PLUNJ®

FRANCHISE DISCLOSURE DOCUMENT

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Plunj Franchise, LLC
a Utah Limited Liability Company
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Provo, Utah 84604
(801) 955-5158
franchise@plunj.co
https://plunj.co

As a Plunj® franchisee, you will operate Nordic-style bath house specializing in contrast therapy and other spa-related services.

The total investment necessary to begin operation of a Plunj® franchised business is $394,700 to $696,033. This includes the $80,000 to $135,000 that must be paid to the franchisor or its affiliates.

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 governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Sean Foster at franchise@plunj.co and (801) 995-5158.

The terms of your contract will govern your franchise relationship. Don't rely on this 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, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: April 25, 2025

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit "C."
How much will I need to invest?	Items 5 and 6 list fees that you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit "B" includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Plunj® business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Plunj® franchisee?	Item 20 or Exhibit "C" lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need to Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

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

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B. Financial Statements
C. Schedule of Franchisees
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RECEIPTS

FRANCHISE DISCLOSURE DOCUMENT

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

The Franchisor

The name of the franchisor is Plunj Franchise, LLC. In this disclosure document Plunj Franchise, LLC is referred to as "we" or "us" or "our" or "Plunj®;" "franchisee," "you" or "yours" means the person or persons, individually and collectively, who buys the franchise from us and includes the current and future owners of a franchisee that is a corporation, partnership, or other entity.

Our limited liability company was organized on April 13, 2022, in the state of Utah under the name Plunj Franchise, LLC. Our principal place of business is 493 E 4380 N, Provo, Utah 84604.

Our agents for service of process in various states are disclosed in Exhibit "E."

Franchisor's Business Activities

In addition to franchising the Plunj® brand, we operate a business similar to the one you will operate. We do not do business under any name other than Plunj Franchise, LLC or Plunj®. As of the date of this disclosure document, we have not offered for sale or sold franchises in any other line of business. We began offering and selling franchises under the Plunj brand in 2022.

Parent, Affiliate, and/or Predecessor Business Activities Involving Plunj®

Our affiliate Plunj, LLC was organized on November 11, 2019, in the state of Utah. Its principal place of business is 493 E 4380 N, Provo, Utah 84604. Plunj, LLC previously operated a Plunj business similar to the one you will operate but sold the unit to a franchisee in January 2024.

Our affiliate Plunj IP, LLC was organized on January 20, 2023, in the state of Utah. Its principal place of business is 493 E 4280 N, Provo, Utah 84604. Plunj IP, LLC owns the Plunj intellectual property and licenses it to us. It does not operate a business similar to the one you will operate.

None of our affiliates have offered or sold franchises in this line of business or any other line of business. We have no other parents, predecessors or affiliates required to be disclosed in this Item.

Franchise Offered

We license and train others to operate Plunj® businesses. A Plunj® business is a Nordic-style bath house specializing in contrast therapy and other spa-related services. The grant of a Plunj® franchise authorizes you to engage in our complete system under the name Plunj® and other proprietary marks.

You must purchase and carry specific materials, supplies and equipment and to strictly follow our standards, methods, policies, and procedures in the operation of your franchise business that are described in more detail in our franchise agreement attached as Exhibit "A" to this disclosure document.

General Description of Market and Competition

The general market for spa-related services is well-developed and competitive. You will typically compete with other established businesses operating spa-related services. There are many of these competitors from large national chains to small independent operators. You may also encounter competition from other Plunj® franchises operated by us or other franchisees outside your territory.

Uniformity of franchise agreements among our franchisees may not always be possible or practical. We and our predecessors have offered in the past and we may offer in the future, franchise agreements to other franchisees on terms materially different from those included in this disclosure document. We also may materially vary the franchise agreement terms, conditions, and obligations (including those relating to fees, territories, training and other items) offered to other franchisees and except as may be required by applicable law we have no obligation to disclose these variations to you or to grant the same or similar variation to you.

Laws and Regulations

You are required to follow all laws and regulations that apply to business generally. Some states may have public health regulations that relate to disclosures of health effects to customers or other similar regulations as it relates to the public's use of cold baths. Some states may treat them as public pools with similar regulations to public pools which may increase your build-out costs, including electrical and plumbing codes.

You must investigate local zoning rules because they may limit where you can locate your franchise business and may affect the design features including the building façade and signs. In many jurisdictions, you will also be required to obtain a sign permit. You should also be aware of federal, state, and local environmental laws about the disposal of waste materials, chemically treated water and packaging. You may be required by local law to participate in a recycling program, which may require that you register and make ongoing fee payments. State or federal entities may require you to have a permit as a water provider. Some jurisdictions have passed laws that require businesses to pay their employees a higher minimum wage than what is required under federal law, which laws may disproportionately affect franchised businesses.

At your cost and expense, you must investigate and ensure that you comply with all payment card industry ("PCI") and data security standard ("DSS") standards, regulations, and requirements. You are not permitted to collect, store, transfer, etc., any unnecessary customer information. Additional information can be found at https://www.pcisecuritystandards.org/.

The details of state, county and local laws and regulations vary from place to place. It is your responsibility to research these matters. Please be aware that the changes in these laws may increase the cost of operating your business. You are solely responsible for determining what local or state regulations, permits and licenses you will need to comply with and/or obtain to conduct the franchise business in a particular state, city, or town.

ITEM 2
BUSINESS EXPERIENCE

NAME	COMPANY NAME AND LOCATION	POSITION	FROM
Sean Foster	Plunj Franchise, LLC	Member/Manager	April 2022 to present
	Plunj, LLC	Member/Manager	November 2021 to present
	Branded Entertainment Network (Provo, Utah)	Project Manager (advertising company)	October 2014 to December 2018
	Rainfocus, LLC (Lehi, Utah)	Project Manager (software company)	January 2019 to June 2020
	Weave Communications (Lehi, Utah)	Project Marketing Manager (software co)	June 2020 to September 2022
Lauren Foster	Plunj Franchise, LLC	Member/Manager	April 2022 to present
	Plunj, LLC	Member/Manager	November 2021 to present
	Verisk (Jersey City, New Jersey)	Sr. Mgr. Customer Experience (data analytics)	October 2021 to present
		Sr. Instructional Designer	October 2018 to Oct 2021
		Project Manager	May 2018 to October 2018

Derek Ence	Plunj Franchise, LLC	Member	April 2022 to present
	Ence Ventures, LLC	Member/Manager	March 2021 to present
	Ence Management Services, Inc.	Sole Shareholder (hotel management company)	December 2013 to present
	Inntrusted, LLC	Chief Legal Officer and Chief Development Officer (hotel management company)	August 2013 to present
Kim Ence	Plunj Franchise, LLC	LLC Manager	April 2022 to present
	Inntrusted, LLC	LLC Manager (hotel)	January 2000 to present
	Golden Valley Natural, LLC (Idaho Falls, Idaho)	LLC Manager (meat snacks company)	January 2013 to present
Ian Ence	Plunj Franchise, LLC	Director of Franchising Development	November 2023 to present
	PEG Companies, Inc. (Provo, Utah)	Senior Financial Analyst (real estate private equity)	June 2022 to present
	UI Ventures, LLC (Provo, Utah)	Business Development Manager (VC/Impact Investing)	November 2023 to present
	University Impact (Provo, Utah)	Business Development Manager (VC/Impact Investing)	June 2020 to March 2021
	Montage Deer Valley (Park City, Utah)	Staff Accountant (Hospitality)	January 2020 to March 2020

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

On the signing of the franchise agreement, all franchisees pay an initial franchise fee of $25,000 which is payable in a lump sum. The initial franchise fee is uniform for all franchisees. A few of our initial franchisees paid a lower initial franchise fee.

Additional Franchise Purchases

During the term of your franchise, you may purchase additional franchises for the reduced franchise fee equal to 10% from the then-current initial franchise fee, and you must sign the then-current franchise agreement. This option will only be available to you if there are franchise territories available, you meet our then-current criteria for new franchisees, you are current and not in default of your franchise agreement, and, in our sole discretion, we determine to sell you another franchise.

Required Purchases from the Franchisor or an Affiliate

In addition, all franchisees purchase all cold plunge pools and associated equipment from us or an affiliate at a cost of between $55,000 and $110,000. We can designate you to pay all or a portion of this to the supplier.

Initial Training

There is no training fee for up to 5 attendees. We also allow extra attendees to attend initial training for an additional fee of $200 per day, per attendee. You will be responsible for covering the cost of travel, food, and lodging for your attendees to attend the initial training.

Opening Assistance

We provide you with at least 1 of our representatives to assist you for up to 2 days of opening assistance during your grand opening. You are required to cover 50% of the costs for travel, food, and lodging for our representatives. If you reschedule this training within 1 week of the scheduled date, you will be responsible for covering 25% of our costs to reschedule the opening assistance.

Uniformity and Refunds

Unless otherwise described above, the costs and fees described above in this Item are uniform and are non-refundable for all franchisees as described above.

ITEM 6
OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty[1]	6% of gross sales	Payable monthly to be received by the first business day of the following month	See Note 1 below. Gross sales includes all revenue for goods and services sold and the value of any services traded or bartered from the franchise business, it also includes insurance proceeds and awards for loss of sales, profits or business. It excludes bona fide credits or returns from customers and amounts paid by you for sales or use taxes on the sale of any products or services.
Marketing Fund Fee[1,3]	1% of gross sales, if established by us	Payable monthly to be received by the first business day of the following month	See Note 3 below.
Successor Franchise Fee[1]	50% of our then-current initial franchise fee	Prior to your entering into a successor franchise agreement	A successor franchise agreement is available to you only if you meet each of the requirements described in the franchise agreement at the time your election to enter into a successor agreement must be made.
Relocation Fee[1]	$2,500	When you make the request	Relocation of your franchise business requires our prior written approval. You must pay us this fee to cover our costs in reviewing your relocation request. You must also demonstrate the financial ability to relocate as part of our approval process and your site must be within a 5 mile radius of your original location.

Advertising Cooperative[1,3]	1% of gross sales payable to the co-op, if established by us	Payable in accordance with the advertising cooperative's governing documents if an advertising cooperative is established	If we form a local advertising co-op in your area, any marketing expenditures you make through the co-op is credited towards fulfilling your local advertising obligation. Contributions will not exceed your required annual local marketing percentage unless a majority of the members vote to increase the percentage
Late Charges[1,7]	$25 per day (up to $500 per instance)	Payable within 5 days of our demand	Charges begin to accrue after the due date of any required payment or report.
Interest on Late Fees and Reports[1,7]	18% interest or maximum rate permitted by state law, whichever is less	Payable within 5 days of our demand	Interest begins to accrue after the due date of any required payment or report.
Non-Sufficient Fund Fees[1,7]	$50 per bounced check or insufficient or disputed draft	Payable within 5 days of our demand	If this fee is higher than what is allowed under state law, the fee will be reduced to the maximum allowed by state law (see state specific addendum).
Sales or Use Tax[1]	Sum equal to tax imposed	Upon demand	If a sales, use, or value added tax is assessed on fees you pay to us, you must also pay us the applicable tax when invoiced.
Audit Charge[1]	Cost of audit	On billing	Payable only if an audit shows an understatement of 2% or more of gross sales for the period audited, or records are unorganized or unavailable.
System Non-Compliance Fines and Charges[1,4,7]	$250 for the first violation; $350 for the second violation; and $500 for the third and subsequent violations	As incurred	See Note 4.
Technology Package Fee[1,7]	$150 per month	Payable monthly with the royalty payment	All franchisees also pay us or our affiliate technology fees for our technology package. We can designate you to pay all or a portion of this to the supplier.
Payment Processing Fee[1,7]	10 basis points (0.10%) per transaction	As incurred	All franchisees pay this fee to us or our affiliate.
Replacement Training[1,7]	$200 per person, per day	In advance of training	Any new operating principal and manager must complete the initial training program before taking over as operating principal or manager. After you have been open for 1 year, and so long as you have not been put on notice of any defaults, any new managers may be trained by

			your operating principal, but we reserve the right to require your managers to be trained by us if we reasonably believe such training would be in the best interest of your franchise. You must pay all associated travel, food, and lodging of your attendees and our representatives associated with such training.
Annual Manager Training[1,7]	$200 per person, per day	In advance of training	At our discretion, once each calendar year, your operating principal and manager must meet with our representatives to discuss and review your operations. You must pay all associated travel, food, and lodging of your attendees or our representatives as applicable associated with such training.
Additional In-Person Training[1,7]	$200 per person, per day	Upon billing	Depending on advanced notice and our availability, you may request additional in-person training. We can also require you to attend refresher training classes if you do not pass our inspections, if you are in default or otherwise determined by us in our sole discretion. You will also be required to pay all the travel, lodging, food, and other expenses of your attendees or our representatives during this additional training.
Rescheduling Fee[1,7]	25% of our incurred costs to reschedule	In advance of training	Payable, if you postpone or reschedule a training or opening assistance within 1 week of the scheduled date, or if you fail to complete certain requirements prior to a training or opening assistance.
Opening Assistance Reimbursement Fee[1,7]	50% of Our food and lodging costs	Upon billing	We provide you with at least 1 of our representatives with up to 2 days of opening assistance.
Insurance Procurement Fee[1,7]	Reimbursement of premium amount, plus an administration fee of $100 for our time	Upon demand	You are required to hold and maintain your own insurance. This fee is imposed if you fail to do so and we obtain insurance on your behalf.
PCI and DSS Audit Reimbursement Fee[1]	Reasonable costs of the audit	Upon demand	You must reimburse us all costs related to an audit for your non-compliance with PCI and DSS requirements.
Conference or Seminar Fee[1,7]	$250 to $1,000 per person	At time of registering for the conference or seminar	You will also be required to pay all travel, lodging, food, and other expenses for each of your attendees. Your operating principal or top managers must attend annual conferences, if held by us.

