor by Franchisee in connection with this Agreement Franchisee represents and warrants that all such statements and information submitted by Franchisee in connection with this Agreement are true correct and complete in all material respects Franchisee agrees to promptly advise Franchisor of any material changes in the information or statements submitted

23 2 **Compliance with Laws** Franchisee represents and warrants to Franchisor that neither Franchisee (including without limitation any and all of its employees directors officers and other representatives) nor any of its affiliates or the funding sources for either is a person or entity designated with whom Franchisor, or any of its affiliates are prohibited by law from transacting business

SECTION 24 - NOTICES

Any and all notices required or permitted under this Agreement will be in writing and will be personally delivered sent by certified registered mail or by commercially accepted overnight carrier to the respective parties at the addresses shown on the signature page of this Agreement, unless and until a

different address has been designated by written notice to the other party Any notice will be deemed to have been given in the event of overnight courier one business day after delivery to the courier by sender and in the event of mail five (5) business days after delivery to the postal service

SECTION 25 - ENTIRE AGREEMENT

This Agreement the attachments of this Agreement and the documents referred to in this Agreement constitute the entire Agreement between Franchisor and Franchisee concerning the subject matter of this Agreement, and supersede any prior agreements no other representations having induced Franchisee to execute this Agreement Except for those permitted to be made unilaterally by Franchisor by this Agreement, no amendment change or variance from this Agreement will be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing Nothing in this or any other Agreement is intended to disclaim the representations made in the Franchise Disclosure Document

SECTION 26 - SEVERABILITY AND CONSTRUCTION

26 1 **Severable Parts** Except as expressly provided to the contrary in this Agreement each portion section part term and/or provision of this Agreement will be considered severable, and if for any reason any section, part term and/or provision in this Agreement is determined to be invalid and contrary to or in conflict with any existing or future law or regulation by a court or agency having valid jurisdiction, such will not impair the operation of or have any other effect on such other portions, sections parts terms and/or conditions of this Agreement as may remain otherwise intelligible and the latter will continue to be given full force and effect and bind the parties of this Agreement and the invalid portions sections parts terms and/or conditions will be deemed not to be a part of this Agreement

26 2 **Terms Surviving this Agreement** Any provision or covenant in this Agreement which expressly or by its nature imposes obligations beyond the expiration termination or assignment of this Agreement (regardless of cause for termination) or assignment will survive such event

26 3 **No Rights on Third Parties** Except as expressly provided to the contrary in this Agreement nothing in this Agreement is intended nor will be deemed, to confer any rights or remedies under or by reason of this Agreement on any person or legal entity other than Franchisee Franchisor officers directors shareholders agents and employees of Franchisor and such successors and assigns of Franchisor as may be contemplated by Section 15 in this Agreement

26 4 **Full Scope of Terms** Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision of this Agreement as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the terms of this Agreement any portion or portions which a court or agency having valid jurisdiction may hold to be unreasonable and unenforceable in an un-appealed final decision to which Franchisor is a party or from reducing the scope of any promise or covenant to the extent required to comply with such a court or agency order

26 5 **Franchisor's Application of its Rights** Franchisor will have the right to operate develop and change the System in any manner that is not specifically precluded by this Agreement Whenever Franchisor has reserved in this Agreement a right to take or withhold an action or is deemed to have a right and/or discretion to take or withhold an action or to grant or decline to grant Franchisee a right to take or omit an action except as otherwise expressly and specifically provided in this Agreement Franchisor may make its decision or exercise its rights on the basis of the information readily available to Franchisor, and its judgment of what is in its best interests and/or in Nutty Scientists interests of the Franchisor s franchise network at the time its decision is made without regard to whether (i) other reasonable or preferable alternative decisions could have been made by Franchisor (ii) the decision or action of Franchisor will promote its financial or other individual interest (iii) Franchisor s decision or the action it take applies differently to Franchisee and one or more other franchisees or Franchisor s company-owed operations, or (iv) Franchisor's decision or the exercise of its right or discretion is adverse to Franchisee s interests In the

absence of an applicable statute Franchisor will have no liability to Franchisee for any such decision or action Franchisor and Franchisee intend that the exercise of any Franchisor right or discretion will not be subject to limitation or review If applicable law implies a covenant of good faith and fair dealing in this Agreement Franchisor and Franchisee agree that such covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Franchisor the right to make decisions take actions and/or refrain from taking actions not inconsistent with Franchisee s rights and obligations hereunder

26 6 **Captions Only for Convenience** All captions in this Agreement are intended solely for the convenience of the parties and none will be deemed to affect the meaning or construction of any provision of this Agreement

SECTION 27 - APPLICABLE LAW AND DISPUTE RESOLUTION

27 1 **Governing Law** This Agreement takes effect on its acceptance and execution by Franchisor and will be interpreted and construed under the laws of the State of Arizona In the event of any conflict of law the laws of Arizona will prevail without regard to and without giving effect to the application of Arizona conflict of law rules Nothing in this Section 27 1 is intended by the parties to subject this Agreement to any franchise or similar law, rule or regulation of the State of Arizona or of any other state to which it would not otherwise be subject

27 2 **Non-Binding Mediation** Before any party may bring an action in court against the other the parties must first meet to mediate the dispute (except as otherwise provided below) Any such mediation will be non-binding and will be conducted by the American Arbitration Association in accordance with its then-current rules for mediation of commercial disputes Either party may seek mediation Any mediation shall be held in the same location as any arbitration pursuant to this Section 27 Notwithstanding anything to the contrary this Section 27 2 will not bar either party from obtaining injunctive relief against threatened conduct that will cause it loss or damages under the usual equity rules including the applicable rules for obtaining restraining orders and preliminary injunctions without having to engage in mediation Mediation by this Agreement will be concluded within forty-five (45) days of Franchisee s receipt of the notice specifying the designated mediator or such longer period as may be agreed on by the parties in writing All aspects of the mediation process will be treated as confidential will not be disclosed to others and will not be offered or admissible in any other proceeding or legal action Franchisor and Franchisee will each bear their own costs of mediation and each will bear one-half the cost of the mediator or mediation service

27 3 **Arbitration** Franchisor and Franchisee agree that except for controversies disputes, or claims related to or based on improper use of the Marks or Confidential Information all controversies disputes or claims between Franchisor and Franchisor s affiliates, and Franchisor s and their respective shareholders members, officers directors agents and/or employees and Franchisee (and/or Franchisee s owners guarantors affiliates and/or employees) arising out of or related to

(1) this Agreement or any other agreement between Franchisee and Franchisor

(2) Franchisor s relationship with Franchisee

(3) the validity of this Agreement or any other agreement between Franchisee and Franchisor or

(4) any System Standard

must be submitted for binding arbitration on demand of either party to the American Arbitration Association in the United States (AAA) The arbitration proceedings will be conducted by one arbitrator and except as this Subsection otherwise provides according to the AAA s then current Commercial Arbitration Rules All proceedings will be conducted at a suitable location chosen by the arbitrator which is within a five (5) mile radius of Franchisor s then current principal place of business All matters relating to arbitration will be governed by the United States Federal Arbitration Act (9 U S C §§ 1 et seq) Judgment on the arbitrator's

award may be entered in any court of competent jurisdiction

The arbitrator has the right to award or include in his or her award any relief which he or she deems proper including without limitation money damages (with interest on unpaid amounts from the date due) specific performance injunctive relief and attorneys fees and costs (as allowable under this Agreement or applicable law) provided that the arbitrator may not declare any Mark generic or otherwise invalid or except as expressly provided in Subsection 27 5 below, award any punitive exemplary or multiple damages against either party (Franchisor and Franchisee by this agreement waiving to the fullest extent permitted by law except as expressly provided in Subsection 27 5 below any right to or claim for any punitive, exemplary or multiple damages against the other)

Franchisor and Franchisee agree to be bound by the terms of any limitation on the period of time in which claims must be brought under applicable law or this Agreement whichever expires earlier Franchisor and Franchisee further agree that in any arbitration proceeding each must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the United States Federal Rules of Civil Procedure) within the same proceeding as the claim to which it relates Any claim which is not submitted or filed as required is forever barred The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisee or Franchisor

Franchisor and Franchisee agree that arbitration will be conducted on an individual not a class-wide basis and that an arbitration proceeding between Franchisor and Franchisor's affiliates and Franchisor's and their respective shareholders officers directors agents and/or employees and Franchisee (and/or Franchisee s owners guarantors affiliates and/or employees) may not be consolidated with any other arbitration proceeding between Franchisor and any other person

Despite Franchisor s and Franchisee s agreement to arbitrate Franchisor and Franchisee each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief from a court of competent jurisdiction provided however that Franchisor and Franchisee must contemporaneously submit Franchisor s dispute for arbitration on the merits as provided in this Subsection

The terms of this Subsection are intended to benefit and bind certain third party non-signatories and will continue in full force and effect subsequent to and notwithstanding this Agreement s expiration or termination

27 4 **No Rights Exclusive of Other Rights** No right or remedy conferred on or reserved to Franchisor or Franchisee by this Agreement is intended to be nor will be deemed exclusive of any other right or remedy provided in this Agreement or permitted by law or equity but each will be cumulative of every other right or remedy

27 5 **Waiver of Jury Trial** Franchisor and Franchisee irrevocably waive trial by jury in any action proceeding or counterclaim whether at law or in equity brought by either of them against the other Any and all claims and actions arising out of or relating to this Agreement the relationship of Franchisee and Franchisor or Franchisee s operation of the Franchised Business brought by either party of this Agreement against the other, whether in mediation or a legal action will be commenced within two (2) years from the occurrence of the facts giving rise to such claim or action or such claim or action will be barred

27 6 **Waiver of Punitive Damages** Franchisor and Franchisee by this agreement waive to the fullest extent permitted by law any right to or claim of any punitive or exemplary damages against the other

27 7 **Injunctive Relief** Nothing in this Agreement contained will bar the right of Franchisor to obtain injunctive relief against threatened conduct that will cause it loss or damages including violations of the terms of Sections 9 10 11 15 and 18 under the usual equity rules including the applicable rules for obtaining restraining orders and preliminary injunctions

SECTION 28 - ACKNOWLEDGEMENTS

28 1 **Franchisee's Investigation of the Business Possibilities** Franchisee acknowledges that it has conducted an independent investigation of the business of operating a Nutty Scientists franchise and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent on the ability of Franchisee (or if Franchisee is a corporation partnership or limited liability company the ability of its principals) as (an) independent businessperson(s) Franchisor expressly disclaims the making of and Franchisee acknowledges that it has not received any statement warranty or guaranty express or implied as to the potential volume profits, or success of the business venture contemplated by this Agreement

28 2 **Receipt of UFDD and Complete Agreement** Franchisee acknowledges that it received a complete copy of this Agreement, the attachments to this Agreement and agreements relating to this Agreement if any at least five (5) business days before the date on which this Agreement was executed Franchisee further acknowledges that it received the Uniform Franchise Disclosure Document (the **UFDD**) required by the Trade Regulation Rule of the Federal Trade Commission entitled "Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures at least 14 days before the date on which this Agreement was executed or any payment by Franchisee for the franchise rights granted under this Agreement

28 3 **Franchisee Read the Agreement and Consulted** Franchisee acknowledges that it has read and understood this Agreement the attachments of this Agreement and agreements relating to this Agreement if any and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of Franchisee s own choosing about the potential benefits and risks of entering into this Agreement

28 4 **Franchisee's Responsibility for Operation of Business** Although Franchisor retains the right to establish and periodically modify System standards which Franchisee has agreed to maintain in the operation of the Franchised Business, Franchisee retains the right and sole responsibility for the day-to-day management and operation of the Franchised Business and the implementation and maintenance of system standards at the Franchised Business

28 5 **No Conflicting Obligations** Each party represents and warrants to the others that there are no other agreements court orders or any other legal obligations that would preclude or in any manner restrict such party from (a) negotiating and entering into this Agreement (b) exercising its rights under this Agreement and/or (c) fulfilling its responsibilities under this Agreement

28 6 **Different Franchise Offerings to Others** Franchisee acknowledges and agrees that Franchisor may modify the offer of its franchises to other franchisees in any manner and at any time, which offers and agreements have or may have terms conditions and obligations that may differ from the terms conditions, and obligations in this Agreement

28 7 **Success Depends on Franchisee** Franchisee acknowledges that the success of the business venture contemplated under this Agreement is speculative and depends to a large extent on Franchisee's ability as an independent businessperson, his/her active participation in the daily affairs of the business market conditions, area competition, and quality of services provided as well as other factors Franchisor does not make any representation or warranty express or implied as to the potential success of the business venture contemplated by this agreement

28 8 **No Guaranties** Franchisor expressly disclaims the making of and Franchisee acknowledges that it has not received nor relied on, any warranty or guaranty express or implied as to the revenues profits or success of the business venture contemplated by this Agreement

IN WITNESS WHEREOF the parties of this Agreement has duly executed this Agreement in duplicate on the date first above written and is only binding when executed and signed by an officer of Nutty Scientists USA Inc

Nutty Scientists USA Inc , Franchisor

By _____

Name _____

Title _____

At 2114 W Grant Rd #66
Tucson AZ 85745

_____
Franchisee

By _____

Name _____

Title _____

Address for Notices

Franchisee
By _____

Name _____

Title _____

Telephone _____
Fax _____
Attn _____

FRANCHISE SUMMARY TERM 10 Years EFFECTIVE DATE

FRANCHISEE _____

BUSINESS ENTITY corporation partnership proprietorship ☐ individual limited liability company formed under the laws of _____

FRANCHISED LOCATION

Telephone _____
Facsimile _____
Email _____

INITIAL FEE $28,000 00
MATERIALS, EQUIPMENT AND TRAINING FEE $15,000 00
CONTINUING MONTHLY FEE 6% - MONTH 6 TO MONTH 36 – 7% MONTH 37 TO MONTH 120 (10 YEARS TOTAL TERM)
MARKETING FEE 2%
LOCAL ADVERTISING EXPENDITURE up to 2%
INTRANET FEE $35 00 PER MONTH
MICROSITE FEE $375 ANNUAL
POS/MANAGEMENT SOFTWARE, $400-600 annual subscription payable to outside supplier if Lab Location is established

EXHIBIT A
TO THE FRANCHISE AGREEMENT
NUTTY SCIENTISTS USA, INC

NUTTY SCIENTISTS USA, INC

TERRITORY

The Franchisee's exclusive territory can be visualised by the map herewith at time of signing the Franchise Agreement

EXHIBIT B
TO THE FRANCHISE AGREEMENT
NUTTY SCIENTISTS USA, INC

LIST OF PRINCIPALS AND DESIGNATED PRINCIPAL

The following identifies all of Franchisee s Principals (as defined in Section 6 1 1 of the Franchise Agreement

Name of Principal	Address	Interest (%) with description
		Total 100%

FRANCHISEE S DESIGNATED PRINCIPAL

The following identifies Franchisee s Designated Principal (as defined in Section 8 3 of the Franchise Agreement

Name and Title	Address, telephone number, and e-mail address	Interest (%) (with description) if any

EXHIBIT C
TO THE FRANCHISE AGREEMENT
NUTTY SCIENTISTS USA, INC

GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT

As an inducement to Nutty Scientists ("**Franchisor**) to enter in to a Franchise Agreement between Franchisor and _____ (**Franchisee**) dated _ _____ 20___ (the "**Agreement**") the undersigned jointly and severally by this agreement unconditionally guaranty to Franchisor and Franchisor s successors and assigns that all of Franchisee s monetary obligations under the Agreement will be punctually paid and performed

Upon demand by Franchisor, the undersigned each by this agreement jointly and severally agree to immediately make each payment required of Franchisee under the Agreement and waive any right to require Franchisor to (a) proceed against Franchisee for any payment required under the Agreement (b) proceed against or exhaust any security from Franchisee (c) pursue or exhaust any remedy including any legal or equitable relief against Franchisee or (d) give notice of demand for payment by Franchisee Without affecting the obligations of the undersigned under this Guarantee, Franchisor may, without notice to the undersigned extend modify, or release any indebtedness or obligation of Franchisee or settle adjust or compromise any claims against Franchisee and the undersigned each by this agreement jointly and severally waive notice of same and agree to remain and be bound by any and all such amendments and changes to the Agreement

The undersigned each by this agreement jointly and severally agree to defend indemnify and hold Franchisor harmless against any and all losses damages liabilities, costs and expenses (including, but not limited to reasonable attorney s fees, reasonable costs of financial and other investigation court costs and fees and expenses) resulting from consisting of or arising out of or in connection with any failure by Franchisee to perform any obligation of Franchisee under the Agreement any amendment to this Agreement or any other agreement executed by Franchisee referred to in this Agreement

The undersigned each by this agreement jointly and severally acknowledge and expressly agree to be individually bound by all of the covenants contained in Sections 11 15 17 and 18 of the Agreement and acknowledge and agree that this Guarantee does not grant the undersigned any right to use the Nutty Scientists franchises marks or system licensed to Franchisee under the Agreement

This Guarantee will terminate on the termination or expiration of the Agreement except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination will remain in full force and effect until satisfied or discharged by the undersigned and all covenants which by their terms continue in force after the expiration or termination of the Agreement will remain in force according to their terms Upon the death of an individual guarantor the estate of such guarantor will be bound by this Guaranty but only for defaults and obligations by this Agreement existing at the time of death and the obligations of the other guarantors will continue in full force and effect

Guarantor represents and warrants to Franchisor that neither Guarantor (including without limitation any and all of its employees directors officers and other representatives) nor any of its affiliates or the funding sources for either is a person or entity designated with whom Franchisor or any of its affiliates are prohibited by law from transacting business

Any and all notices required or permitted under this guaranty provision will be in writing and will be personally delivered in the manner agreed to under Section 24 of the Agreement