Compliance Re-Inspection Fee[1,7]	$50 per hour per representatives, plus costs of travel food and lodging	Upon billing after inspection	Payable if you fail any inspection and we determine a need to conduct a re-inspection for compliance.
Customer Complaint Resolution Fee[1,7]	$50 per our per representatives, plus costs of travel food and lodging	Upon billing	Payable in the event we resolve any of your customer disputes for you we will charge this fee.
Interim Management Fee[1,7]	$200 per day, per representative	Time of service	Payable if we elect to operate your business during your unapproved closing, unapproved absence, incapacity, death, or if you are not in compliance after you have been given a notice of default and failed to cure. You must also pay all travel, lodging, food and other expenses for our representative(s) and other expenses that may be incurred by us to perform such services, plus royalties, advertising fees and other applicable fees. The interim management period will not last more than 6 months unless otherwise agreed by you.
Supplier Evaluation Fee[1,7]	$500	In advance of testing or review analysis	Payable if you want to have unapproved suppliers evaluated for our approval.
Replacement Costs[1,7]	Our costs, plus $50 per hour for our time	Upon demand	If you fail to replace equipment, furniture, tools, etc., that is outdated, damaged, obsolete, etc., and we determine to replace those items for you.
Additional Copies of Marketing Materials[1,7]	Our reasonable costs, plus 10%, and the costs for shipping and handling	Time of delivery	We may develop and provide you samples of marketing and promotional materials. Payable if you wish to have additional copies of the samples we provided to you.
Fees on Default[1,2]	Attorney's fees, costs, interests and audit costs	On demand, as incurred	Paid in addition to other payments to us.
Prepaid Services Reimbursement Fee[1,7]	$100 and reimbursement to us of any prepaid amount we redeem in any customer transaction	As incurred and upon demand	Upon termination, if we are required to or elect to redeem any of your prior customer's prepaid services, you must pay this fee for each customer transaction.
Early Termination Liquidated Damages[1]	Average royalty from the previous 12 months multiplied by the lesser of 24 months or the remaining term of your franchise agreement	Upon termination	Payable if your franchise agreement is terminated prior to the expiration of the term. This is only to compensate for lost royalties and is not our only remedy.

Post-Termination Deidentification, Non-Compliance Fee[1,5]	$200 per day, plus reimbursement of our costs, including attorney fees and from third parties	Upon demand	See Note 5 below.
Transfer Fee[1]	$7,500	At time of approved transfer	Payable when you sell your franchise, substantially all of your assets, or a controlling interest in your franchise and prior to our signing any approval or new agreement. Owners who own at least 20% of the franchise must personally guarantee the franchise agreement for us to approve the transfer. Subject to state law.
Minority Interest Transfer Fee[1]	Our legal fees and administrative costs related to the transfer	On demand	This fee applies to transfers of up to 40% of your franchisee entity—cumulative during the term of the franchise agreement. Transferees owning at least 40% of the franchise must personally guarantee the franchise agreement for us to approve the transfer. Subject to state law.
Transfer Training Fee[1,7]	$200 per person, per day of training	At time of approved transfer	All new franchise owners must successfully complete the initial training.
Indemnification[1,2]	Our damages and costs	As incurred or on demand	See Note 2.
Non-Compete Violations[1,6]	2x the average royalty from the previous 12 months calculated and charged on a per day basis, for each competing business	Upon demand	See Note 6.
Dispute Resolution Fees[1]	Our legal fees and costs if we prevail	As incurred or on demand	You are required to pay half of the mediation and/or arbitration fees. Additionally, the prevailing party will be entitled to reimbursement of its legal fees and expenses.

NOTES

[1] Royalty and Fees. Except as shown in the remarks column, all fees are uniformly imposed and payable to us. All fees payable to us or an affiliate are non-refundable. The royalty payment will not begin until the earlier of the start of the 5th month after you commence operations and the first month following your monthly gross sales reaching $20,000.

[2] Indemnification. You must indemnify us from damages, and costs related to your acts, errors or omissions in the operation of your franchise business. If we incur any costs or liabilities to any third-party, you shall reimburse us for costs associated with our defense to those claims. We have the right to defend any such claim against us by employing counsel of our choice, subject to full reimbursement of all legal fees by you.

You are not required to indemnify us for liability caused by our willful misconduct, or gross negligence, strict liability, or fraud.

[3] Advertising Fees. We currently do not utilize a marketing fund. However, upon our instituting a marketing fund, the marketing fund fee may be used by us for one or more national or regional marketing and brand development programs, as we choose. You must also spend at least 1% of your monthly gross sales to advertise your franchise business locally. We may increase the required local marketing amount upon 60 days' notice to you. However, the increase will not be more than 2.5% of your gross sales. These fees are uniformly imposed.

[4] System Non-Compliance. This fee is assessed in our sole discretion, as an alternative to placing you in default as determined on a base-by-case basis, including failure to cure a prior default and with a prior fine imposed. We are not obligated to charge you a fine before putting you in default and is not our sole remedy. If you do not correct the violation within the time required by us, we have the right to put you in default. All fines are to be paid in accordance with our electronic funds transfer or automatic withdrawal program.

[5] Post-Termination, De-Identification Non-Compliance Fee. In the event you fail to comply promptly with any of your post termination de-identification obligations: (a) you must pay us $200 for each day that you are in default, as a reasonable estimate of the damages suffered by us; and (b) to prevent further injury, we may hire a third-party or use our own personnel to de-identify your unit and/or to carry out any other obligations on your behalf, for which additional costs you will be responsible. These costs will include any attorneys' fees and costs incurred and associated with enforcing your post-termination obligations. This post-termination fee obligation will not affect our right to obtain appropriate injunctive relief and other remedies to enforce the franchise agreement and your obligations. We have the right to automatically debit by EFT or other electronic withdrawal means, your bank account for these payments.

[6] Liquidated Damages for Breach of Non-Competition. This fee is applied if you violate the non-compete covenants in the franchise agreement or any related agreements, or if you use our system without our express written permission or approval. This fee is not our only remedy, does not represent a price for the privilege of not performing, including other remedies, such as an injunction to prevent further breaches, nor does the payment represent an alternative manner of performance. We have the right to automatically debit by EFT or other electronic withdrawal means from your bank account for the amounts payable to Us.

[7] Fee Increases. We may increase this fee by an amount equal to the Consumer Price Index each year during the term of your franchise agreement to adjust to increased costs. Costs charged by third parties are subject to change at any time and do not have an annual cap.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	LOW-HIGH AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial franchise fee[1]	$25,000	Lump Sum	Upon signing the franchise agreement	Us
Initial training[2]	$0 to $500	As incurred	Prior to and during training	Airlines, hotels and restaurants
Real estate improvements[3]	$193,000 to $322,000	As incurred	As negotiated	Suppliers and contractors
Rent[4] (3 months of' rent, plus a security deposit)	$14,000 to $43,333	As incurred	As negotiated	Landlord

Architectural / Engineering fees[5]	$6,000 to $15,500	As incurred	As negotiated	Architect
Equipment, furniture, fixtures, décor, design services, and supplies[6]	$127,000 to $235,000	As incurred	As negotiated	Suppliers and Us, or an affiliate
POS system, computer hardware, and software[7]	$1,000 to $3,000	As incurred	As negotiated	Suppliers
Signs[8]	$3,000 to $8,000	As incurred	Before opening	Suppliers
Miscellaneous opening costs[9]	$2,500 to $5,000	As incurred	As incurred	Suppliers, government departments, utilities, etc.
Insurance premiums	$2,500 to $6,000	As incurred	As negotiated	Insurance broker
Opening inventory[10]	$5,000 to $10,000	Lump sum	As negotiated	Suppliers
Grand opening assistance expenses[11]	$2,500 to $5,000	As incurred	Before opening	Us, affiliates and suppliers
Advertising[12]	$500 to $1,000	As incurred	As incurred	Suppliers
Additional funds[13]	$12,700 to $16,700	As incurred	As incurred	Suppliers, employees, etc.
TOTAL[14]	$394,700 to $696,033			

NOTES

[1] Initial Franchise Fee. The initial franchise fee is non-refundable, and we do not finance any portion of the fee.

[2] Initial Training. You are responsible to pay all travel, lodging, food and other expenses for your attendees during training, directly to the supplier (hotels, airlines, restaurants, rental car companies, etc.). The low $0 amount assumes the trainees are local to the area of Provo, Utah. We estimate that you will have approximately 5 people attend training. These costs will vary widely as a function of the distance traveled and the choice of accommodations, meals, and transportation.

[3] Real Estate Improvements. This estimate includes the cost for construction to buildout your location according to our specifications. Costs of improvements vary widely based on location, terms of the lease, the total area of your space, as well as construction and material costs. Your landlord may provide you with a tenant improvement allowance as part of your lease. You should review these costs with a local contractor, commercial real estate agent and other professionals. We provide standard design plans and specifications for construction and improvements. If you locate your business to a newly constructed space, the landlord may require significantly greater additional expenditures to cover leasehold improvements. You are not required to lease newly constructed space.

[4] Rent. Your space will vary depending on your needs, but we estimate you will need 1,200 to 2,600 square feet, and we estimate your lease to be $22 to $50 per square foot per annum, depending on your market. Our estimate includes a security deposit and 3 months of rent. You are encouraged to negotiate a rent-free period for the time it takes to build out your business. You may be able to negotiate additional free rent or reduced rent periods after opening as well. We expect that you will rent your location. If you choose to purchase real estate instead of renting, your costs will be significantly different. We have not included an estimate for the cost to purchase and build a location in the table above, but we estimate the cost to purchase real estate to be between $30 and $90 per square foot.

[5] Architectural/Engineering Fees. You must employ and pay an architect approved by us to accomplish and prepare a preliminary floor plan and develop a preliminary set of plans, specifications and related construction documents for your Plunj® franchise business. We provide you with the preliminary layout and design plans, but you must pay a local architect and engineer to complete the design plans, and these estimates include the architect's fees to prepare the full stamped set of floor plans, plans and specifications to include mechanical, plumbing, and electrical engineering as necessary to satisfy city, state, and local building codes and to construct the improvement at the specific site chosen for your Plunj® franchise business. There is no allowance included in this estimate for site planning, landscape planning, use permitting, gaining of variances or resolution of related planning and zoning conflicts, accomplishment of energy consumption calculations, accomplishment of building elevations, or civil or structural engineering. Additionally, this estimate does not include an allowance for bid or contract administration or client directed revisions which will need to be negotiated on a case-by-case basis prior to commencement of the requested work.

[6] Equipment, Furniture, Fixtures, Décor, and Supplies. You are required to use our designated design firm to assist in the design of your premises. Included in this estimate are the cost of the following items: sauna, cold plunge tubs, office supplies, cleaning supplies, and small wares. This estimate also includes the $55,000 to $110,000 paid to us or an affiliate for the cold plunge and equipment.

[7] POS System, Computer Hardware, and Software. Included in this estimate are one terminal, one computer and one card reader.

[8] Signs. Subject to landlord and government restrictions, up to 3 signs are required. At least one exterior door sign(s) displaying the trademark, and if a large exterior sign is permitted, exterior signage is required, and one interior sign are required. These signs may be made locally. All signs must conform to our specifications. You must use the location's monument sign if available.

[9] Miscellaneous Costs. These miscellaneous costs include legal fees, utility set up fees, business entity organization expenses, employee training, deposits, insurance, and licenses. The cost of insurance may vary depending on the insurer, the location of your franchise business, and your claims history. Rates for professionals can vary significantly based on locale, area of expertise and experience.

[10] Opening Inventory. The range in cost depends upon the size of your franchise business, as well as estimated initial business volume. Opening inventory items include the following: retail items, towels, robes, hygiene supplies, snacks, and drinks.

[11] Grand Opening Assistance Expenses. We provide you with at least one of our representatives to assist you for up to two days of opening assistance during your grand opening. This is the estimated amount you will be required to pay to cover 50% of our representatives travel, food and lodging costs to assist you with your opening assistance. Our representatives will be at your franchise business and assist you with the various aspects of your grand opening. However, we will not send any representatives to assist with this opening assistance until you have sent us a valid certificate of occupancy. This opening assistance is mandatory.

[12] Advertising. This estimates the cost of advertising for the first 3 months of operations.

[13] Additional Funds. This estimates your operating expenses during your first 3 months of operations, not including cash flows. You must maintain a minimum of $5,000 or have a $5,000 line of credit in your operating account at all times; except that if you do not have the required line of credit, then in any 30-day period, the operating account may have less than such amount for a period of up to 5 days. You are required to provide us with view-only access to your operating account, and you cannot have more than one operating account. Additionally, if you elect to finance your investment, you need to account for the additional costs of repaying that financing. We have relied upon the experience of our principals and franchisees in opening and operating since 2021.

[14] Total. These figures are estimates for the development of a single franchise unit, and we cannot guarantee that you will not have additional expenses starting your franchise business. All purchase agreements or leases must be negotiated with suppliers. For any items purchased from us or an affiliate, we require immediate payment. We do not offer direct or indirect financing for any item. All fees and payments payable to us or an affiliate are non-refundable. You should verify with any third-party payee whether such payments, deposits, or fees are refundable or not.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers, Proprietary Products and Required Purchases

You must operate your franchise business according to our system, including purchasing or leasing certain items or services according to our specifications or from approved suppliers. You may not deviate from these specifications without our prior written consent.