Unless specifically stated otherwise the terms used in this Guaranty will have the same meaning as in the Agreement and will be interpreted and construed in accordance with Section 27 of the Agreement This Guaranty will be interpreted and construed under the laws of the State of Arizona In the event of any conflict of law the laws of the State of Arizona will prevail (without regard to and without giving effect to

the application of Arizona conflict of law rules) Guarantor submits to the jurisdiction of the Arizona courts and consents to arbitration in the event of any dispute hereunder pursuant to Section 27 of the Agreement

IN WITNESS WHEREOF the undersigned has signed this guaranty provision as of the date of this Agreement

GUARANTOR(S)

_____

_____

_____

EXHIBIT D
TO THE FRANCHISE AGREEMENT
NUTTY SCIENTISTS USA, INC

OWNERS

1 **Owners** List the full name and mailing address of each person or entity who directly or indirectly owns equity or voting interest in the Franchisee and describe the nature of the interest

Name _____ Number of Ownership Interests Owned _____
Address _____ % of Total Ownership Interests _____
_____ Number of Ownership Interests Owner is
_____ Entitled to Vote _____
_____ Other Interest (Describe) _____
_____

Name _____ Number of Ownership Interests Owned _____
Address _____ % of Total Ownership Interests _____
_____ Number of Ownership Interests Owner is
_____ Entitled to Vote _____
_____ Other Interest (Describe) _____
_____

Name _____ Number of Ownership Interests Owned _____
Address _____ % of Total Ownership Interests _____
_____ Number of Ownership Interests Owner is
_____ Entitled to Vote _____
_____ Other Interest (Describe) _____
_____

2 **Designated Principal Owners** The following individuals named in Paragraph 1 are designated as Principal Owners although they do not hold five percent (5%) or more of the equity ownership interests in Franchisee

Name _____ Name _____

Name _____ Name _____

Name _____ Name _____

Name _____ Name _____

3 **Management** As required according to Paragraph G of Section 10 of this Agreement the following Principal Owners will have supervisory responsibilities in connection with the operation of the Outlet

Name _____

Name _____

Name _____

4 **Ownership Structure and Initial Capitalization** Franchisee and its Owners represent and warrant that the ownership structure and initial capitalization of Franchisee is as follows

OWNERSHIP STRUCTURE

Owner	Number of Ownership Interests	Percentage Ownership
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

As of the date of this Agreement there are _____ (_____) Ownership Interests authorized and there are _____ (_____) Ownership Interests which are issued and outstanding There are no other authorized classes of shares

EXHIBIT E
TO THE FRANCHISE AGREEMENT
NUTTY SCIENTISTS USA, INC

CONFIDENTIALITY AND NON-COMPETE AGREEMENT
FOR FRANCHISEE'S PRINCIPALS AND EXECUTIVES

THIS NON-DISCLOSURE AND NON-COMPETITION AGREEMENT (Agreement") is made this _____ day of _____ 20___ by and between **NUTTY SCIENTISTS USA, INC** a Florida Corporation ("**Nutty Scientists we**" "**our**" or the **Franchisee**) and _____ who is a Principal member partner or officer of Franchisee (**you** or the **Member**')

Introduction

Nutty Scientists (the **Franchisor**') and its affiliates developed and own a format and system (the **System**) relating to the establishment and operation of a business designed to offer an entertainment-oriented educational program in almost every area of scientific thought with the objective of leading children to discover and enjoy science under the Mark NUTTY SCIENTISTS" through a uniform system which has high standards of services uses quality products operates under the business format created and developed by ***Nutty Scientists,*** and which is known as the Nutty Scientists System (the System) and feature and operate under the Proprietary Marks (as defined below) (each ***Nutty Scientists* franchise**)

Franchisor and Franchisee have executed a Franchise Agreement (**Franchise Agreement**) granting Franchisee the right to operate a Nutty Scientists franchise (the **Franchised Business**) under the terms and conditions of the Franchise Agreement

In connection with your ownership and position with Franchisee you will be trained by Nutty Scientists and/or you will learn of Franchisor s confidential information and know-how concerning the methods of operation of a Nutty Scientists franchise and the System
Now therefore it is agreed that as a consideration your relationship with Franchisee and the rights granted to Franchisee under the Franchise Agreement you acknowledge and agree that you will comply with all of the following obligations

1 **Nutty Scientists franchises Confidential Information** You agree that you will not at any time (whether during or after the term of the Franchise Agreement or the time of your relationship with Franchisee) communicate or divulge Nutty Scientists franchises Confidential Information to any Person and that you will not use Nutty Scientists franchises Confidential Information for your own benefit or for the benefit of any other Person

2 **Definitions** As used in this Agreement the following terms are agreed to have the following meanings

a The term **Nutty Scientists franchises Confidential Information**" means any information knowledge or know-how concerning the methods of operation of the Franchised Business and the System that may you may learn of or that otherwise becomes known to you during the term of the Franchise Agreement or the time of your relationship with Franchisee (whether or not Franchisor or we have specifically designated that information as confidential) Nutty Scientists franchises Confidential Information may include among other things operational, sales promotional marketing, and administrative methods marketing plans procedures, techniques and all marketing, promotional operations and related Confidential Information disclosed to Franchisee in the future However Nutty Scientists franchises Confidential Information does not include information that you can show came to your attention before it was disclosed to you by Nutty Scientists or Franchisor and Nutty Scientists franchises Confidential Information also does not include information that at or after the time when we or Franchisor disclosed it to you is a part of the public domain through no act on your part or through publication or communication by other Persons who are lawfully entitled to publish or communicate that information

b The term **Person** means any person persons partnership entity association or

corporation (other than the Franchisor or Franchisee)

c The term **Post-Term Period**" means a continuous uninterrupted period of one year from the date of (a) a transfer permitted under Section 15 of the Franchise Agreement, (b) expiration or termination of the Franchise Agreement (regardless of the cause for termination) (c) termination of your relationship with Franchisee for any reason and/or (d) a final order of a court of competent jurisdiction enforcing of this Agreement

3 **Covenants Not to Compete**

a You understand and acknowledge that due to your relationship with Nutty Scientists you will receive valuable specialized training and access to Nutty Scientists franchises Confidential Information

b You covenant and agree that during the term of the Franchise Agreement unless Franchisor gives you prior written approval you will not either directly or indirectly for yourself or through on behalf of or in conjunction with any Person

i Divert or attempt to divert any current or potential business account or customer of the Franchised Business (or of any Nutty Scientists franchises with whom you had material contact during the term of the Franchise Agreement) to any Person whether by direct or indirect suggestion referral inducement or otherwise

ii Do or perform directly or indirectly any act that might injure or be harmful to the goodwill associated with Franchisor and the System

iii Directly or indirectly for yourself or on behalf of or in conjunction with any Person own, maintain operate engage in, or have any interest in any business that is the same as or similar to the Franchised Business

c You covenant and agree that during the term Post-Term Period unless Franchisor gives you its prior written approval you will not either directly or indirectly, for yourself or through on behalf of or in conjunction with any Person

i Own maintain operate engage in or have any interest in any business that is the same as or similar to the Franchised Business if that business is located (or if it is intended to be located) within the Territory or within a radius of twenty-five (25) miles thereof

4 **Legal and Equitable Remedies** You understand acknowledge and agree that if you do not comply with the requirements of this Agreement you will cause irreparable injury to Franchisor, and that

a Nutty Scientists will have the right to enforce this Agreement and any of its terms by going to a court and obtaining an injunction specific performance or other equitable relief without prejudice to any other rights and remedies that we may have for breach of this Agreement

b You will not raise wrongful termination or other defenses to the enforcement of this Agreement (although you will have the right to raise those issues in a separate legal action) and

c You must reimburse Franchisor for any court costs and reasonable attorney s fees that Franchisor incurs as a result of your violation of this Agreement and having to go to court to seek enforcement

5 **Severability** Each of the terms of this Agreement may be considered severable from the others If a court should find that we or Franchisor may not enforce a clause in this Agreement as written but the court would allow Nutty Scientists or Franchisor to enforce that clause in a way that is less burdensome to you then you agree that you will comply with the court s less-restrictive interpretation of that clause

6 **Delay** No delay or failure by Nutty Scientists or Franchisor to exercise any right under this Agreement and no partial or single exercise of that right will constitute a waiver of that right or any other right set out in this Agreement No waiver of any violation of any terms and conditions of this Agreement will be construed as a waiver of any succeeding violation of the same or any other provision of this Agreement

7 **Third-Party Beneficiary** You acknowledge and agree that Franchisor is an intended third-party beneficiary of this Agreement with the right to enforce it independently or jointly with Franchisee

IN WITNESS WHEREOF Member has read and understands the terms of this Agreement and voluntarily signed this Agreement on this ____ day of _____ 20___

MEMBER

Signature _____

Printed Name _____

EXHIBIT F
TO THE FRANCHISE AGREEMENT
NUTTY SCIENTISTS USA, INC

LOGO AND MARKS

NUTTY SCIENTISTS

STEM2STEAM4KIDS

STEMTOSTEAMCAMPS

STEMTOSTEAMAFTERSHOOL

EXHIBIT G
TO THE FRANCHISE AGREEMENT
NUTTY SCIENTISTS USA, INC

INTRANET TERMS OF USE AGREEMENT

TERMS OF USE

NUTTY SCIENTISTS® *INTRANET* "THE LAB"

Nutty Scientists® has developed a password controlled, restricted access and secure intranet that allows our franchisees and certain of their employees to view and print portions of our confidential documents like the Operations Manual or Sales Documents, to download photos, images and videos to promote their business, to communicate with us and each other, and to upload documents to share with the rest of the franchisees

We call this facility the Nutty Scientists® The Lab" Intranet Following are the *Terms and conditions of use* of "the Lab" Intranet ("Terms of Use") Please read them carefully When you respond to this e-mail message with this statement **"I AGREE TO BE BOUND BY ALL OF "THE LAB" INTRANET TERMS OF USE",** we will issue a special User ID and two passwords to you By logging onto "The Lab" Intranet the first time, you confirm that you are eligible to access the "The Lab" Intranet and that you agree to observe and be bound by all these ***Terms of Use***

Section 1 Introduction and Fees

Because the 'The Lab" Intranet will continually evolve and because we may change, supplement or delete any of its functions, we reserve the right to modify these Terms of Use in the same manner we modify, amend or supplement our Operations Manual or any of the documents in The Library These Terms of Use constitute a part of the Operations Manual

"The Lab' Intranet is provided "AS-IS" and "AS AVAILABLE" We assume no responsibility for the timeliness, deletion, mis-delivery or failure to store any of your communications or settings

All the documents in "The Lab" belong to Nutty Scientists® and we have the right to use them in a legally and correct way

To use "The Lab" Intranet, you must pay a monthly fee of $35 per month and be able to access the World Wide Web, and you must also pay any Internet access fees associated with your access You must also provide all equipment necessary to connect to the World Wide Web, including a computer and modem or other access device

Section 2 Passwords and Security

You will receive your User ID, a Level 1 Password from the system administrator You will be permitted to change your own password (in your *profile*) whenever you want so that nobody will be able to enter to 'The Lab" but you

Because anyone who uses your User ID and Level 1 Password gains access to our confidential Operations Manual and other confidential information, you must take care to maintain the confidentiality of your passwords and User ID Neither you nor your employees may use another's User ID and passwords to access The Lab" Intranet

_____ Franchisee _____

Nutty Scientists®
All rights reserved
US 2017

Date _____

EXHIBIT D
TO THE DISCLOSURE DOCUMENT

TABLE OF CONTENTS OF MANUAL

The Manual and all other training materials are located on our Intranet system and we will provide a webinar to you prior to your signing of the Franchise Agreement that will give you details on our Manual(s) and other programs used in the operation of the Nutty Scientists franchise

EXHIBIT E
TO THE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS

USA, INC.

Independent Auditor's Report and
Financial Statements

December 31, 2016 and 2015

SCHILD&CO.,INC.
CERTIFIED PUBLIC ACCOUNTANTS

NUTTY SCIENTISTS USA, INC.

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SCHILD&CO.,INC.
CERTIFIED PUBLIC ACCOUNTANTS
18426 Brookhurst St. Ste 205 Fountain Valley CA 92708 - (714) 587 2477 Phone - (714) 587 2476 Fax

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Nutty Scientists USA, Inc

We have audited the accompanying financial statements of Nutty Scientists USA, Inc (the Company) which comprise the balance sheets as of December 31, 2016 and 2015, and the related statements of income and changes in stockholders' equity, and cash flows for the years 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

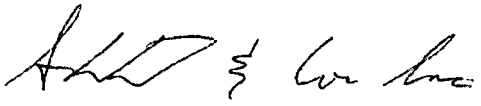
Our responsibility is to express an opinion on these financial statements based on our audits We conducted our audits in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audits to obtain reasonable assurance about 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 or 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 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 Nutty Scientists USA, Inc as of December 31, 2016 and 2015 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America



Fountain Valley, California
April 17, 2017

NUTTY SCIENTISTS USA, INC.
Balance Sheets
December 31,

	2016	2015
ASSETS		
Current assets		
Cash	$ 13,993	$ 15,736
Accounts receivable	-	290
Due from shareholder	-	16,310
Total current assets	13,993	32,336
Property and equipment, at cost		
Furniture, fixtures and equipment	6,875	6,875
Less Accumulated depreciation	(5,202)	(4,644)
Total property and equipment	1,673	2,231
Other assets		
Deposits	1,656	1,656
TOTAL ASSETS	**$ 17,322**	**$ 36,223**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accrued liabilities	$ 500	$ 500
Total current liabilities	500	500
Stockholders' Equity		
Common stock		
Authorized - 100 shares, no par value		
Issued and outstanding - 100 shares	100	100
Additional paid-in capital	23,900	23,900
Retained earnings (deficit)	(7,178)	11,723
Total stockholders' equity	16,822	35,723
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 17,322**	**$ 36,223**

NUTTY SCIENTISTS USA, INC.
Statements of Income
For the Years Ended December 31, 2016 and 2015

	2016	2015
REVENUES	$ 43,155	$ 176,135
Operating expenses		
Advertising	13,622	20,471
Legal and professional	10,490	7,974
Outside services	8,640	28,393
Office expenses	5,845	5,526
Travel and entertainment	4,820	21,534
Website support	4,535	19,251
Supplies	4,284	18,736
Dues and subscriptions	2,224	5,376
Bad debt	2,206	-
Training	1,970	3,522
Taxes and licenses	1,962	1,442
Rent	900	3,749
Depreciation	558	6,785
Commissions	-	21,560
Total operating expenses	62,056	164,319
Income (Loss) from operations	(18,901)	11,816
Other income		
Gain on asset disposal	-	(2,311)
Total income (loss) before income taxes	(18,901)	14,127
Provision for Income Taxes	-	-
NET INCOME (LOSS)	**$ (18,901)**	**$ 14,127**

NUTTY SCIENTISTS USA, INC.

Statement of Changes in Stockholders' Equity
For the Years Ended December 31, 2016 and 2015

	Common Stock Shares	Common Stock Amount	Additional Paid in Capital	Accumulated Earnings (Deficit)	Total Stockholders' Equity
Balance at December 31, 2014	100	$ 100	$ 23,900	$ (2,404)	$ 21,596
Net income	-	-	-	14,127	14,127
Balance at December 31, 2015	100	100	23,900	11,723	35,723
Net loss	-	-	-	(18,901)	(18,901)
Balance at December 31, 2016	**100**	**$ 100**	**$ 23,900**	**$ (7,178)**	**$ 16,822**

NUTTY SCIENTISTS USA, INC.
Statements of Cash Flows
For the Years Ended December 31, 2016 and 2015

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	$ (18,901)	$ 14,127
Adjustments to reconcile net income (loss) to net cash provided by (used for) operations		
Depreciation	558	16,698
(Increase) decrease in accounts receivable	290	6,710
Increase (decrease) in accrued liabilities	-	(13,500)
Gain on disposal of property and equipment	-	2,311
Net cash provided (used) by operating activities	(18,053)	26,346
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	-	(2,789)
Net cash provided (used) by investing activities	-	(2,789)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in due from shareholder	16,310	(16,310)
Net cash provided (used) by financing activities	16,310	(16,310)
NET INCREASE (DECREASE) IN CASH	(1,743)	7,247
CASH - beginning of year	$ 15,736	8,489
CASH - end of year	**$ 13,993**	**$ 15,736**
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	$ -	$ -
Cash paid during the year for state income taxes	$ -	$ -

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of Nutty Scientists USA, Inc (the Company) is presented to assist in the understanding of the Company's financial statements The financial statements and notes are representations of the Company's management, who is responsible for their integrity and objectivity

History and organization – Nutty Scientists USA, Inc was incorporated in Florida on August 11, 2008 The Company was organized for the purpose of franchising the concept of "STEM" learning by offering interactive programs for children of all ages related to science, technology, engineering and mathematics, also known as STEM learning activities

Nutty Scientists USA, Inc (NSUI) is engaged in the administration, development, operation, and licensing of businesses that operate the franchise

As of December 31, 2016, Nutty Scientists's had franchised 5 active franchises in the United States and over 500 franchises internationally

The Company have agreements with multiple third party operators to expand NSUI's franchise and other related scientific activities internationally Through these agreements, a series of franchised, licensed or other NSUI's have opened and will continue to open in other parts of the world These agreements do not involve a significant capital investment or operational involvement from the Company

Franchise operations are regulated by the Federal Trade Commission (FTC) and various state laws regulating the offer and sale of franchises The FTC's franchise rule and various state laws require that the Company furnish a franchise disclosure document ("FDD") containing certain information to prospective franchisees The Company must also complete franchise registration, pursuant to state law, in those states where franchises are planned to be sold

Basis of accounting – The accompanying financial statements have been prepared using the accrual method of accounting in conformity with accounting principles generally accepted in the United States of America (U S GAAP)

Cash and cash equivalents – For purposes of reporting cash flows, cash includes amounts on hand and amounts on deposit at financial institutions The Company defines cash equivalents as short-term, liquid investments with initial maturity of three months or less Renewals are generally renewed at the same term The Company had no cash equivalents as of December 31, 2016 and 2015