You must purchase or lease the following products and services from us, other sources designated or approved by us, or according to our specifications as set forth in the manuals:

Item or Service	Is the franchisor or an affiliate an approved supplier of this Item	Is the franchisor or an affiliate the only approved supplier of this Item?
Point of sale system	No	No
Towels, Robes	No	No
Computer	No	No
Sauna heater	No	No
Plunj® proprietary cold plunge pool	Yes	Yes
Signs	No	No
Lease	No	No
Fiber grate drain and chillers	Yes	Yes

Insurance

You must maintain the following minimum insurance policies, which must be obtained from a company rated "A-" or better by A.M. Best & Company, Inc.:

Type of Insurance	Minimum Required Amount(s)
Commercial General Liability Insurance	$1,000,000 per occurrence and $2,000,000 in the aggregate or leasehold minimum, whichever is greater.
Data Breach & Cyber Security Breach Insurance	$100,000 per occurrence and $300,000 aggregate.
Property Insurance (Optional)	100% of the full replacement cost (with a minimum of $100,000 for personal property and $200,000 for tenant improvements and 100% for equipment) against loss or damage from fire and other risks normally insured against in extended risk coverage.
Business Interruption Insurance (Optional)	Recommend 12 months of actual loss sustained.
Employment Practices Liability (Optional)	$150,000 per occurrence and aggregate with third-party liability included, $25,000 minimum wage & hour coverage and a maximum deductible of $10,000.
Government Required Insurances	All workers' compensation and employment insurance on your employees as required under all federal and state laws.

These policies will insure you, us, and our officers, directors, and nominees as additional insureds against any liability that may accrue by reason of your ownership, maintenance, or operation of the franchise business. These policies will stipulate that we will receive a 30-day written notice prior to cancellation or termination, and we must receive a 30-day notice of any modification. Original or duplicate

copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to us must be furnished to us together with proof of payment prior to you beginning operations. You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate. If your premises are damaged and covered by insurance, you must use the proceeds to restore the facility to its original condition within 160 days unless we consent otherwise in writing.

If you fail to obtain or maintain insurance, we may obtain insurance for you, and you will pay us the premium costs upon our demand, plus an administration fee of $100 for our time. We may periodically modify or adjust the amounts of coverage required and/or require different or additional coverage. We do not derive revenue from your purchase of insurance. We have the right to require that you obtain from your insurance company, and subsequently provide to us for our review, a report of claims made and reserves set against your insurance (commonly known as “loss runs”).

Approved Suppliers

We may enter into contracts with suppliers for items or services purchased by our franchisees. Pursuant to these contracts, you must purchase items or services from the approved suppliers.

All approved suppliers and specifications are made available to you before the beginning of operations. You must receive our prior written approval to deviate in any manner from our specifications.

Ownership in Approved Suppliers

None of our officers have a direct ownership interest in any of our suppliers.

Revenue to Us and Our Affiliates from Required Purchases

We or our affiliates may derive income from required purchases or leases of goods or services made by our franchisees from approved sources. In the last fiscal year ending on December 31, 2024, our revenues from the sale or lease of products and services purchased by our franchisees from required sources was $45,552 or 29% of our total revenues of $155,416.

Proportion of Required Purchases and Leases

We estimate that the proportion of required purchases or leases will represent 50% to 80% of your overall purchases in opening your franchise business and 10% to 30% of your overall purchases in operating your franchise business.

Non-Approved Suppliers

Except for certain trademark and private label items and designated source items described above, if you desire to use a particular supplier, or if you would like us to consider alternative goods, and if that supplier or goods meets the specifications and requirements of our system, then at our discretion, we may approve that supplier to become an approved supplier or for that good to become an approved good in our system.

You may establish suppliers on the approved list by making an appropriate application to us. The following general criteria is used in considering whether a supplier will be designated as an approved source (or if an alternative good will be approved): the ability of the supplier to make the product to our standards and specifications; a willingness by the supplier to cooperate and work with you and other franchisees; the supplier’s production and delivery capabilities; price and quality; reputation of the supplier; quality assurance systems; the financial condition of the supplier; the ability and willingness of the supplier to train on the effective and safe use of the product; and the supplier’s professional competence and performance abilities. We will use our best judgment in setting and modifying specifications to maintain quality and integrity of the franchise system.

If you desire to purchase any of the items listed in this Item 8 from an unapproved supplier or to purchase an alternative good, you will submit to us a written request for this approval or request the supplier itself to do so. We may require you to submit sufficient information and data to permit us to ascertain whether a supplier or good meets our specifications. Before beginning our evaluation, you must pay a

supplier evaluation fee of $500. The evaluation fee and other costs are not refundable regardless of whether or not we approve of a supplier. We will notify you in writing, within 30 days of completing our evaluation as to whether the supplier or good has been approved. We may make changes or alterations in the standards and specifications for approving suppliers and alternative goods. At our discretion, we may revoke our approval from an approved supplier or good upon 30 days' written notice to you.

Standards and Specifications

We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our manuals and/or issuing new written directives (which may be communicated to you by any method we choose).

Negotiated Arrangements

At this time, there are no purchasing or distribution cooperatives. However, we do not currently negotiate purchase arrangements with suppliers, including price and terms for the benefit of franchisees.

Benefits Provided to You for Purchases

We do not provide material benefits to you based on your purchase of particular products or services or use of particular suppliers (e.g., grant renewals or additional franchises to franchisee's based on purchases).

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

	Obligation	Section in Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	Sections 4.1 and 4.2	Item 11
b.	Pre-opening purchases/leases	Paragraphs 6.1.3, 6.1.11, and 6.1.13	Item 8
c.	Site development and other pre-opening requirements	Sections 4.2 and 4.3	Items 7 and 11
d.	Initial and ongoing training	Paragraph 6.1.4 and sections 7.3 and 7.4	Item 11
e.	Opening	Sections 4.4 and paragraph 7.4.1	Item 11
f.	Fees	Article V	Items 5, 6 and 7
g.	Compliance with standards and brand standards manual	Section 6.2 and article IX	Items 8 and 11
h.	Trademarks and proprietary information	Article III	Items 13 and 14
i.	Restrictions on products/services offered	Article VIII	Item 8 and 16
j.	Warranty and customer service requirements	Paragraph 6.1.2 and section 8.5	Item 11
k.	Territorial development and sales quotas	Sections 1.1 and 6.9	Item 12
l.	Ongoing product/service purchases	Article VIII	Item 8
m.	Maintenance, appearance and remodeling requirements	Paragraphs 6.1.2 and 6.1.9	Item 11
n.	Insurance	Paragraph 6.1.11	Item 8
o.	Advertising	Article X	Items 6, 7 and 11
p.	Indemnification	Section 15.2	Item 6

q.	Owner's participation/ management/staffing	Paragraphs 6.1.7, 6.1.8, 6.1.10, 6.1.14 and 6.2.3	Items 11 and 15
r.	Records and reports	Sections 5.4 and 5.5	Item 6
s.	Inspections and audits	Paragraphs 5.5.2 and 6.2.2(iv)	Items 6 and 11
t.	Transfer	Article XIV	Item 17
u.	Renewal	Section 2.2	Item 17
v.	Post-termination obligations	Section 12.1	Item 17
w.	Non-competition covenants	Article XVI	Items 14, 15 and 17
x.	Dispute resolution	Article XVII	Item 17
y.	Compliance with government regulations	Sections 4.1 and 4.2 and paragraph 6.1.1, 6.1.10, and 16.1	Item 12
z.	Guarantee of franchisee obligations	Section 6.3	Item 15

ITEM 10
FINANCING

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

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

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

Pre-Opening Assistance

Before you open your franchise business, we will:

1) Designate your search area [franchise agreement section 1.1].

2) Approve of your site. You must have a site selected for approval by us within 60 days of signing the franchise agreement. However, we do not assist in locating a site. Finding a suitable location that conforms to local ordinances, building codes, and our guidelines is your responsibility. We must approve your site before a lease is entered into or you begin construction. Site approval or disapproval should be completed by us and notice provided to you in writing within 30 days or less after you have submitted a proposed site [franchise agreement section 4.1]. Our approval is based upon the following general criteria: rent, space, functionality, lease terms, access, appearance, visibility, traffic, general daytime and nighttime population of the area, number of and types of businesses in the territory, parking, square feet, access, general vicinity, and the ability to build out the site in accordance with the brand image. We do not lease properties to you or own properties that we lease to you, and we do not assist you in negotiating the purchase or your lease of your site. If you and we disagree about the proposed location, you must locate another acceptable site for your restaurant franchise business and repeat the process [franchise agreement section 4.1].

3) We do not prepare demographic studies or otherwise determine a need for these services or products within your territory or evaluate or guarantee the potential success of your proposed site [franchise agreement paragraph 4.1.1].

4) Make available general written specifications for necessary equipment, signs, fixtures, opening inventory, supplies and other those items listed in Item 8. Unless we are an approved supplier of an item and you purchase the item directly from us, we do not provide these items to you directly, but we do provide you with the names of the approved suppliers for these items. For purchase, delivery and installation, you are required to work directly with the manufacturer or supplier of these items. We do not offer assist in the delivery or installation of any of these items. [franchise agreement sections 7.2 and 8.1].

5) Provide you with the names of approved suppliers [franchise agreement section 7.2].

6) Provide you with preliminary design/layout plans for your franchise business. You must adapt your franchise business to our general specifications at your own expense, in accordance with local, state and federal laws, rules, and ordinances. You are responsible for obtaining any required licenses and permits. We do not provide assistance in the construction, remodeling, or decorating of your franchise business [franchise agreement section 4.3 and 7.1].

7) Loan you a copy or provide electronic access to our confidential manuals containing mandatory policies, operating procedures, and other information. The manuals are confidential, will remain our property, and may be used by you only in association with your Plunj® franchise business and only during the term of the franchise agreement. You must keep the contents of the manuals confidential. The master copy of the manuals maintained by us will be controlling in the event of a dispute relative to the contents of the manuals. You may not copy any part of the manuals either physically or electronically. The table of contents of the brand standards manual is included as Exhibit "D" to this disclosure document. Our brand standards manual is currently in electronic format and is equivalent to approximately 49 written pages [franchise agreement article IX].

8) We provide you with at least 1 of our representatives to assist you for up to 2 days of opening assistance during your grand opening. You will be responsible for 50% of the costs for travel, food, and lodging for our representatives related to this assistance [franchise agreement paragraph 7.4.1].

Lease, Construction and Commencing Operations

You will have 120 days from signing the franchise agreement to have a site approved for your franchise business. You must use a local broker in your site selection. A lease must be in place within 40 days from the date we approve your proposed site. We must approve of your lease, and you are required to have the landlord consent to an assignment of the lease before the lease agreement is signed. You must deliver an executed copy of the lease with the signed landlord consent within 15 calendar days after execution [franchise agreement sections 4.1 and 4.2].

We do not lease properties to you, and we do not assist you in negotiating the purchase or your lease of your site [franchise agreement section 4.1].

You must apply for permits within 3 months of signing the lease, and construction must be started within 60 days from the date permits are received and be completed within 6 months from the date of the franchise agreement. You are required to begin operations within 60 days after construction is complete and no later than 24 months from the date of your franchise agreement. You must give us at least 30 days written notice before opening your franchise business. If your construction does not conform to our specifications and you fail to correct any unauthorized variance from our plans within 30 days of notice from us, it will be grounds for us to terminate the franchise agreement [franchise agreement sections 4.3 and 4.4 and paragraph 11.1(T)].

Estimated Length of Time Before Operation

It is estimated that the length of time between the signing of the franchise agreement with the accompanying payment of the initial franchise fee and the opening of your franchise business is 10 to 18 months. Factors affecting this length of time usually include obtaining a satisfactory site, financing arrangements, construction, local ordinance compliance, training, and delivery and installation of furniture, fixtures, equipment, signs, supplies, and opening inventory items.

Failure to meet these deadlines may result in termination of the franchise agreement without a refund, however, if you can show a good faith effort to meet these deadlines, we may agree to extend a specific deadline at our discretion [franchise agreement section 4.5].

Assistance During Operation

During the operation of your franchise business, we will:

1) Provide you with updates to the manuals, which updates may be in the form of emails, newsletters, announcements, technical bulletins, or other written directives through means determined by us. We have the right to modify the manuals to reflect changes in the system including the development of products or services. The modifications may obligate you to invest additional capital in your franchise business and to incur higher operating costs. You must incorporate all such modifications within the time periods that we specify [franchise agreement section 9.1 and paragraph 6.2.2(iii)].

2) At your reasonable request or at our discretion, provide additional assistance either remotely or in person. For in-person assistance, you will be charged a fee of $200 per person per day, plus the cost of our travel, food, and lodging [franchise agreement section 7.3].

During the operation of your franchise business, we may:

1) Make periodic inspections of your franchise business, which may be done in person or through remote access such as video or live video conferencing and may be performed through a third-party provider. Inspections may be conducted without prior notice to you. Upon our request, at all reasonable times, you will provide us video and/or digital images of the interior and exterior of your franchise business as set forth in the manuals [franchise agreement paragraph 6.2.2(iv)].

2) Hold conferences to discuss improvements, new developments, mutual concerns, and business issues. At this time, attendance at conferences is not mandatory, but this policy may change at some time in the future. We may charge a conference fee, and you may be required to pay all your travel and living expenses. These conferences will be held at various locations chosen by us [franchise agreement paragraph 6.1.14].

3) Conduct additional seminars, which may be through online webinars, videos, live video conferencing, phone conferences or in person, to discuss improvements, new developments, mutual concerns, business issues, sales, marketing, personnel training, bookkeeping, accounting, inventory control and performance standards. We may charge a seminar fee, and you may be required to pay all your travel and living expenses. In-person seminars are normally held at our headquarters or as available at regional facilities [franchise agreement paragraph 6.1.14].

4) Provide you with such continuing assistance in the operation of the franchise business as we deem advisable [franchise agreement section 7.5].

5) Maintain a website for the Plunj® brand that may include your business information and telephone number for your franchise business [franchise agreement section 7.6].

6) Not replace defective products purchased directly from us. For items purchased through third parties, you must work directly with the supplier or manufacturer of those items regarding warranties, defective products, training and support [franchise agreement section 8.5].

7) At your expense, require you to repair, refinish, repaint, remodel, modernize, redecorate, or other refurbish your premises from time to time as we may reasonably direct, but not more often than every 5 years, and we will not obligate you to invest additional capital at a time when the investment cannot in our reasonable judgment be amortized during the remaining term of the franchise agreement (except for required changes to the trademarks, or changes due to health or government mandates, guidelines, public concerns equipment, and technology, which we may require at any time). This can include structural changes, changing out items such as flooring, wall treatments, signage, lighting fixtures, and other physical elements of your franchise business. You will also be required to complete any day-to-day maintenance issues as they occur during the term of the franchise agreement. You must complete all updates and changes within the time frames required by us but in no event more than 6 months from notice but must

bring your premises to our then-current standards if you relocate or sign a successor franchise agreement [franchise agreement paragraph 6.1.9].

8) Refine and develop products or services that you will offer to your customers [franchise agreement paragraph 6.2.2(iii)].

9) To the degree permitted by law, we may suggest retail price, specify maximum and minimum pricing above and below which you cannot sell any goods or services. You must honor all coupons, price reductions and other programs established by us [franchise agreement paragraph 6.1.12].

Employment Matters

We do not assist you with the hiring, firing, discipline, scheduling, management, compensation, supervision, assignment of duties, work rules, or working conditions of your employees. That is your responsibility. We may provide you with a sample guide or manual, but if we do, it will only be an example of certain employment matters that you may adopt or not. It is your responsibility to comply with state and federal employment laws [franchise agreement paragraph 6.1.10].

Advertising and Promotion

You are required to participate in all marketing programs as directed by us and to use all materials, mediums, and other information made available to you in doing so.

We may provide you with samples of marketing materials developed by us and provide new marketing techniques as developed [franchise agreement section 10.4].

You may develop marketing materials for your use, at your cost, but all marketing material developed or used by you must have our prior written approval. Any marketing materials or concepts you create becomes our property and will be considered a “work-made-for-hire” that can be used by us and other franchisees without compensation to you. If you do not receive written approval or disapproval within 10 days of the date we received your submission of marketing materials, the materials submitted are deemed unapproved. We can revoke our approval of any marketing materials at any time in our sole discretion [franchise agreement sections 3.11 and 10.4 to 10.5].

Advertising Fund

Although under the terms of the franchise agreement we are not obligated to conduct advertising for the franchise system, or to spend any amount on advertising in your territory, we have the right to maintain and administer a national advertising, marketing and development fund (referred to as the “Marketing Fund” in the franchise agreement) for local, regional or national marketing or public relations program as we, in our sole discretion, may deem necessary or appropriate to advertise and promote the franchise system. We may utilize the Marketing Fund to develop and test various media and technologies for potential utilization and/or improvement of the system and marketing of the system [franchise agreement section 10.1].

You are required to contribute 1% of your gross sales to the Marketing Fund. We and our affiliates contribute to this fund on the same basis as the franchisees [franchise agreement section 10.1].

We are responsible for administering the Marketing Fund but we are not a fiduciary or trustee of the Marketing Fund. We will direct all uses of the fund, with sole discretion over: 1) the creative concepts, materials, endorsements and media used (that may include television, Internet, social media, radio, print, and other media and marketing formats as developed over time, as funds permit); 2) the source of the marketing or public relation efforts (that may be in-house or through an outside agency located locally, regionally or nationally); 3) the placement, timing, and allocation of these programs (that may be local or regional); and 4) the composition of all geographic territories and market areas for the development and implementation of these programs [franchise agreement paragraph 10.1.1].

We may use the Marketing Fund to offset a portion of direct costs to manage and maintain the fund, including the payment of staff salaries and other expenses for those employees who may be involved

in the Marketing Fund, commissions, market research, marketing development and creation, production costs, costs for developing and monitoring a home page on the Internet or an Internet-like service, and other costs relating to the Marketing Fund [franchise agreement paragraph 10.1.2].

We are not required to spend any amount on marketing directly in the area or territory where you are located. We make no representations that expenditures to the Marketing Fund will benefit you or any other franchisee directly, on a pro-rata basis, proportionally, or at all. We are not required to segregate the Marketing Fund from our general operating funds. We will not use the brand fund contributions for advertising that is principally a solicitation for the sale of franchises, but we reserve the right to include a notation in any advertisement or website indicating "franchises available" or similar phrasing [franchise agreement paragraph 10.1.2].

Advertising Expenditures in the Last Fiscal Year

During the 2024 fiscal year, the marketing funds were used in the following ways: Photo/Video Marketing Collateral 30.5%, Web Marketing 24.4%, Administrative Expenses 0%, Soliciting New Franchisees 0%, Carry-over to 2025 45.1%.

Any unused marketing funds in any calendar year will be applied to the following year's fund. The Marketing Fund is unaudited. Once each calendar year, you may send us a written request to receive an unaudited annual report of marketing expenditures from the previous fiscal year but such written request cannot be made until after 90 days of our fiscal year end [franchise agreement paragraph 10.1.2].

Marketing Council

No franchisee marketing council is anticipated at this time. We have the power to require the marketing councils to be formed, changed, or dissolved at any time.

Advertising Cooperative

You are required to participate in a local or regional advertising cooperative when established or approved by us. The area of any cooperative marketing association will be based on regions determined by us. Your marketing area is defined as a market with multiple Plunj® locations, as determined by us. Upon the formation of an advertising cooperative, you will be deemed to be a member of that association as covers the area where your franchise is located, and you will be bound by any decisions made by the association upon a majority vote by voting members. You and other franchisees in the cooperative will be responsible for the administration of the association. Governing documents will be provided by us or by the cooperative and approved by us. At this time, these governing documents are not available. Voting will be on the basis of one vote per company/affiliate-owned location and one vote per franchise in good standing within the cooperative. At no time will we or our affiliates control the vote in any cooperative. Members of the cooperative must make contributions pro rata based on the number of units in the cooperative. The timing and amount of contributions you make may vary according to the vote and rules of the advertising cooperative but will not exceed your required annual local marketing percentage in any single year, unless a majority of the members in your advertising cooperative vote to increase the contribution percentage. We and our affiliates within the cooperative will contribute to advertising cooperatives on the same basis as the franchisees. The cooperative will be required to prepare unaudited annual financial statements and these will be available for review by all franchisees in the cooperative and us. We have the power to require cooperatives to be formed, changed, dissolved, or merged at any time. You are not required to join or contribute to more than one advertising cooperative for any single franchise business territory[franchise agreement section 10.2].

Other Marketing Funds

At this time, you are not required to participate in any other marketing funds.

Internet and Social Media

We may allow you to place pre-approved information concerning your franchise business on our website or a subdomain, as developed by us. We will own the social media accounts related to the brand, but we may decide to provide you access to the social media account for your location for certain

management responsibilities and functions. You must follow our policies regarding use of the internet and social media related to the brand and your franchise business [franchise agreement section 10.6].

Computer / Point-of-Sale System

You must purchase or lease a point of sale system "POS" that meets our specifications. We require the use of a point of sale system designated by us to be purchased or leased from our designated supplier. The POS system currently provides:

- Reporting of sales
- Tracking of costs and cost of goods sold
- Customer database
- Inventory management
- Calendaring
- Online ordering
- Gift card tracking
- Credit card payment
- Coupon tracking
- Management and purchase tracking
- Booking management
- Communication management

The POS system must have at least one POS terminal, but this may change at any time and the cost to change the system is incurred by you alone. The estimated cost of purchasing or leasing the POS system (including required software) is $1,000 to $3,000. We reserve the right to change the POS system at any time, and you are required to comply with and are solely responsible for the fees associated with such changes. There are annual expenses, currently in the amount of $600 annually, payable directly to our third-party provider [franchise agreement paragraph 6.1.13].

You must also have an office computer, for your franchise business. Each of these items must meet our specifications and be capable of interfacing with our POS system and software. The estimated cost of purchasing or leasing a computer is $500 [franchise agreement paragraph 6.1.13].

We will have independent access to the information and data collected or generated by the computer and the POS system. We can require you to obtain a static IP address from your internet provider. There are no contractual limits on our rights to do so. You must keep these systems available for our access 24 hours a day, 7 days a week. All data collected or provided by you, downloaded from your POS system, or otherwise collected from you by us or provided to us, is and will be owned exclusively by us, and we have the right to use the data in any manner without compensation to you. We may require updates and upgrades to your computer hardware, software and POS system at your expense during the term of the franchise agreement. There are no contractual limitations on our right to do so. We estimate the annual costs to maintain, upgrade and support your computer and POS system to be $100 above any sort of subscription fees. We are not required to maintain, repair, update and/or upgrade your computer or POS system. There are no contractual limitations to the frequency and cost of the obligation to upgrade and maintain the computer or POS system [franchise agreement paragraph 6.1.13]. For defective equipment, products, software or other items purchased by you, you must deal directly with that manufacturer [franchise agreement section 8.5].

Loyalty Programs

You are required to participate in the loyalty, gift card, discount, memberships, subscription, and coupon programs we develop. You are not allowed to implement any sort of loyalty, coupon, membership, gift card or subscription model without our prior written permission [franchise agreement paragraph 6.2.2(ii)].

Accounting

You must use only standardized profit and loss statement templates, balance sheet templates, and charts of account, as we may designate. You must provide us with view-only access to all accounting software and programs you use. We reserve the right to require you to use a specific accounting system [franchise agreement paragraph 6.1.13(ii)].

Initial Training

We provide an initial training program. The initial training program is held both virtually and at our headquarters in Provo, Utah or other location designated by us. The length of training depends on the prior experience of your attendees but should last approximately 6 – 7 days with 3 training days being virtual/at-home. The training program is held as needed to train new franchisees. Successful completion will be determined by our trainers [franchise agreement paragraph 6.1.4]. Your operating principal and your manager, if other than your operating principal, are required to attend and successfully complete the training program.

Your "operating principal" is: a) if the franchisee is an individual, that individual; or b) if the franchisee is an entity, an individual that owns at least 25% of the ownership and voting interests in the franchisee entity (unless you obtain our written approval of a lower percentage), has authority over all business decisions related to the franchise business, and has the power to bind the franchise business in all dealings with us. The operating principal must be involved with the business as described in Item 15.

Successful completion of training must be completed at least 30 days before you may open your franchise business. Successful completion will be determined by our trainers and is based on your attendees' knowledge and demonstration of competency in the various aspects of operating a Plunj® franchise business. The following measures will be used to help determine successful completion: demonstrating knowledge of basic system operational principles, knowledge of policies and procedures, daily operations, record keeping, computer system competency, marketing, and customer service.

There is no training fee for up to 5 people to attend training, but we charge a training fee of $200 per day, per person, for any additional person trained. You are also responsible to pay all travel, food, living, and other expenses for each attendee during training directly to the supplier (hotels, airlines, restaurants, rental car companies, etc.). The estimated cost of attending training is between $0 and $500 [franchise agreement paragraph 6.1.4].

Below is a table listing the subjects taught and the amount of classroom and onsite training provided as part of the initial training.

TRAINING PROGRAM[1]

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Industry Overview, Entrepreneurship, Orientation	2	0	Provo, Utah
Location Décor and Set-Up	3	0	Provo, Utah
Inventory and Equipment Selection and Purchasing	5	2	Provo, Utah
Inventory Display	4	2	Provo, Utah
Store Administration, Personnel, Safety, Security, Record Keeping, and Accounting	8	0	Provo, Utah
Marketing and Advertising	8	0	Virtual -at home
Sales and Customer Relations	4	4	Virtual -at home
Managing by the Numbers	2	0	Virtual -at home
Franchise Compliance	2	2	Virtual -at home
Totals	38	10	

[1]The training program for franchisees may be changed due to updates in materials, methods, manuals, and personnel without notice to you. The subjects and time periods allocated to the subjects actually taught to you and personnel may vary based on the experience of those persons being trained.

The initial training is provided by instructors whose experience is described below and in Item 2 if the trainer is part of management.

Trainers	Subject(s) Taught	Length of Experience in the Field	Length of Experience with the Franchisor	Experience Relevant to Subject(s) Taught and Franchisor's Operations
Lauren Foster	Customer experience	Since 2015	Since 2020	Ms. Foster was the manager of customer experience for various software companies. She has also held multiple positions requiring a high level of customer experience expertise.
Sean Foster	Operations and location management	Since 2015	Since 2020	Mr. Foster started and built the first/original Plunj® location. He has held project and operational management positions for many years for various types of businesses.
Ian Ence	Finance and Operations	Since 2021	Since 2023	Mr. Ence and worked in various real estate, finance and business operations roles.
Kim Ence	Customer service\experience	Since 2013	Since 2022	Ms. Ence has worked in various customer service\experience roles.
Boyd Hildreth	Pre –Opening and Post – Opening Training Manager.	Since 2020	Since 2021	Mr. Hildreth has managed and operated Plunj® locations since 2021, and trained and managed employees since 2020.
Riley Connors	Sauna and Cold Plunge support and training consultant	Since 2023	Since 2022	Mr. Conners has operated his own Plunj® location since 2022.

Materials Provided at the Initial Training

We will provide access to our manuals during the initial training and other handouts to facilitate training. All attendees to any training must sign a non-disclosure agreement acceptable to us before attending training [franchise agreement paragraph 6.1.4(iv)].