Advertising costs – Advertising costs are charged to operating expenses as incurred or at the time the advertising first takes place Advertising costs for the years ended December 31, 2016 and 2015 were $13,622 and $20,471, respectively

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment – Property and equipment is stated at cost Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, which is five years Significant additions and betterments are capitalized Expenditures for maintenance, repairs and minor renewal are charged to expenses as incurred

Depreciation expense was $558 and $6,785 for the years ended December 31, 2016 and 2015, respectively

Use of estimates – Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles in the United States of America Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenses during the reporting period Actual results could vary from the estimates that were used

Computer, website and internet – The Company markets the brand and opportunity in various franchise info-websites, lead search, and maintains a robust website The website development expenses are on-going and are for maintenance and upkeep of the Company's website that host all info on owning, starting, investing in franchise ownership Computer, website and internet expenses are charged to expense as incurred At December 31, 2016 and 2015, computer, website and internet expenses amounted to $4,535 and $19,251, respectively

Accounting for uncertainty in income tax items – The Company has analyzed tax positions taken for filing with the Internal Revenue Service and all state jurisdictions where it operates The Company believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Company's financial condition, results of operations or cash flows Accordingly, the Company has not recorded any reserves or related accruals for interest and penalties for uncertain income tax positions at December 31, 2016 and 2015 The Company is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress The Company's policy is to classify income tax related interest and penalties in interest expense and other expenses

Revenue recognition – The Company recognizes revenue on sales of franchises when all material services or conditions relating to each sale have been substantially performed or satisfied by the Company which is deemed to be when each franchise store opens for business Significant services performed subsequent to this date are compensated by the royalty revenue charged to ongoing franchisees Continuing franchise royalties are based on a percentage of franchise sales and recognized when earned

NOTE 2 – FAIR VALUE OF FINANCIAL INSTRUMENTS

The FASB ASC Topic "Financial Instruments" clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable

Disclosure includes reporting hierarchy in which fair value measurements in their entirety fall, segregating fair value measurements using quoted prices in active markets for identical assets or liabilities (Level 1), significant other observable inputs (Level 2), and significant unobservable inputs (Level 3) The carrying amount of these assets and liabilities approximates fair value due to the short maturity of these financial instruments The recorded value of these financial instruments approximated fair value at December 31, 2016 and 2015

NOTE 3 – COMMON STOCK

At December 31, 2016 and 2015, the Company has authorized, issued, and outstanding 100 shares of common stock no par value

NOTE 4 – FRANCHISING

In general, the Company's franchise agreements provide for a franchise fee for each opened franchised location Franchisees pay continuing royalty fees of 6% and marketing fees of 2%, which are based on gross revenues Royalty and fee revenue from franchisees is recognized monthly

Franchise agreements are for 10-year terms, with subsequent renewals available subject to approval and payment of renewal fee of 25% of the initial franchise fee A franchisee may generally renew its agreement upon expiration The Company recognizes renewal fees in income when a renewal agreement becomes effective

Initial franchise fees, which may be up to $28,000, are generally recognized when substantially all services or conditions relating to the franchise sale have been performed or satisfied by the Company Services provided by the Company include establishment and operation of the franchised business, training, and implementation of a uniform system which has high standards of services, and quality control system

NOTE 5 – SUBSEQUENT EVENTS

Date of management review – The Company has evaluated subsequent events through April 17, 2017, the date of which the financial statements were available to be issued Through that date, management has determined that the Company did not have any material recognizable or non-recognizable subsequent events

SCHILD&CO.,INC.
CERTIFIED PUBLIC ACCOUNTANTS
18426 Brookhurst St., Ste 205 Fountain Valley CA 92708 – (714) 587 2477 Phone – (714) 587 2476 Fax

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To Whom It May Concern

We consent to the use in the Franchise Disclosure Document issued by Nutty Scientists USA, Inc ("Franchisor") on April 17, 2017, as it may be amended, of our report dated April 17, 2017, relating to the financial statements of Franchisor for the years ended December 31, 2016 and 2015

April 17, 2017

USA, INC.

Independent Auditor's Report and
Financial Statements

December 31, 2015 and 2014

SCHILD&CO.,INC.
CERTIFIED PUBLIC ACCOUNTANTS

NUTTY SCIENTISTS USA, INC.

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SCHILD&CO.,INC.
CERTIFIED PUBLIC ACCOUNTANTS
18426 Brookhurst St. Ste 205 Fountain Valley CA 92708 - (714) 587 2477 Phone - (714) 587 2476 Fax

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Nutty Scientists USA, Inc

We have audited the accompanying financial statements of Nutty Scientists USA, Inc (the Company) which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of income and changes in stockholders' equity, and cash flows for the years 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

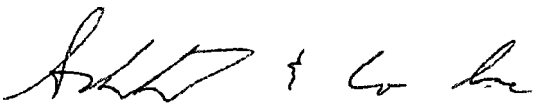
Our responsibility is to express an opinion on these financial statements based on our audits We conducted our audits in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audits to obtain reasonable assurance about 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 or 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 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 Nutty Scientists USA, Inc as of December 31, 2015 and 2014 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America



Fountain Valley, California
April 18, 2016

NUTTY SCIENTISTS USA, INC.
Balance Sheets
December 31, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash	$ 15,736	$ 8,489
Accounts receivable	290	7,000
Due from shareholder	16,310	-
Total current assets	32,336	15,489
Property and equipment, at cost		
Furniture, fixtures and equipment	6,875	4,086
Transportation equipment	-	31,137
	6,875	35,223
Less Accumulated depreciation	(4,644)	(16,772)
Total property and equipment	2,231	18,451
Other assets		
Deposits	1,656	1,656
TOTAL ASSETS	**$ 36,223**	**$ 35,596**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accrued liabilities	$ 500	$ 14,000
Total current liabilities	500	14,000
Stockholders' Equity		
Common stock		
Authorized - 100 shares, no par value		
Issued and outstanding - 100 shares	100	100
Additional paid-in capital	23,900	23,900
Retained earnings (deficit)	11,723	(2,404)
Total stockholders' equity	35,723	21,596
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 36,223**	**$ 35,596**

NUTTY SCIENTISTS USA, INC.

Statements of Income
For the Years Ended December 31, 2015 and 2014

	2015	2014
REVENUES	$ 176,135	$ 135,890
Operating expenses		
Outside services	28,393	8,948
Commissions	21,560	21,872
Travel and entertainment	21,534	4,882
Advertising	20,471	7,351
Website support	19,251	-
Supplies	18,736	18,407
Legal and professional	7,974	16,974
Depreciation	6,785	1,775
Dues and subscriptions	5,376	1,008
Office expenses	5,526	9,735
Rent	3,749	18,165
Training	3,522	-
Taxes and licenses	1,442	1,684
Salaries and wages	-	11,317
Telephone and internet	-	5,332
Printing	-	5,120
Payroll taxes	-	1,000
Total operating expenses	164,319	133,570
Income from operations	11,816	2,320
Other income		
Gain on asset disposal	(2,311)	-
Total income before income taxes	14,127	2,320
Provision for Income Taxes	-	-
NET INCOME	**$ 14,127**	**$ 2,320**

NUTTY SCIENTISTS USA, INC.

Statement of Changes in Stockholders' Equity
For the Years Ended December 31, 2015 and 2014

	Common Stock Shares	Common Stock Amount	Additional Paid in Capital	Accumulated Earnings (Deficit)	Total Stockholders' Equity
Balance at December 31, 2013	100	$ 100	$ 23,900	$ (4,724)	$ 19,276
Net income	-	-	-	2,320	2,320
Balance at December 31, 2014	100	100	23,900	(2,404)	21,596
Net income	-	-	-	14,127	14,127
Balance at December 31, 2015	**100**	**$ 100**	**$ 23,900**	**$ 11,723**	**$ 35,723**

NUTTY SCIENTISTS USA, INC.
Statements of Cash Flows
For the Years Ended December 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 14,127	$ 2,320
Adjustments to reconcile net income to		
net cash provided by (used for) operations		
Depreciation	16,698	1,775
(Increase) decrease in accounts receivable	6,710	(7,000)
Increase (decrease) in accrued liabilities	(13,500)	(7,553)
Gain on disposal of property and equipment	2,311	-
Net cash provided (used) by operating activities	26,346	(10,458)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(2,789)	-
Net cash provided (used) by investing activities	(2,789)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in due from shareholder	(16,310)	-
Decrease in due to shareholders	-	(15,481)
Net cash provided (used) by financing activities	(16,310)	(15,481)
NET INCREASE (DECREASE) IN CASH	7,247	(25,939)
CASH - beginning of year	$ 8,489	34,428
CASH - end of year	**$ 15,736**	**$ 8,489**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of Nutty Scientists USA, Inc (the Company) is presented to assist in the understanding of the Company's financial statements The financial statements and notes are representations of the Company's management, who is responsible for their integrity and objectivity