Replacement Training

Any new operating principal or manager must complete the initial training program prior to taking over as the operating principal. Our fee for this additional training is currently $200 per person, per day. Depending on availability and advanced written notice, this training may take place at your location, but more likely the training will take place at or near our headquarters or at an affiliate's location. After you have been open for one year, and so long as you have not been put on notice of any defaults, any new managers may be trained by your operating principal, but we reserve the right to require your managers to be trained by us if we reasonably believe such training would be in the best interest of your franchise. You will also be

responsible to cover the travel, food, and lodging for your attendees or our representatives (as applicable) [franchise agreement paragraph 6.1.4(i)].

Annual Manager Training

At our discretion, once each calendar year, at a time designated by us, your operating principal and your designated manager will be obligated to meet with our representatives at a location specified by us, for the purpose of discussing and reviewing your operations, status, and financial performance. If we, at our discretion, determine that such a meeting is necessary, all costs of travel, food, lodging, and your employee salaries, and other expenses will be borne by you. The fee will be the same as replacement training [franchise agreement paragraph 6.1.4(ii)].

Additional Trainings

Depending on availability and advanced written notice, if you would like additional in-person training, we may provide this training to you. Additionally, in the event you do not pass an inspection, if you are in default or we determine, in our sole discretion, that you need additional training, you shall attend a refresher training. The fee will be the same as replacement training. We can limit additional training to a certain number of days, attendees, and/or representatives at a time. You will be responsible for the costs of travel, food, lodging and compensation of your attendees or our representatives [franchise agreement paragraph 6.1.4(iii)].

At this time, other than listed above, no additional training or refresher courses are required.

ITEM 12
TERRITORY

Exclusive Territory

You will receive an exclusive territory for your franchise business meaning that we will not establish another franchise, or traditional company or affiliate-owned outlet using the Plunj® trademark within your territory so long as you are in strict compliance with your franchise agreement.

Grant of Territory

Under the franchise agreement, we will grant you the right to use the system and proprietary marks at a specific location within your territory.

Size of Your Territory

The specific size of your territory is set by us at the time of signing your franchise agreement and is determined on a case-by-case basis and will be set in consideration of population density, distance from nearest Plunj® locations, the business base in the territory, whether your location is in a metropolitan or rural area, and other comparable factors. There is no minimum size for a designated territory. We may set the boundaries of your territory based on ZIP code, boundary streets, highways, county lines, designated market area, radius from a specific address, and/or other recognizable demarcations. In determining the total population within your territory, we generally consult the United States Census estimate, available via the Internet website located at census.gov/quickfacts.

Adjustment of Territory Boundaries

We reserve the right, in our sole discretion, to modify and adjust the boundaries of your territory based on any of the following: your franchise business consistently operates at 90% capacity for six consecutive months, in the event of inadvertent error in designating your territory, or in an effort to more accurately reflect the target market after your selected premises location has been approved. We may also consider other reasons for territory adjustment that we may specify from time to time in the manuals.

In the event your territory boundaries are modified and you are in good standing and not in default, you will have the first right to purchase a franchise business in any empty adjacent territory, if and when we determine to open the adjacent territory for a franchise business.

Territory Restrictions

You are restricted to operations from the approved franchised premises and may not, without our prior written approval, open or operate another outlet whether inside or outside the territory, provide mobile or off-site services or operate any other business from your franchise business premises. You cannot solicit customers outside of your territory unless such a territory has not been granted to another franchisee or affiliate; however, you have the right to service customers at your franchise location who reside inside or outside your territory, including if they reside in the territory of another franchise.

Relocation

You do not have the automatic right to relocate your business, and we have the right to deny any relocation request. You must obtain our prior written permission if you want to relocate your franchise, and you must also be able to demonstrate to us that you have the financial ability to relocate. Approval to relocate is determined on a case-by-case basis and is based on factors such as your operational history, our then-current criteria used in approving a new franchisee's proposed site, and other factors that are relevant to us at the time of the relocation request and paying us a $2,500 relocation fee to cover our costs of approving and processing your relocation request. However, we will generally approve a relocation if your premises are destroyed or certain other justifiable circumstances justify a relocation, so long as your new site is within a five mile radius of your original location.

Minimum Sales Requirement

Your franchise agreement is dependent upon achievement of a minimum sales volume, market penetration or other contingency. Specifically, after the first six months of operations, you must achieve, on a continual yearly average basis, a minimum monthly gross revenue of $10,000 from the operations of your franchise business. If you do not achieve the minimum average revenue in your territory, then you will be given a notice of default and a 6-month period to cure by being on pace to achieve the average monthly minimum sales requirements by the end of the cure period. If you do not cure within the 6-month cure period, we have the right to immediately terminate your franchise, or as determined in our sole discretion, to sell your franchise business. Under a sale scenario, we will provide you with up to six months to continue to operate your franchise under the terms of the franchise agreement while we attempt to broker the sale of your franchise. If we broker the sale of your franchise, we will be entitled to a fee equal to 5% of the sales price to compensate us for time and expenses to sell your franchise. You will also be required to pay the transfer fee, and the buyer must pay us the training fee for us to train the new franchisee. If you have not sold or we have not terminated your franchise within the provided time period, the franchise agreement will be immediately terminated upon notice to you.

Your Rights to Use Channels of Distribution

You do not have the right to sell products or services through other channels of distribution, including the Internet, apps, or social media without our prior written permission.

Advertising Within and Outside the Territory

Neither you nor other franchisees may actively market within another franchisee's territory.

Options to Acquire Additional Franchises

You do not receive the right or option to acquire additional franchises.

Our Rights to Use Channels of Distribution in Your Territory

We and our affiliates reserve the right to market and sell and distribute products and services under the Plunj® marks, brand and name, or using a different trademark, both within and outside your territory using distribution channels such as through the Internet, websites, apps, television, radio, social media, direct marketing, national accounts, business collaborations, co-branding with other outlets, etc. We do not pay you for soliciting or accepting orders for any products or services under the Plunj® brand or a different trademark through these channels inside your territory.

Our Previous Activities in Your Territory

In the past, we or an affiliate may have used one or more of the following distribution channels to sell and distribute products and services in your territory under the Plunj® brand: websites, apps, social media and direct marketing.

National Accounts

We reserve the right to sell, market and distribute the Plunj® products and services to national accounts in your territory. A "national account" is defined as a company with multiple units or outlets located in more than one geographical area or market. It also includes professional sports teams as well as collegiate organizations. We will designate if and how franchisees will sell or service national accounts.

Competition by Us Under Different Trademarks

Neither we, nor an affiliate operates, franchises or has plans to operate or franchise a business that sells or will sell goods or services similar to those sold in your franchise using a different trademark in or outside of your territory. However, We or an affiliate have the right to own and operate a business that sells or will sell goods or services similar to those sold or used in your franchise using a different trademark.

ITEM 13
TRADEMARKS

Non-Exclusive Grant of the Trademark

We grant you the non-exclusive right to use certain of our trademarks in the operation of your franchise business. You may also use future trademarks in the operation of your franchise business, as we designate. You will not at any time acquire any rights in the trademarks. By trademarks we mean our trade names, trademarks, commercial symbols, service marks and logos.

Agreements Regarding the Trademark

Under a license agreement entered into between Plunj IP, LLC and us in 2023, we were granted the right to use and sublicense the trademarks for 50 years, which license will automatically renew for one-year terms for up to 25 additional years. The license may be terminated for our default; however, all franchisees in good standing will be able to continue to use the Plunj® trademarks through the end of their respective then-current franchise agreement term. The terms and provisions of the license agreement cannot be modified without written authorization from both parties.

Registered Trademarks

The following trademarks, service marks, trade names, logotypes or other commercial symbols listed below are registered or have been filed for registration with the United States Patent and Trademark Office on the Principal Register, or they have not been registered, but we claim common rights in the marl. All required affidavits and renewals have been filed.

Registration/ Serial Number	Word or Design Mark	Registry	Registration/ Filing Date	Status
7085254	PLUNJ. (composite mark)	Principal	June 20, 2023	Registered.
7085718	(design mark)	Principal	June 20, 2023	Registered.
7291767	PLUNJ (word mark)	Principal	January 24, 2023	Registered.

We do not have a federal registration for our principal word mark trademark. Therefore, our trademark does not have as many legal benefits and rights as a federally registered trademark. If our right

to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Registered Domain Names

We have registered the following Uniform Resource Locators (domain names): https://www.plunj.co. You may not register or own a domain name, social media account, email account, etc., using our trademark or any derivative of our trademark in a domain name, social media, email, etc., and you may not create or register any domain name in connection with your franchise business or the franchise system without our prior written permission.

Use of the Trademark

You must promptly modify or discontinue the use of a trademark at your cost if we modify or discontinue it. You have no rights to compensation or otherwise under the franchise agreement if we require you to modify or discontinue using a trademark, or we require you to use a different trademark.

Government Determinations Regarding the Trademarks

There are presently no effective determinations by the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court or pending interference, opposition or cancellation proceeding, or pending material litigation involving the trademarks. There are no agreements currently in effect that significantly limit our rights to use or license the use of the trademarks.

Superior Prior Rights

We are unaware of any superior rights that could materially affect your use of the trademarks in your territory.

Infringing Uses

We are unaware of any infringing uses of the trademarks that could materially affect your use of the trademarks in your territory.

Protection Against Infringement

You are obligated to immediately notify us when you learn about an infringement of or challenge to your use of our trademarks. We will have the discretion to take the action we deem appropriate. We are not obligated to protect any rights that you have to use the trademarks, or to protect you against claims of infringement or unfair competition. You are given the right to protect yourself, at your sole cost, from any of these claims if we elect not to prosecute the claim of infringement or unfair competition; however, we have the right to control any administrative proceedings or litigation involving the trademarks, and you will proceed in strict coordination and oversight by us. You may not act contrary to our rights in the marks. We are not required to defend or indemnify you for expenses or damages if you are party to an administrative or judicial proceeding involving the licensed trademarks.

You may not contest, directly or indirectly, our rights or interest in our trademarks, names or service marks, trade secrets, methods, and procedures that are part of our business. Any goodwill associated with the trademarks or system belongs to us.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents

You do not receive the right to use an item covered by a patent, and we do not have any pending patent applications with the United States Patent and Trademark Office. We do not own rights to, or licenses in, any patent that is material to the franchise system.

Copyrights

We have not registered our manuals with the United States Copyright Office, but we claim a copyright and consider the information proprietary, and we, or our parent, or an affiliate, claim protected trade secrets and copyrights in parts of our franchise system.

We claim other copyrights in sales literature and marketing materials that we or our franchisees develop for our use and for use by our franchisees, and your use of these materials will be limited to the uses required or allowed by us. We or an affiliate may develop software or apps. If so, we claim copyright protection on all such items.

You must modify or discontinue the use of any copyright, at your cost, if we modify or discontinue it, in our reasonable discretion.

Proprietary Information

You can use the proprietary information in our manuals in connection with the system and only during the term of your franchise agreement. The manuals may not be copied. The manuals must be returned to us or permanently deleted by you upon termination of your franchise agreement. Portions of the "system" are a trade secret or confidential and proprietary to us.

With regards to our proprietary information, the franchise agreement also provides that you will: (a) strictly follow all confidential security procedures required by us; (b) disclose this information to your employees only as needed to market our products and services; (c) not use this information in any other business; (d) exercise the highest degree of diligence to maintain this information as confidential; and (e) promptly notify us if you learn of any unauthorized use of our trade name, trade secrets or proprietary information. Your use of our proprietary information is limited to the uses required or allowed by us.

Protection Against Infringement

You must also promptly tell us when you learn about unauthorized use of our copyrights, manuals, and any other proprietary information. We are not obligated to take any action but will respond to this information as we believe appropriate. We have the right to control any administrative proceedings or litigation. We are not required to defend or indemnify you for any damages from any proceeding based on patents or copyright. You must modify or discontinue the use of any patent or copyright, at your cost, if we modify or discontinue it. You are given the right to protect yourself, at your sole cost, from any of these claims if we elect not to prosecute the claim of infringement or unfair competition; however, we have the right to control any administrative proceedings or litigation involving the patents or copyrights, and you will proceed in strict coordination and oversight by us. You may not act contrary to our rights in the patents or copyrights.

Government Determinations Regarding Patents and Copyrights

There are presently no effective determinations by the United States Patent and Trademark Office, the United States Copyright Office, or any court regarding a patent or copyright. There are no agreements currently in effect that significantly limit our rights to use or license the use of any patent or copyright.

Infringing Uses

There are presently no known infringements of the copyrights or patents.

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

Participation and "On-Premises" Supervision

We recommend, but do not require, on-premises supervision by your operating principal and manager, who must be your principal point of contact with us. Although we do not require your operating principal to be involved in the day-to-day on-premises management, your operating principal is required to participate in your franchise business as follows: (i) be directly responsible for overseeing all accounting, reporting and bookkeeping, and all financial components of the franchise business; (ii) attend and complete

all training and retraining courses required by us; (iii) attend any annual or special meetings of franchisees required by us; (iv) be directly involved with site selection, construction, remodeling; (v) be directly involved in all personnel decisions affecting the franchise business; and (vi) conduct frequent inspections of the franchise business operations to ensure the highest standards of professionalism, cleanliness and a general pleasant appearance, and compliance with our approved methods.

Your operating principal is not required to work a certain or minimum number of hours. However, your operating principal must work sufficient hours to operate your franchise or supervise your managers so that your franchise business is operating at maximum capacity and efficiency.

Who Must Attend and Successfully Complete Training

Your operating principal and designated manager, if not the operating principal, must attend and successfully complete the initial training program.

Restrictions on the On-Premises Supervisor

We do not put a limitation on whom you can hire as your on-premises supervisor or manager.

No Competing Enterprises

Neither you, your operating principal, nor your management employees can have an interest in or business relationship with any competing business during the term of the franchise agreement and must keep free from activities that would be detrimental to or interfere with the operation of your franchise business or detrimental to the franchise system. You, your partners, directors, members, shareholders, and operating principal must sign our standard principal brand protection agreement agreeing to protect and keep confidential our trade secrets and confidential information and to conform with the covenants not to compete described in Item 17 [franchise agreement, exhibit A-4]. Your employees and contract personnel will also be required to sign a brand protection agreement, and that agreement also imposes certain non-competition restrictions on management employees and contract personnel. Some states may impose certain restrictions on employee non-competition agreements. We provide you this form, but it is your responsibility to conform it to the laws and regulations of your state [franchise agreement, exhibit A-5].

Required Operations

You must operate the franchise business at least 6 days per week (Monday through Friday, and either Saturday or Sunday) throughout the year, at the hours designated by us and consistent with our brand.

Personal Guarantees

Any individual who owns a 20% or greater interest in the franchise business must personally guarantee the performance of all your obligations under the franchise agreement and agree to be personally bound by, and liable for, the breach of every provision of the franchise agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We do not currently have any restrictions or conditions that limit access to customers to whom you may sell goods or services. We do not restrict your access to customers, and you may accept customers from anywhere, even if that customer lives in another franchisee's territory. However, you are not permitted to market in another franchisee's territory. No product or service may be added to, altered, or discontinued by your franchise business unless it is first approved by us in writing. You must offer all products and services required by us. We reserve the right to add, modify, or delete products and/or services that you may offer. There are no limits on our right to do so. You must strictly follow our policies, procedures, specifications, methods, and techniques concerning all our products and services.

With our prior written approval, you may be able to offer additional products that are unique to your area in an effort to blend in with your community.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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

	Provision	Section in Franchise or other Agreement	Summary
a.	Length of the franchise term	Section 2.1	The term is 10 years. The franchise term will begin upon the earlier of six months after you sign the franchise agreement or the date you sign your lease agreement for the premises.
b.	Renewal or extension of the term	Section 2.2	If you are in good standing at the end of the franchise term, you can enter into a new successor franchise agreement for an additional term of 10 years. Your successor agreement may also provide an option to enter into a subsequent successor franchise agreement.
c.	Requirements for franchisee to renew or extend	Section 2.2	In order to renew, you must, among other things, not be in default, pay a successor franchise fee, modernize your franchise business to our then-current standards, sign the then-current successor franchise agreement, and sign a release (subject to state law). When renewing, you may be asked to sign a contract with materially different terms and conditions than your original contract. You are required to give us notice of your intent to renew between 6 and 12 months prior to the expiration of your franchise agreement. (subject to state law.) If at the time for renewal we are not offering franchises in the US or cannot by law offer a renewal franchise to you, your existing franchise agreement will be extended for a one-year period. If, at the end of the one-year extension we still are not offering or cannot offer a renewal franchise to you, the franchise agreement will automatically expire, and you will not have any further renewal or extension rights.
d.	Termination by franchisee	Section 11.4	There are no provisions in the franchise agreement that permit you to terminate the franchise agreement. However, some states may allow you to terminate as permitted by state law.
e.	Termination by franchisor without cause	Section 11.1	We must have cause to terminate the franchise agreement.
f.	Termination by franchisor with cause	Section 11.1	We can terminate if you materially breach and fail to cure. There are certain breaches for which we can terminate without giving you an opportunity to cure (see (h) below).
g.	“Cause” defined – curable defaults	Paragraphs 11.1 N-V	You have between 24 hours and 30 days to cure certain material defaults of the franchise agreement.

h.	“Cause” defined - non-curable defaults	Paragraphs 11.1 A-M	Non-curable defaults include conviction of a felony, fraud, repeated defaults even if cured, harm or threat of harm to the public, abandonment, trademark misuse, etc.
i.	Franchisee’s obligations on termination/non-renewal	Section 12.1	Obligations include complete de-identification, payment of amounts due, compliance with the brand protection agreement, etc. (see also (r) below).
j.	Assignment of contract by franchisor	Section 14.1	There are no restrictions on our right to assign.
k.	“Transfer” by franchisee - defined	Section 14.2	The definition of transfer by you includes the assignment and transfer of contracts, security interests, ownership change, the sale of substantially all your assets, etc.
l.	Franchisor approval of transfer by franchisee	Section 14.2	We must approve all transfers, but we will not unreasonably withhold our approval.
m.	Conditions for franchisor approval of transfer	Sections 14.3 - 14.8	Conditions to transfer include: you are not in default, all fees are current, new franchisee qualifies, transfer and training fees are paid, purchase agreement is approved, training for new the transferee arranged, new franchisee signs the then-current franchise agreement, a release is signed by you, etc. You must also coordinate with the transferee to ensure coverage at the location during the transferee’s initial training. These conditions are subject to state law (see state specific addenda).
n.	Franchisor’s right of first refusal to acquire franchisee’s business	Section 14.9	We can match any offer for your franchise business or business assets within 60 days of written notice to us of the offer.
o.	Franchisor’s option to purchase franchisee’s business	Sections 13.1 and 14.12	Upon termination or expiration of the franchise agreement, we can elect to buy all or part of your business assets at fair market value within 90 days. Additionally, if we receive an offer to acquire a majority of the franchises or an offer to purchase a majority of our assets or stock, or to merge or go public or similar transactions, we have the option to purchase all your rights and interests in and under the franchise agreement and your franchise business at fair market value.
p.	Death or disability of franchisee	Section 14.10	Within 180 days of death or disability of your majority owner, your personal representative must be approved, and a new manager must be trained, if applicable, or your franchise must be assigned to an approved buyer. We have the right to operate your franchise business until a trained manager is in place. You will be charged our interim management fee, plus our costs, for us to manage your franchise business during this time. You will also be responsible for royalties and other fees during the time of our operation.
q.	Non-competition covenants during the term of the franchise	Section 16.1	No involvement in a competing business anywhere without our written consent. Non-competition provisions are subject to state law.

r.	Non-competition covenants after the franchise is terminated, transferred or expires	Sections 16.3 – 16.4	No competing business for 3 years within your former territory, or within 20 miles of your territory, or within 20 miles of any other Plunj® franchise, company or affiliate owned Plunj® business (including after assignment). If you compete within the restrictive period, then this non-compete period will be tolled for the period of your competition. Non-competition provisions are subject to state law. For a period of 3 years from termination, transfer, or expiration of your franchise agreement, you cannot divert or attempt to divert any business or customer from us, an affiliate, or our franchisees, or injure our goodwill.
s.	Modification of the agreement	Section 20.11	Modifications must be made in writing and signed by both parties, but policies and procedures are subject to change by us.
t.	Integration/merger clause	Section 20.10	Only the terms of the franchise agreement are binding (subject to state law). No provision in the franchise agreement is intended to disclaim the representations made in this franchise disclosure document. Any representations or promises made outside of the franchise disclosure document and other agreements may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Section 17.2	Except for certain claims, for all disputes, there must be a face-to-face meeting, mediation, and arbitration (see state specific addenda).
v.	Choice of forum	Sections 17.2 and 19.2	All dispute resolution must be held in Salt Lake County, Utah or the county where our then-current headquarters is located (subject to state law).
w.	Choice of Law	Sections 19.1 and 19.5	Utah law, the Federal Arbitration Act, and the United States Trademark Act apply (subject to applicable state law).

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the 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 below tables represent an historic representation of gross sales and operating expenses for four franchise units covering periods from January 1, 2024, through December 31, 2024. Two units (Provo and Saratoga Springs) were open for the full calendar year; and 2 units (Idaho Falls and Kaysville) opened in late 2024 and were not in operation for the full 2024 calendar year.

You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business.

	Provo	Saratoga Springs	Idaho Falls (Opened Aug 2024)	Kaysville (Opened Dec 2024)
Total Sales	$368,221	$617,324	$51,375	$15,619
Total Operating Expenses	$186,459	$355,445	$35,870	$6,700
Net Operating Income (NOI)	$163,378	$242,185	$15,504	$8,919
NOI %	44.4%	39.2%	30.2%	57.1%

[1] The term "Total Sales" means the total of all sales of all products, merchandise, goods, or services sold, traded, bartered, or rendered and income of every kind and nature, including the value of a trade or other bartering, arising from the location. "Total sales" excludes (i) bona fide refunds to customers, (ii) sales taxes collected, and (iii) the sale of used equipment not in the ordinary course of business.

[2] The term "Total Operating Expenses" means all expenses incurred in the regular course of business. This excludes interest expenses and draws made by franchise owners

[3] The term "Net Operating Income" means earnings after operating expenses have been paid.

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

The information in this Item 19 was taken from financial statements from our affiliate owned location, and our franchisee owned locations represented above. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than the preceding financial performance representation, Plunj Franchise, LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by Sean Foster at 493 E 4380 N, Provo, Utah 84604, (801) 955-5158, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2022 to 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	0	0	+0
	2023	0	1	+1
	2024	1	4	+3
Company Owned	2022	1	0	+0
	2023	1	1	+0

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
	2024	1	0	-1
Total Outlets	2022	1	1	+0
	2023	1	2	+1
	2024	2	4	+2

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than the Franchisor)
For Years 2022 to 2024

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

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

State	Year	Outlets at Start of Year	Outlets Opened	Termin-ations	Non-Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Idaho	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Utah	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	2	0	0	0	0	3
Total	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	3	0	0	0	0	4

Table No. 4
Status of Company-Owned Outlets[2]
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Utah	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	1	0
Total	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	1	0

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

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
Arizona	2	0-1	0
California	0	0	0-1
Colorado	1	0-2	0
Florida	1	0-1	0
Missouri	1	0-1	0
Nevada	0	0-1	0-1
New Jersey	0	0-1	0
Oregon	0	0-1	0
Tennessee	1	0	0
Texas	1	0-1	0
Utah	6	0	0
Virginia	0	0-1	0
Washington	0	0-1	0
Total	13	0-11	0-2

List of Franchisees

Exhibit “C” contains a list of our current franchisees. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Disclosure of Franchisee Information

If you invest in this franchise, your contact information and financial information may be disclosed at our disclosure document.

Sale of Previously Owned Outlet

We are not selling a previously owned franchised outlet now under our control.

Confidentiality Agreements

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

Franchisee Organizations

We do not know of any trademark specific franchisee organization associated with our system that is required to be disclosed in this Item.

ITEM 21
FINANCIAL STATEMENTS

Our fiscal year ends on December 31 of each year. Attached as Exhibit "B" are our audited financials dated December 31, 2024, December 31, 2023, and December 31, 2022.

ITEM 22
CONTRACTS

We have attached the following contracts: as Exhibit "A," the Franchise Agreement and its Exhibits; including Exhibit "A-10" as the Franchisee's Report; as Exhibit "G," the Form Release Agreement. All other contracts and agreements are to be entered into with persons of your choice and therefore cannot be attached.

ITEM 23
RECEIPT

The last 2 pages of this disclosure document contain a receipt, in duplicate. The receipt is a detachable acknowledgement that you have received this franchise disclosure document. Both receipts should be signed and dated by you. One copy should be returned to us, and you should keep the other for your records. If you do not sign this receipt via our electronic signature platform, then you need to send us a signed and dated copy. You may return the signed and dated receipt either by mailing it to us at 493 E 4380 N, Provo, Utah 84604 or by emailing it to us at franchise@plunj.co.

ADDENDUM TO THE PLUNJ® FDD
STATE REGULATIONS

SCHEDULE "A-1"
TO THE FDD

STATE REGULATIONS
FOR THE STATE OF CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

1. 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 .at least 14 days prior to the execution by the prospective franchisee of any binding franchise or other agreement, or at least 14 days prior to the receipt of any consideration, whichever occurs first, a copy of the disclosure document, together with a copy of all proposed agreements relating to the sale of the franchise.

2. The California Franchise Relations Act, Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with California law, California law controls.

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

4. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

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

6. The franchise agreement requires binding arbitration. The arbitration will occur at Salt Lake County, Utah with the costs being borne by you for travel to, and lodging in, Salt Lake County, Utah and other costs associated with arbitration. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and Federal laws (this or these as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 128a, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

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

8. You must sign a general release if you transfer, renew or terminate 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).

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

10. Section 31125 of the California Corporations Code requires the Franchisor to give the franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, before a solicitation of a proposed modification of an existing franchise.

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

12. The franchise agreement provides for waiver of a jury trial. This may not be enforceable in California.

13. **Section 31512.1 Franchise Agreement Provisions Void as Contrary to Public Policy.** Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

(a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.

(b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.

(c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.

(d) Violations of any provision of this division.

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

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

16. Franchisees owning 20% or greater must sign a personal guaranty, making you and your spouse individually liable for your financial obligations under the agreement if you are married. The guaranty will place your and your spouse's marital and personal assets at risk, perhaps including your house, if your franchise fails.

17. Item 19 is amended to include the following:

"The financial performance representations do not reflect the costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in this offering circular, may be one source of this information."

18. Under California law, an agreement between a seller and a buyer regarding the price at which the buyer can resell a product (known as vertical price-fixing or resale price maintenance) is illegal. Therefore, requirements on franchisees to sell goods or services at specific prices set by the franchisor may be unenforceable.

STATE REGULATIONS
FOR THE COMMONWEALTH OF VIRGINIA

By statute under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any right give to him by any provision contained in the franchise. Accordingly, the Division requests that the franchisor add a Virginia Addendum to the FDD containing the following statements:

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

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Plunj Franchise, LLC for use in the Commonwealth of Virginia shall be amended as follows:

The following statements are added to Item 17.h:

> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the franchise agreement and area developer agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
>
> Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the franchise agreement and area developer agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

EXHIBIT “A”
TO THE FDD

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

By and Between

PLUNJ FRANCISE, LLC

and

_____

(Franchisee)

©2025, The Franchise & Business Law Group, LLC. All rights reserved.
This Agreement and the Schedules and Exhibits attached hereto are subject to the copyright of The Franchise & Business Law Group, LLC.