History and organization – Nutty Scientists USA, Inc was incorporated in Florida on August 11, 2008 The Company was organized for the purpose of franchising the concept of "STEM" learning by offering interactive programs for children of all ages related to science, technology, engineering and mathematics, also known as STEM learning activities

Accounting Basis – The accompanying financial statements have been prepared on the accrual method of accounting in accordance with Generally Accepted Accounting Principles

Cash and cash equivalents – For purposes of reporting cash flows, cash includes amounts on hand and amounts on deposit at financial institutions The Company defines cash equivalents as short-term, liquid investments with initial maturity of three months or less Renewals are generally renewed at the same term The Company had no cash equivalents as of December 31, 2015 and 2014

Use of estimates – Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles in the United States of America Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenses during the reporting period Actual results could vary from the estimates that were used

Property and equipment – Property and equipment is stated at cost Depreciation is provided on an accelerated method over the estimated useful lives of the related assets, which is five years Significant additions and betterments are capitalized Expenditures for maintenance, repairs and minor renewal are charged to expenses as incurred

Advertising costs – The Company has the policy of expensing advertising costs as incurred Advertising costs charged to expenses were $20,471 and $7,351 in 2015 and 2014, respectively

Income taxes – The Company accounts for income taxes in accordance with generally accepted accounting principles which requires the use of the liability method of accounting for income taxes Accordingly, deferred tax liabilities and assets are determined based on the difference between the financial statement and tax basis of assets and liabilities, using enacted tax rates in effect for the year in which the differences are expected to reverse Current income taxes are based on the year's taxable income for Federal and State income tax reporting purposes

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Company's income tax filings are subject to examination by the appropriate tax jurisdictions As of December 31, 2015, the Company's federal and state tax returns generally remain open for the last three years

The Company is required to recognize, measure, classify, and disclose in the financial statements uncertain tax positions taken or expected to be taken in the Company's tax returns Management has determined that the Company does not have any uncertain tax positions associated unrecognized benefits that materially impact the financial statements or related disclosures Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Company's tax returns will not be challenged by the taxing authorities and that the Company will not be subject to additional tax, penalties and interest as a result of such challenge

Revenue recognition – The Company recognizes revenue on sales of franchises when all material services or conditions relating to each sale have been substantially performed or satisfied by the Company which is deemed to be when each franchise store opens for business Significant services performed subsequent to this date are compensated by the royalty revenue charged to ongoing franchisees Continuing franchise royalties are based on a percentage of franchise sales and recognized when earned

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation Depreciation is provided using the straight-line method over the estimated useful lives

Depreciation expense was $6,785 and $1,775 for the years ended December 31, 2015 and 2014, respectively

NOTE 3 – FAIR VALUE OF FINANCIAL INSTRUMENTS

Substantially all of the Company's current assets and liabilities are considered financial instruments These assets and liabilities are reflected at fair value, or at carrying value that approximate fair value because of the short term nature of the instrument The recorded value of these financial instruments approximated fair value as of December 31, 2015 and 2014

NOTE 4 – DUE FROM SHAREHOLDER

At December 31, 2015, the Company had outstanding note receivable from shareholder of $16,310 The note is non-interest bearing and subsequently collected in March 2016

NOTE 5 – FRANCHISING

In general, the Company's franchise agreements provide for a franchise fee for each opened franchised location Franchisees pay continuing royalty fees of 8% and marketing fees of 2%, which are based on gross revenues Royalty and fee revenue from franchisees is recognized monthly

Franchise agreements are for 10-year terms, with subsequent renewals available subject to approval and payment of renewal fee of 25% of the initial franchise fee A franchisee may generally renew its agreement upon expiration The Company recognizes renewal fees in income when a renewal agreement becomes effective

Initial franchise fees, which may be up to $28,000, are generally recognized when substantially all services or conditions relating to the franchise sale have been performed or satisfied by the Company Services provided by the Company include establishment and operation of the franchised business, training, and implementation of a uniform system which has high standards of services, and quality control system

NOTE 6 – SUBSEQUENT EVENTS

Date of management review – The Company has evaluated subsequent events through April 18, 2016, the date of which the financial statements were available to be issued Through that date, management has determined that the Company did not have any material recognizable or non-recognizable subsequent events

SCHILD&CO.,INC.
CERTIFIED PUBLIC ACCOUNTANTS
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CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To Whom It May Concern

We consent to the use in the Franchise Disclosure Document issued by Nutty Scientists USA, Inc ("Franchisor") on April 18, 2016, as it may be amended, of our report dated April 18, 2016, relating to the financial statements of Franchisor for the years ended December 31, 2015 and 2014

April 18, 2016

EXHIBIT F
TO THE DISCLOSURE DOCUMENT
LIST OF FRANCHISEES AND TERMINATED FRANCHISEES

Please be advised that your contact information may be disclosed if you buy a franchise and later leave the Franchise System

Nutty Scientist Franchisee Chart as Of 04 17 2017
USA

State	City	Franchisee Name	Signed FA	Terminations	Email
FL	Gainesville	Lynette Perales	12/08/2014		northflorida@nuttyscientists com
FL	Naples	Grace Andes	09/28/2015		swflorida@nuttyscientists com
LA	Lafayette	Alexandra Drouant & Elizabeth Domingue	04/24/2015		acadiana@nuttyscientists com
MI	Canton	Kevin Schlosser	03/20/2014		kevin@nuttyscientists com
PA	Aston	Baisali Sarkar	08/01/2013	Not actively operating 2016 due to current work	delaware-chester@nuttyscientists com
TX	Katy	Sarita Menon	07/07/2015		fortbend@nuttyscientists com
TX	The Woodlands	Victoria Lioznyansky	12/15/13		houston@nuttyscientists com

CANADA

City	Franchisee Name	Signed FA	Phone	Email
Okotoks	Morenikeji Adesola	11/19/2012		Calgary@nuttyscientists com
Ottawa	Khaled Nayed	01/13/2016		ottawa@nuttyscientists com

Company Owned Outlets- Not franchises

State	City	Name	Phone	Email
AZ	Tucson	Shery Christopher	(520) 743-0022	shery@nuttyscientists com
FL	Miami	Natalia Puig-La Calle		info@nuttyscientists com

Terminated/Closed Outlets

State	City	Franchisee Name	Signed FA	Terminations/closed other reasons	Date of Closure	Email
KY	Elizabethtown	Mistie Wisniewski	05/31/2013	Medical/surgical issues	10/01/2016	nkentucky@nuttyscientists com
SC	Greenville	Kelly Sooklal	07/09/2014	Personal issues	01/01/2016	kellysooklal@hotmail com
TX	Cedar Park	Tanya Maclin	11/22/2013	Health issues	03/01/2016	tanya_maclin@mac com

EXHIBIT G
TO THE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE ACKNOWLEDGMENT STATEMENT

As you know Nutty Scientists USA Inc (the "**Franchisor**") and you are preparing to enter into a franchise agreement (the "**Franchise Agreement**") for the establishment and operation of a franchised business ("**Franchised Business**") The purpose of this Questionnaire is to determine whether any statements or promises were made to you by employees or authorized representatives of the Franchisor, or by employees or authorized representatives of a broker ("**Broker**") acting for the Franchisor that have not been authorized, or that were not disclosed in the Disclosure Document or that may be untrue inaccurate or misleading The Franchisor through the use of this document, desires to ascertain (a) that the undersigned, individually and as a representative of any legal entity established to acquire the franchise rights, fully understands and comprehends that the purchase of a franchise is a business decision, complete with its associated risks and (b) that you are not relying upon any oral statement, representations promises or assurances during the negotiations for the purchase of the franchise which have not been authorized by the Franchisor

If you are intending to purchase an existing franchised business from an existing Franchisee you may have received information from the transferring Franchisee who are not employees or representatives of the Franchisor The questions below do not apply to any communications that you had with the transferring Franchisee Please review each of the following questions and statements carefully and provide honest and complete responses to each

1 Are you seeking to enter into the Franchise Agreement along with a purchase or transfer of an existing franchised business from an existing Franchisee?

Yes____ No____

2 I had my first face-to-face meeting or phone call with a Franchisor representative on _____, 20___

3 Have you received and personally reviewed the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes____ No____

4 Do you understand all of the information contained in the Franchise Agreement, each addendum, and/or related agreement provided to you?

Yes____ No____

If no, what parts of the Franchise Agreement, any Addendum and/or related agreement do you not understand? (Attach additional pages if needed)

_____
_____
_____
_____

5 Have you received and personally reviewed the Franchisor's Disclosure Document that was provided to you?

Yes____ No____

6 Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes____ No____

7 Do you understand all of the information contained in the Disclosure Document and any state-specific Addendum to the Disclosure Document?

Yes____ No____

If no, what parts of the Disclosure Document and/or Addendum do you not understand? (Attach additional pages, if needed)

_____

_____

_____

8 Have you discussed the benefits and risks of establishing and operating a franchised business with an attorney, accountant, or other professional advisor?

a Yes____ No____
b Whom? _____

If no do you have more time to do so?