PLUNJ®
FRANCHISE AGREEMENT

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PLUNJ FRANCHISE, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("Agreement") is entered into and made effective as of _____ by and between **PLUNJ FRANCHISE, LLC** a Utah limited liability company ("Franchisor" or "We," "Us" or "Our" as further defined in Article XXI below) and _____ ("Franchisee" or "You" or "Your" as further defined in Article XXI below).

WHEREAS, We have developed or have been licensed a system for the operation of a business known as Plunj®, offering to the public a Nordic-style bathhouse, specializing in contrast therapy and other spa-related products and services ("Franchise Business"). The system Includes the Franchise Business, specific Marks, interior design, store layout and décor, color schemes, standards, Manuals, processes, services, know-how, operating procedures and Marketing concepts, business formats, specifications for and the use of certain equipment, supply items, and the use of proprietary and Confidential Information and other Intellectual Property (collectively the "System"); and

WHEREAS, You are desirous of entering into an agreement with Us so as to be able to obtain the rights to operate a Franchise Business using the System.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, recitals, obligations, terms and conditions herein contained, and the acts to be performed by the respective parties hereto, the parties hereto agree as follows:

ARTICLE I
AWARD OF FRANCHISE

1.1 Award of Franchise. We hereby grant to You, and You accept, subject to the terms, conditions and obligations herein, the non-exclusive, non-sublicensable personal right to establish and conduct a Franchise Business as a Plunj® franchisee and the right to use the System and the Marks only as specifically set forth herein. This right is granted for use only at a single location approved by Us ("Premises") within Your Territory listed on Exhibit "A-1" ("Territory"). You must operate Your Franchise Business in strict compliance with the terms and conditions of this Franchise Agreement and the Manuals.

1.1.1 Territory Rights. Except as set forth in this Agreement, during the term of this Agreement, We will not establish or operate a traditional company-owned outlet or grant to any person or entity a franchise within the Territory using the same or similar System as that licensed by this Agreement. We also have the right to adjust the boundaries of Your Territory based on any of the following: (1) Your Franchise Business consistently operates at 90% capacity for six consecutive months; (2) in the event of inadvertent error in the creation of Your Territory; (3) in an effort to more accurately reflect the target population after Your Premises have been approved; (4) or for other reasons that We may specify from time to time in the Manuals.

(i) In the event Your Territory boundaries are modified, You are in good standing and not in default, and We determine to open the adjacent territory for a franchise business, You will have the first right to purchase a franchise business in the adjacent territory at Our then-current additional franchise fee (see Exhibit "A-1").

1.2 Scope of Franchise Operations. You must at all times comply with Your obligations hereunder and must continuously use Your best efforts to promote and operate Your Franchise Business.

1.3 Our Reservation of Rights. All rights not specifically granted to You in this Agreement are reserved to Us. You expressly acknowledge and agree that this license is non-exclusive, and that We retain, among other rights, the right, in Our sole discretion: 1) to establish and license others to establish and operate Plunj® businesses outside Your Territory; 2) to operate and license others to operate businesses

anywhere that do not operate under the Plunj® brand name; and 3) to use the Marks and other marks in connection with the manufacture and sale of products at wholesale and at retail.

1.4 Rights to Use Channels of Distribution. Except for the rights expressly given to You, there will be no limitation on Our or Our affiliates rights to deal with potential or actual customers located anywhere. We and Our affiliates expressly reserve the right to Market in Your Territory and elsewhere using Marketing strategies and distribution channels Including websites, the Internet, television, radio, Social Media, apps, direct marketing, direct sales, retail location, wholesale locations, and co-branding with other outlets under the Plunj® marks or using different trademarks. You may not sell Our products and/or services using such reserved Marketing strategies and distribution channels without Our prior written permission. We do not pay You for soliciting or accepting orders for any products or services We make inside Your Territory.

1.5 Restriction of Territory Rights. The rights and privileges granted to You under this Agreement are personal in nature. This Agreement is granted solely for the operation of a single unit Franchise Business at the Premises and do not extend to the operation of another Franchise Business or any other use of the System from any other location within or outside Your Territory, or in any other manner, except as may be allowed by this Agreement and Our Manuals. You may only service customers at the Premises and cannot provide mobile or off-site services. You cannot operate any other business from the Premises other than the Franchise Business.

1.6 National Accounts. We expressly reserve the right to sell, market, and distribute the Plunj® products and related products to all National Accounts, both within and without Your Territory. A "National Account" is defined as a company with multiple units or outlets located in more than one geographical area or territory, and Includes professional and collegiate teams and organizations. We also reserve the right to allow You to manage a National Account in Your Territory. We will designate if and how franchisees will sell or service National Accounts but there is no obligation on Us to provide You with any national accounts or to compensate You for Our providing services to any National Account within Your Territory.

ARTICLE II
TERM AND SUCCESSOR FRANCHISE

2.1 Term. This Agreement will be effective when executed by both You and Us. The franchise term will be for a period of 10 years, unless terminated earlier pursuant to Article XI herein. The term will begin on the earlier of six months after the Effective Date or the initial date of Your Lease. If We are required by law or otherwise to give You notice before the Termination of this Agreement and fail to do so, this Agreement will remain in effect from month-to-month until We have given the required notice.

2.2 Successor Franchise. If You are not in default of the terms and conditions hereof and have: 1) complied with and timely met material terms and conditions of this Agreement throughout the initial term; 2) complied with Our material operating and quality standards and procedures and any required modification to such standards and procedures; 3) timely paid all monetary obligations owed to Us during the term of this Agreement; and 4) You are not subject to any pending litigation or governmental proceeding which could have a material adverse effect upon You or Your Franchise Business, You have the right to be awarded a successor franchise ("Successor Franchise") upon the expiration of the original term for an additional term of 10 years by giving Us written notice whether or not You intend to renew at least six months and not more than 12 months prior to the expiration date of the term hereof. Your failure to give such notice will constitute an election ***not*** to enter into a Successor Franchise Agreement (defined below). If You fail to sign a Successor Franchise Agreement for any reason but continue to operate Your Franchise Business, at Our election, You will be deemed to have renewed on a month-to-month basis, requiring You to abide by Our then-current Fees. In addition to Our rights to terminate as set forth in Article XI, Your month-to-month Franchise Business may be terminated by Us upon 30 days' prior written notice to You for any reason whatsoever.

2.2.1 Commencement Date for Successor Franchise Term. Unless another date is specified in a Successor Franchise Agreement, which date will supersede, said Successor Franchise term,

Including, any month-to-month term, will commence on the day following the expiration date of the initial or applicable Successor Franchise term.

2.2.2 Notice of Non-Approval. Upon receiving Your election to enter into a Successor Franchise, We will have 45 days to provide written notice in the event You do not qualify for a Successor Franchise or as otherwise required by law.

2.2.3 Successor Franchise Agreement. If approved as a Successor Franchise, You must execute Our then-current form of successor franchise agreement ("Successor Franchise Agreement"). The Successor Franchise Agreement Includes personal guarantees and a general release of all claims against Us (existing at that time) arising from this Agreement, the relationship created herein, and Your Franchise Business. If You fail to execute such a release, the signing of the Successor Franchise Agreement will be the equivalent of the granting of such a release. The Successor Franchise Agreement will supersede in all respects the terms and conditions of this Agreement. You must sign and return to Us the Successor Franchise Agreement at least 90 days prior to the expiration of this Agreement, or You will, at Our election, be deemed to have withdrawn Your request to enter into a Successor Franchise Agreement, and this Agreement. **You acknowledge that You will be bound by the form of the Successor Franchise Agreement in effect at the time which may contain Fees and charges, territorial, and other changes in material provisions different from those contained in this Agreement, Including terms affecting payments to Us or Our affiliates.**

2.2.4 Successor Franchise Fee. If approved for a Successor Franchise, You shall pay to Us a non-refundable Successor Franchise Fee set forth in Exhibit "A-3," payable in full at the time of execution of the Successor Franchise Agreement.

2.2.5 Upgrading Your Franchise Business. As a condition to Us approving You entering into a Successor Franchise Agreement, at Your expense, You are required to Update Your Franchise Business and Premises to the extent and in the manner specified by Us to conform with and bring it up to the standards and image of new Plunj® businesses being opened at the time the Successor Franchise takes effect. Unless otherwise waived by Us, such Updates must be made within six months of signing the Successor Franchise Agreement. You shall make all necessary arrangements to continue the occupancy of Your existing Premises through the Successor Franchise term(s) unless We give written permission to relocate Your Premises.

2.2.6 Successor Franchise Training. As a condition to Us approving You entering into a Successor Franchise Agreement, Your Operating Principal, and/or other managers may also be required to attend and successfully complete trainings, certifications and other programs at such times and locations as We specify. You may be required to cover the expense of travel, meals, lodging, and other related costs for such training.

2.2.7 Unable to Offer Successor Franchise. Notwithstanding the preceding paragraphs of this Section, if at the time You provide Your notice of desire to enter into a Successor Franchise Agreement, We are no longer offering franchises in the United States, We are not able by law to offer a successor agreement to You, then this Agreement will automatically be extended for a period of one year. If at the end of the one-year extension. We still are not offering franchises in the United States, or We are unable by law to offer a successor franchise to You, this Agreement will automatically terminate unless further extended by mutual consent, which consent We can withhold for any reason.

ARTICLE III
INTELLECTUAL PROPERTY

3.1 Intellectual Property and Confidential Information. You acknowledge that: 1) as between You and Us, We have the sole rights in and to the Intellectual Property and Confidential Information; 2) Your right to use the System is granted by Us solely pursuant to the terms of this Agreement; and 3) as between You and Us, We have the sole right to license and control Confidential Information and Intellectual Property. Our Intellectual Property and Confidential Information provided to You by or through Us will

remain Our sole property. You acknowledge that Our Confidential Information and Intellectual Property are unique and/or confidential and contain trade secrets and other material proprietary to Us.

3.2 Use of Confidential Information and Intellectual Property. You have a non-exclusive right to use the Confidential Information and Intellectual Property and only in connection with Your Franchise Business and in accordance with Our Manuals and this Agreement. You understand and agree that the use of Our Confidential Information, Intellectual Property, and goodwill are all temporary benefits and expire with the Termination of this Agreement. You expressly covenant that during the term of this Agreement and after the Termination thereof, not to: 1) directly or indirectly contest or aid in contesting the validity of Our ownership of, or rights in, the Confidential Information or Intellectual Property; 2) in any manner interfere with or attempt to prohibit Our use of the Confidential Information or Intellectual Property and derivatives thereof or any other name, trademark or service mark that is or becomes a part of Our System; or 3) interfere with the use of Our Confidential Information or Intellectual Property by Our other franchisees or licensees at any time.

3.3 Use of Marks. You shall only use Our Marks licensed by this Agreement and only with the letters "TM," "SM" or "®," as appropriate, approved and as instructed by Us, whenever and wherever such Marks are used. You may not use Your own name or any other name service or product in connection with any of Our Marks without Our prior written consent. You are prohibited from using any Mark in connection with the performance or sale of any unauthorized service or product. You cannot use the Marks in any manner that would or may cause the Marks or the System to be subject to any ill repute or negative publicity. You cannot use the Marks on any intercompany documents to identify Your Franchise Business or entity (Including in or on employee manuals, handbooks, emails, letterhead) or on business checks or bank accounts. All communications with Your Personnel must be under Your entity name.

3.3.1 Cooperation. You shall execute any and all additional papers, documents and assurances in connection with the Marks as reasonably requested by Us and agree to cooperate fully with Us and any of Our other franchisees or licensees in securing all necessary and required consents of any state agency or legal authority for the use of the Marks or any other name, trademark, service mark, logo or slogan that is now or later becomes a part of Our System.

3.3.2 Use in Marketing. The use of the Marks in Marketing is set forth in Article X.

3.3.3 Modification of Marks. We have the right, in Our reasonable discretion, to require You to change, modify, or discontinue the Marks or to use one or more additional trademarks, service marks, logos, and/or other symbols in connection with the operation of the Franchise Business. In that event, You must bear the cost of using such additional or modified Marks or items in accordance with Our reasonable directives.

3.3.4 No Registration. You cannot make application for registration, domain name, or other protection of any of the Marks, or any other trademarks, service marks, symbols, names, slogans, logos, trade names, abbreviation, acronym, or phonetic or visual variation of the Marks, or any items that are similar or derivatives therefrom in any jurisdiction without Our prior written consent and then only upon the terms and conditions specified by Us in connection therewith.

3.4 Copyrights. All right, title and interest in and to Copyright Materials are Our sole and exclusive property and cannot be reproduced or replicated either during or after this Agreement. You have no rights to make any direct or indirect use of the Copyright Materials except as allowed under this Agreement.

3.5 Sole Control. As between You and Us, We will have the sole control over any legal or administrative action concerning the Confidential Information or Intellectual Property. You must promptly notify Us in writing of any unauthorized use of Our Confidential Information and Intellectual Property, or of any claim, demand or suit by any person, corporation or other entity based upon or in connection with any of Our Confidential Information or Intellectual Property licensed hereunder in which We have an interest.

3.5.1 Infringement. We are not required to take any affirmative action when We are notified of such uses or claims, and We are not obligated to protect any rights that You have to use the Confidential Information and Intellectual Property, or to protect You against claims of infringement or unfair competition. However, in the event We do undertake the defense or prosecution of any litigation pertaining to any Confidential Information or Intellectual Property, You must execute any and all documents and do such acts and things as may, in the opinion of Our counsel, be necessary to carry out such defense or prosecution. If We fail to undertake action within a reasonable time after receipt of Your notice regarding any such claim, demand or suit, then You may, with Our prior written consent (but You will not have the obligation), undertake the defense of any such proceeding and will do so at Your sole cost and in strict coordination and oversight with Us. You shall not do any act or make any claim which is contrary to or in conflict with Our rights in Our Confidential Information or Intellectual Property. We are not required to defend or indemnify You for expenses or damages if You are party to an administrative or judicial proceeding involving the licensed trademarks.