Yes____ No____

9 Do you understand that the success or failure of your franchised business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation labor and supply costs, location, lease terms, your management capabilities and other economic, and business factors?

Yes____ No____

10 Do you acknowledge that the Franchisor is responsible for fulfilling obligations to you under the Franchise Agreement, and that while some ongoing support may be provided to you by a local Area Representative, that the principal initial and ongoing support, including training, marketing, research and development will be provided by the personnel at Franchisor's headquarters, where records of your franchise relationship will be maintained?

Yes____ No____

11 Do you understand that, per the Disclosure Document and your Franchise Agreement it is you responsibility to review and understand the licensing requirements in your state?

Yes____ No____

12 Have you independently investigated your state's licensing requirements and the likely time and cost needed to comply with them?

Yes____ No____

13 Has any employee of a Broker or other person speaking for the Franchisor made any statement or promise regarding the amount of money you may earn in operating the franchised business that is contrary to or different from the information contained in the Disclosure document?

Yes____ No____

14 Has an employee of a Broker or other person speaking for the Franchisor made and statement or promise concerning the total amount of revenue the franchised business will generate, that is contrary to or different from the information contained in the Disclosure Document?

Yes____ No____

15 Has any employee of a Broker or other person speaking for the Franchisor made any statement or promise regarding the costs you may incur in operating the franchised business that is contrary to or different from the information contained in the Disclosure Document?

Yes____ No____

16 Has any employee of a Broker or other person speaking for the Franchisor made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a franchised business?

Yes____ No____

17 Has any employee or other person speaking for the Franchisor made any statement, promise or agreement concerning the advertising, marketing, training support service or assistance that the Franchisor will furnish to you that is contrary to, or different from the information contained in the Disclosure Document or the Franchise Agreement?

Yes____ No____

18 Have you entered into any binding agreement with the Franchisor concerning the purchase of this franchise before today?

Yes____ No____

19 Have you paid any money to the Franchisor concerning the purchase of this franchise before today?

Yes____ No____

20 Have you spoken to any other franchisee(s) of this system before deciding to purchase this franchise? If so, who?_____

_____

21 Do you understand that the Franchisor may modify the franchise program throughout the term of your agreements?

Yes____ No____

If you have answered No to question 9 or 12, or Yes to any of questions 11 or 13-19, please provide a full explanation to each answer in the following blank lines (Attach additional pages, if needed and refer to them below) If you have answered Yes to question 9 or 12, and No to each of questions 11-18, please leave the following lines blank

_____

_____

_____

_____

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

Please understand that your responses to these questions are important to us and that we will rely on them By signing this Questionnaire, you are representing that you have responded truthfully to the above questions In addition, by signing this Questionnaire, you also acknowledge that

A You recognize and understand that business risks, which exist along with the purchase of any business, make the success or failure of the franchise subject to many variables, including among other things, your skills and abilities, the hours worked by you, competition, interest rates, the economy, inflation, franchise location, operation costs, lease terms and costs and the marketplace You acknowledge your awareness of and willingness to undertake these business risks

B You agree and state that the decision to enter into this business risk is in no manner predicated upon any oral representation assurances, warranties, guarantees or promises made by Franchisor or any of its officers, employees or agents (including the Broker or any other broker) as to the likelihood of success of the franchise Except as contained in the Disclosure Document, you acknowledge that you have not received any information from the Franchisor or any of its officers, employees or agents (including Broker or any other broker) concerning actual, projected or forecasted franchise sales, profits or earning If you believe that you have received any information concerning actual, average, projected or forecasted franchise sales, profits or earnings other than those contained in the Disclosure Document, please describe those in the space provided below, otherwise write "None"

C You also acknowledge that the President of the United States of America has issued Executive Order 13224 (the "Executive Order") prohibiting transactions with terrorists and terrorist organizations and that the United States government has adopted, and in the future may adopt, other anti-terrorism measures (the "Anti-Terrorism Measures) The Franchisor, therefore, requires certain certifications that the parties with whom it deals are not directly involved in terrorism For that reason, you certify that neither you nor any of your employees, agents or representatives nor any other person or entity associated with you, is

i a person or entity listed in the Annex to the Executive Order,

ii a person or entity otherwise determined by the Executive Order to have committed acts of terrorism or to pose a significant risk of committing acts of terrorism,

iii a person or entity who assists, sponsors, or supports terrorists or acts of terrorism, or

iv owned or controlled by terrorists or sponsors of terrorism

You may also covenant that neither you nor any of your employees, agents or representatives nor any other person or entity associated with you, will during the term of the Franchise Agreement, become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure

Acknowledged this ____ day of _____, 20, ____

Sign here if you are taking the franchise as an **INDIVIDUAL**

_____
Signature

Print Name _____

_____
Signature

Print Name _____

_____
Signature

Sign here if you are taking the franchise as a **CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP**

Print Name of Legal Entity

By _____
Signature
Print Name _____

Title _____

EXHIBIT H
TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA FOR CALIFORNIA

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

OUR WEBSITE, http //www nuttyscientists com HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT AT www dbo ca gov

1 The following paragraph is added to the end of Item 3

Neither the Franchisor nor any person listed in Item 2 of this Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934 14 U S C A 78a *et seq* suspending or expelling such persons from membership in such association or exchange

2 Item 5 and Item 7 of the disclosure document and Section 4 1 of the Franchise Agreement are amended to state that Franchisor will defer the initial franchise fee until it has fulfilled its initial obligations to the Franchisee to include your initial 5 days of training outlined in Item 11 of the FDD Franchisee will be open and ready to market the business upon completion of initial training

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination (Franchise Agreement Section 12) or non-renewal of a franchise (Franchise Agreement Section 12) If the franchise agreement contains a provision that is inconsistent with the law the law will control

Disclosure/Agreement Section	Section
Item 17 h	The franchise agreement provides for termination upon bankruptcy (Franchise Agreement Section 16 1) This provision may not be enforceable under federal bankruptcy law (11 U S C A sec 101 et seq)
Item 17 r	The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise (Franchise Agreement Section 18 3) This provision may not be enforceable under California law

The Franchise Agreement requires application of the laws of Arizona This provision may not be enforceable under California Law

You must sign a general release if you renew or 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)

Franchisee _____ Date _____

Franchisor _____ Date _____

EXHIBIT H

STATE SPECIFIC ADDENDA FOR ILLINOIS

The Franchise Disclosure Document and Franchise Agreement hereto are modified and/or clarified as follows for franchisees and prospective franchisees in Illinois

Disclosure Document

1 The following language is added to the Risk Factors on the cover page of the Franchise Disclosure Document

THE GOVERNING LAW, VENUE AND JURISDICTION REQUIREMENTS IN THE DISCLOSURE DOCUMENT ARE SUBJECT TO THE PROVISIONS OF THE ILLINOIS FRANCHISE DISCLOSURE ACT, AND NOTHING IN THESE DOCUMENTS SHALL BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON YOU BY THE ILLINOIS FRANCHISE DISCLOSURE ACT

2 Item 5 of the Franchise Disclosure Document will include the following statement

Notice for Illinois Residents Upon signing the Franchise Agreement we will schedule your initial training as outlined in Item 11 of the FDD You will be prepared to begin operations of your business, market your business to schools community centers and other venues once you complete this initial training Based on the financial condition of Nutty Scientists the Illinois Attorney General s office has determined that the initial franchise fee must be deferred A Cashiers check in the amount of $43 000 00 (the initial franchise fee and the training and equipment fee) is due once all pre-opening obligations have been met which includes attendance of your initial training in Miami and receipt of your equipment delivered to you during the initial training

3 Item 17 of the Franchise Disclosure Document is amended to include the following

Any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside Illinois is void with respect to any action which is otherwise enforceable in Illinois except that the Franchise Agreement may provide for arbitration outside Illinois In addition Illinois law will govern the Franchise Agreement

3 It shall be a violation of this Act for a franchisor to terminate a franchise of a franchised business located in this State prior to the expiration of its term except for good cause as provided in subsection (b) or (c) of the Section Good cause" shall include but not be limited to, the failure of the franchisee to comply with any lawful provisions of the franchise or other agreement and to cure such default after being given notice thereof and a reasonable opportunity to cure such default which in no event need be more than 30 days

3 Each provision of this Addendum to the FDD shall be effective only to the extent that with respect to such provision the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum

Franchise Agreement

1 Sections 2 2 4 is amended to state the following

No general release shall be required as a condition of renewal termination and/or transfer that is intended to require Franchisee to waive compliance with the Illinois Franchise Disclosure Act 815 ILCS 705

2 Section 4 is amended to include the following

Notice for Illinois Residents Upon signing the Franchise Agreement we will schedule your training and receipt of your equipment and supplies as outlined below Based on the financial condition of Nutty Scientists the Illinois Attorney General s office has determined that the initial franchise fee must be deferred A Cashiers check in the amount of $43 000 00 (the initial franchise fee and the training and equipment fee) is due once all pre-opening obligations have been met which includes attendance of your initial training in Miami and receipt of your equipment delivered to you during the initial training

3 Section 16 shall include the following

The conditions under which the Franchise Agreement can be terminated and Franchisee s rights upon termination or non-renewal as well as the application by which Franchisee must bring any claims may be governed by the Illinois Franchise Disclosure Act 815 ILCS 705/19 and 705/20

The Illinois Franchise Disclosure Act states the following

No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based the expiration of one (1) year after Franchisee becomes aware of facts or circumstances reasonably indicating that the Franchisee may have a claim for relief in respect to conduct governed by the Act or ninety (90) days after delivery to Franchisee of a written notice disclosing the violation whichever shall first expire

4 Section 27 of the Franchise Agreement shall include the following language

For all franchisees located in the state of Illinois this Agreement shall be interpreted under the laws of the State of Illinois except to the extent governed by the United States Trademark Act of 1946 (Lanham Act 15 U S C Section 1052 et seq)

The parties agree that any action brought by either party against the other shall be brought in the States of Illinois

Each provision of this Addendum shall be effective only to the extent that with respect to such provision, the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Addendum To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto the terms of this Addendum shall govern

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 This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code

5 It shall be a violation of this Act for a franchisor to terminate a franchise of a franchised business located in this State prior to the expiration of its term except for good cause as provided in subsection (b) or (c) of the Section Good cause shall include, but not be limited to, the failure of the franchisee to comply with any lawful provisions of the franchise or other agreement and to cure such default after being given notice thereof and a reasonable opportunity to cure such default which in no event need be more than 30 days

Franchisee _____ Date _____

Franchisor _____ Date _____

EXHIBIT H
TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA FOR MARYLAND

The Disclosure Document and Franchise Agreement hereto are hereby modified and/or clarified as follows for franchisors and prospective franchisees in Maryland

Disclosure Document (Numbers 1-4 amends Item 17, (both charts) of the FDD)

1 Item 17 h, Termination for bankruptcy filing might not be enforceable under the U S Bankruptcy Act, but we intend to enforce it to the extent enforceable

2 Items 17(c) and 17(m) are revised to include The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

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

4 Item 17 (v) and 17(w) are revised to state that a franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law

1 Each provision of this Addendum to the Disclosure Document shall be effective only to the extent that, with respect to such provision, the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Addendum

Franchise Agreement

1 Section 16 1 of the Franchise Agreement is revised to provide that termination upon bankruptcy might not be enforceable under the U S Bankruptcy Act, but we intend to enforce it to the extent enforceable

2 Section 24 of the Franchise Agreement is revised to include the following language

Notwithstanding the provisions of this Section, you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise "

3 Section 2 2 4 and 15 3 3 of the Franchise Agreement is revised to include The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law

4 Section 22 in the Franchise Agreement is amended to state all representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law

5 The Franchise Acknowledgment Statement are amended to state that such representations are not intended to nor shall they act as a release, estopple or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law

6 Each provision of this Addendum to the Franchise Agreement shall be effective only to the extent that with respect to such provisions, the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Act are met independently without reference to this Addendum

Franchisee _____ Date _____

Franchisor _____ Date _____

EXHIBIT H
TO THE DISCLOSURE DOCUMENT

STATE SPECIFIC ADDENDA FOR NEW YORK

The Disclosure Document and Franchise Agreement are modified and/or clarified as follows for franchisees and prospective franchisees in New York

Disclosure Document

1 The following language is added to Risk Factors on 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 IN THIS PROSPECTUS

2 Item 3 of the FDD is revised to include the following

Disclose whether the franchisor its predecessor, a person identified in item 2 or an affiliate offering franchises under the franchisor's principal trademark

A 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 In addition, include 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 If so, disclose the names of the parties, the forum, nature, and current status of the pending action Franchisor may include a summary opinion of counsel concerning the action if the attorney's consent to the use of the summary opinion is included as part of this offering circular

B Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-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 If so, disclose the names of the parties the forum and date of conviction or date judgment was entered, penalty or damages assessed, and/or terms of settlement

C 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 If so, disclose the name of the person, the public agency, association, or exchange, the court, or other forum, a summary of the allegations or facts found by the agency, association, exchange or court, and the date, nature, terms and conditions of the order or decree

3 Item 4 of the FDD is revised to include the following

State whether 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 the officer or general partner of the franchisor held this position in the company or partnership If so, disclose the name of the person and/or company that was the debtor under the Bankruptcy Code, the date of the action and the material facts

4 Item 5 of the FDD
The initial franchise fee 0f $28,000 is for the license to operate as a Nutty Scientists franchisee during the term of the franchise agreement, use and access to proprietary materials, instructions and programs and for the initial training at Franchisor's offices in Arizona The $15,000 fee for instructor training, equipment and supplies will cover Franchisor's cost for employee salaries, travel, lodging and meals when traveling to Franchisees location to provide the on-site training and assistance

5 Item 17 d of the FDD is revised to include the following

The franchisee may terminate the agreement upon any grounds available by law

6 Item 17 j of the FDD is revised to include the following

However, no assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Franchise Agreement

7 Item 17 s of the FDD is revised to include the following

Revisions to the Manual will not unduly affect your obligations, including economic requirements, under the Franchise Agreement

8 Item 17 w of the FDD is revised to include the following

The choice of law should not be considered a waiver of any right conferred upon the Franchisee by the General Business Law of the State of New York, Article 33

Franchise Agreement

1 Section 27 of the Franchise Agreement is revised to include the following language

"Provided, however, that all rights arising in your favor from the provisions of Article 22 of the GBL of the State of New York and the regulations issues thereunder shall remain in force, it being the intent of this provision that the non-waiver provisions of GBL sections 687 4 and 687 5 be satisfied "

2 Section 15 1 of the Franchise Agreement is revised to include the following

We will not make an assignment except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under this Agreement

3 Section 10 of the Franchise Agreement is revised to include the following

Revisions to the Manual will not unduly affect your obligations including economic requirements, under this Agreement

Franchisee _____ Date _____

Franchisor _____ Date _____

EXHIBIT I
TO THE DISCLOSURE DOCUMENT

GENERAL RELEASE

In consideration of, and as an inducement to, the renewal of that certain Franchise Agreement, and any revisions, modifications and amendments to them, collectively the "Agreement") dated _____,20____, by and between Nutty Scientists USA, Inc , a Florida Corporation, (the "Franchisor") and_____(the "Franchisee"), the undersigned agrees as follows

To release Franchisor and its subsidiaries and affiliates, and their respective officers, directors agents and employees of any and all claims Franchisee may have against Franchisor, its subsidiaries and affiliates, and their respective officers, directors, agents and employees

Franchisee intends to renew the Franchise Agreement with Franchisor for an additional 5 year term under the current terms of that certain New Franchise Agreement

IN WITNESS WHEREOF, the parties to this Agreement have duly signed, sealed and delivered this Agreement on the day and year first above written

ATTEST

FRANCHISOR
Nutty Scientists USA, Inc

_____
Secretary

By _____

Title _____

WITNESS _____

FRANCHISEE

By _____

RECEIPT (Your 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 Nutty Scientists offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with or make a payment to the franchisor or an affiliate in connection with the proposed franchise sale

New York and Rhode Island require that we give you this 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

Michigan Oregon and Wisconsin require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration whichever occurs first

If Nutty Scientists 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 state agency listed on Exhibit B

The franchisor is Nutty Scientists USA Inc located at 2114 W Grant Rd #66 Tucson, AZ 85745 Its telephone number is (520) 743-0022

Issuance date April 17, 2017 This date is not the same as the State effective date

The franchise seller for this offering is Shery Christopher at 2114 W Grant Rd # 66 Tucson AZ 85745 telephone (520) 743-0022 and Santiago Rodriguez, and

---

Nutty Scientists authorizes the respective state agencies identified on Exhibit B to receive service of process for it in the particular state

I received a disclosure document dated April 17, 2017 that included the following Exhibits

A INTENTIONALLY DELETED
B LIST OF STATE AGENTS FOR SERVICE OF PROCESS
C FRANCHISE AGREEMENT
D TABLE OF CONTENTS OF CONFIDENTIAL OPERATIONS MANUAL
E FINANCIAL STATEMENTS
F LIST OF FRANCHISEES AND TERMINATED FRANCHISEES
G FRANCHISEE DISCLOSURE QUESTIONNAIRE
H STATE SPECIFIC ADDENDA IF REQUIRED BY YOUR STATE
I GENERAL RELEASE

Date _____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name

You may return the signed receipt either by signing dating and mailing it to Nutty Scientists USA Inc at 2114 W Grant Rd #66 Tucson AZ 85745, or by faxing a copy of the signed and dated receipt to 520 743 0650

RECEIPT (Our Copy)

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language Read this disclosure document and all agreements carefully

If Nutty Scientists offers you a franchise it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with or make a payment to the franchisor or an affiliate in connection with the proposed franchise sale

New York and Rhode Island require that we give you this 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

Michigan Oregon and Wisconsin require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration whichever occurs first

If Nutty Scientists 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 state agency listed on Exhibit B

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H STATE SPECIFIC ADDENDA IF REQUIRED BY YOUR STATE
I GENERAL RELEASE

Date _____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name

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