3.6 Goodwill. All goodwill associated with the Marks and the System belongs exclusively to Us. You acknowledge that valuable goodwill is attached to the Marks and System, and that We have invested and continue to invest time and capital into promoting the System and that such promotion creates goodwill and customer association which benefits Us, You, and all other franchisees in the System. Furthermore, even goodwill associated with the Marks and System that might be deemed to have arisen through Your activities is Our sole property and inures directly and exclusively to Our benefit, except as otherwise provided herein or by applicable law.

3.6.1 Customer Data. All Customer Data is Our sole property and inures directly and exclusively to Our benefit. You have a royalty-free, non-exclusive right to use the Customer Data during the term of this Agreement. To the extent that We do not otherwise have access, You must provide Us copies of all Customer Data upon request. You must abide by all applicable laws pertaining to the privacy of consumer, employee and transaction information, and if We allow You to use the Customer Data to transmit advertisements to customers and potential customers, You are solely responsible to comply with the laws pertaining to the sending of emails or other transmission of information, Including any anti-spam legislation.

3.7 Fictitious Business Name. You must not use Our Marks or any other name similar thereto in the name of any partnership or entity owned or formed by You, whether to own or operate Your Franchise Business or otherwise. However, within 30 days of signing this Agreement, You must file for a certificate of assumed or fictitious name or a “doing business as” name (“DBA”) using our Marks as designated by Us, and in the manner required by applicable state law so as to notify the public that You are operating Your Franchise Business as an independent business pursuant to this Agreement and must Include Your assigned franchise designation in such filing. You must provide Us with a copy of Your DBA registration and/or certificate upon receipt of the same, and upon Our request from time to time.

3.8 Maintaining Secrecy. You shall: 1) fully and strictly adhere to all security procedures prescribed by Us in Our sole discretion for maintaining the secrecy of Our Confidential Information; 2) disclose such information to Your Personnel only to the extent necessary to Market Our products and services and for the operation of the Franchise Business in accordance with this Agreement; 3) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Us; and 4) exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all such information during and after the term of this Agreement.

3.9 Changes to the System. You shall fully disclose all Innovations to Us, without disclosing the Innovation to others and shall obtain Our written approval before using or implementing the Innovation. All Innovations are owned by Us and considered a “work-made-for-hire.” If all or part of any Innovation that You create is for any reason deemed not to be a work-made-for-hire, then You hereby irrevocably transfer and assign to Us or Our affiliate all right, title, interest and ownership, Including license rights, in the Innovation, and You agree to sign (or have the creator sign) any document necessary to effectuate the transfer and assignment. To the extent You have any moral or similar rights in an Innovation or derivative thereof, You expressly waive those rights. Any Innovation may be used by Us and all other franchisees without any obligation to compensate You. We reserve the right to make application for and own Intellectual

Property relating to any Innovation, and You will cooperate with Us in securing these rights. We may also consider an Innovation as part of Our trade secret. At Our discretion, We may authorize You to utilize Innovations that may be developed by You, Us, or other franchisees.

3.10 Association with Causes; Co-Branding. You cannot, without first receiving Our written approval, in the name of the Franchise Business or in any manner associated with the Marks: (i) donate money, products, or services to any charitable, political, social, religious, or other for-profit or non-profit organization, cause, or position, or (ii) act in support of or against any such organization, cause, or position. You cannot "co-brand" or use the Marks or Your Franchise Business to associate any other business activity in a manner which is likely to cause the public to perceive the activity to be related to or sponsored by the System.

3.11 Consent to Use of Likeness and Your Franchise Business. You agree that We have the right to use the likeness (Including photographs or videos containing images) of: You and Your Franchise Business for any purposes relating to the Marketing of the System or Marks. You agree that no compensation will be due to You for such use.

ARTICLE IV
CONSTRUCTION, COMMENCING OPERATIONS AND LEASE

4.1 Location of Premises. You must have a site for Your Premises within the designated search area listed on Exhibit "A-1" ("Search Area"). You understand that the Search Area is not the protected Territory but is only the area where You may look for Your Premises. The Search Area may not be exclusive to You as We reserve the right to sell franchises or develop an outlet in the Search Area, but We will not sell or develop any units within Your Territory. You must have a site approved by Us for Your Premises within 120 days of signing this Agreement. Although We must approve of Your site, We do not warrant or guarantee the success of the site. You must not commit to purchase or lease any real property or commence construction unless and until You have Our written approval of the proposed location. Unless waived by Us in writing, You must hire a local real estate broker familiar with retail/commercial tenant representation to help You locate a site and negotiate Your Lease. Your Premises must strictly comply with local zoning, state and federal laws, rules, and regulations.

4.1.1 Location Approval. We must approve Your proposed site. However, it will be Your responsibility, at Your sole cost and expense, to select the site within Your Territory. You must provide Us with the street address of the proposed site and such other information as We request, Including pictures, existing brochures of the proposed site, etc. **We do not prepare demographic studies or otherwise evaluate the need for Our products and services in Your Territory or Search Area, nor do We provide You with a site checklist or other similar information.** Site approval or disapproval should be completed by Us within 30 days after You have submitted a proposed site to Us.

4.2 Lease. A Lease must be in place within 40 days from the date We approve Your proposed site. We do not assist You in negotiating the purchase or the Lease. We have the right to review and approve or disapprove any lease relating to Your Franchise Business prior to execution. If We review Your lease, at Our discretion, the scope of Our review may be limited to adherence to Our requirements rather than a review of the underlying terms of the Lease. In no way does Our review of the Lease amount to any endorsement or warranty of the Lease. You must also deliver an executed copy of the Lease with a signed Landlord Consent to Us within 15 calendar days after execution.

4.2.1 Assignment of Lease. You hereby assign and transfer all rights and interest in and to the Lease to Us to be effective upon Our election when this Agreement Terminates or if You do not cure a default under the Lease. In such an event, We will have the right, but not the obligation, to accept the assignment and assume the Lease or execute a lease with You as provided below. We also have the right to assign the Lease to another franchisee. If You own the Premises, You hereby agree to lease the facilities to Us upon Termination of this Agreement at a rate not to exceed its fair market rental value, and on commercially reasonable terms and conditions. Your Lease must Include a provision allowing the assignment of the Lease to Us or Our nominee, at Our option, in the event this Agreement is Terminated

for any reason, and You are required to have Your landlord sign the attached Landlord's Consent to an assignment of the Lease before the Lease is signed. The Landlord's Consent is attached hereto as Exhibit "A-6." If You own the Premises, You hereby agree to lease the facilities to Us upon Termination of this Agreement at a rate not to exceed its fair market rental value, and on commercially reasonable terms and conditions.

4.3 Construction. Any construction of the Premises must be done in strict accordance with the specifications approved by Us, but it is Your responsibility to verify that the plans conform to federal, state, and local laws. We do not assist in the actual construction, remodeling, or decorating of Your Franchise Business. You must apply for all permits to commence construction within three months of signing the Lease, and construction must commence within 60 days from the obtaining all required permits for construction. You must have all construction completed within six months from the date of the franchise agreement.

4.3.1 Design of Premises. At Your own expense, and unless waived in writing by Us, You are required use Our designated design firm, and to follow Our interior and exterior design standards and specifications. We provide You preliminary layout/design plans for Your Franchise Business. You are also responsible for obtaining any required permits.

4.3.2 Setting Up the Premises. You agree to arrange the fixtures, signs, furniture, and other items of the Premises in strict compliance with the format and color schemes recommended by Us and to work with Our approved suppliers providing such items. In addition, We must approve Your Premises layout and setup prior to opening. If any elements of the Premises do not meet Our specifications, You will, at Your cost, be required to make the required adjustments.

4.3.3 Abandonment of Construction. Abandonment of construction or stoppage of construction for six or more weeks due to Your fault or neglect will be grounds for terminating this Agreement.

4.3.4 Approval of Construction. You may not operate Your Franchise Business if your construction, improvements or any fixtures do not conform to Our approved specifications and failure to correct any unauthorized variance for such plans and specifications within 30 days after written notice from Us will be grounds for us terminate this Agreement. We have the right to supervise and inspect all construction to assure compliance with approved plans and specifications.

4.4 Commencing Operations. You are required to commence operations not later than 60 days following completion of Your Premises and in no case later than 24 months from signing this Agreement.

4.4.1 Conditions to Opening. You shall notify Us in writing at least 30 days before You intend to open the Franchise Business to the public. Before opening, You must satisfy all the following conditions: 1) You are in compliance with this Agreement; 2) You have obtained all applicable governmental permits, licenses, certificates of occupancy, and authorizations; 3) the Franchise Business conforms to all applicable System standards; 4) We have inspected and approved the Franchise Business, which may be done virtually, at Our discretion; 5) You have hired sufficient Personnel; 6) the required Personnel have completed all Our required pre-opening trainings; and 7) We have given You Our written approval to open, which will not be unreasonably withheld.

4.5 Failure to Meet Deadlines. If You fail to meet a deadline listed in this Article and fail to cure, or if We cannot agree on a site location, this Agreement is subject to Termination by Us, at Our option. However, You may be granted an extension at Our discretion if You demonstrate a good faith effort in complying with this Article.

4.6 Relocation of Premises. You are not allowed to relocate Your Premises without Our prior written approval. Approval to relocate will be based upon the same criteria used in approving a new franchisee's proposed site; however, We will generally approve a relocation if Your Premises are destroyed or certain other justifiable circumstances justify a relocation, so long as Your new site is within a five-mile

radius of Your original approved location. You must demonstrate the financial ability to relocate as part of Our approval process. Additionally, You must pay Us a relocation Fee to cover Our costs to review Your relocation request which is payable when You make the request. See Exhibit "A-3." We have the right to deny a request for relocation in Our sole discretion.

ARTICLE V
FEES AND REPORTS

5.1 Initial Franchise Fee. You shall pay Us the initial franchise fee listed in Exhibit "A-3" in one lump sum at the time of execution of this Agreement. The initial franchise fee must be paid by wire transfer or certified check. The initial franchise fee is fully earned by Us and is non-refundable. No rights or privileges under this Agreement exist until the initial franchise fee is paid in full.

5.1.1 Additional Franchises. During the term of this Agreement, You may purchase additional franchises at a discounted initial franchise fee per location as listed in Exhibit "A-3." This option will only be available to You if there are franchise territories available, You meet Our then-current criteria for new franchisees, You are current and not in default of this Agreement, and, at Our sole discretion, We determine to sell You another franchise. You will be required to sign Our then-current franchise agreement, which may have material terms different from this Agreement.

5.2 Royalty. You shall pay Us a non-refundable, on-going royalty as listed in Exhibit "A-3." The royalty is in consideration of Your right to use Our Intellectual Property and certain Confidential Information in accordance with this Agreement and not in exchange for any specific services We render. Royalty payment shall commence the earlier of the start of the 5th month after You commence operations and the first month following Your monthly Gross Sales reaching $20,000.

5.2.1 Change in Law. In the event there is a change in the law or a discovery of a law affecting the collection of payments to Us, You agree to allow Us to modify the definition of "Gross Sales" and the calculation of other Fees due to Us in order to comply with the law. However, in no event will the modification of the term "Gross Sales" or the calculation of other Fees due to Us result in Your payment in excess of the Fees listed in Exhibit "A-3."

5.3 Marketing Fees.

5.3.1 Marketing Fund. Upon Our instituting the Marketing Fund, You shall pay Us the monthly Marketing fee listed in Exhibit "A-3" for Our Marketing programs as further described in Section 10.1 below. This fee is payable on the same terms as the royalty.

5.3.2 Local Marketing. You must also allocate and spend the amount is listed in Exhibit "A-3" each month on local marketing in Your Territory. Upon 60 days' written notice to You, We may increase Your local Marketing requirement to up to 2.5% of Your Gross Sales.

5.3.3 Marketing Cooperative. In the event a local or regional Marketing cooperative is formed, You will be required to contribute to the Marketing cooperative as established and assessed by the Marketing cooperative. See Section 10.2 below.

5.4 Calculation and Reporting. The calculation, reporting and payment of the Fees specified in Sections 5.2 and 5.3 above will be made as follows:

5.4.1 Gross Sales Report and Other Reports. See Section 5.5 below.

5.4.2 Payments; Due Date. All payments and Fees to Us must be paid in accordance with Our then-current electronic funds transfer, ACH or other automatic withdrawal program or as specifically directed by Us. Currently, the Fees as shown and calculated on the Gross Sales Report are due and payable and must be received by Us or credited to Our account by pre-authorized bank debit and automatically withdrawn from Your Operating Account. Our current ACH agreement is attached hereto as

Exhibit “A-7” and may be modified by Us at any time in Our sole discretion. You must have an active ACH agreement with Us at all times. Before terminating or canceling any active ACH agreement, You must provide a new ACH agreement to Us so that there is no time in which We do not have the ability to automatically withdraw or debit all payments and Fees due and owing to Us. You shall pay all service charges and fees charged to You by Your bank so that We may electronically debit Your bank account. We reserve the right to change the payment due date or require an alternative payment frequency payment for any or all Fees in the future. You agree that Your obligation to pay all Fees due under this Agreement are absolute and unconditional.

5.4.3 Operating Account. You may not have more than one Operating Account associated with the Franchise Business. If You fail to timely report Gross Sales, We may automatically sweep or debit an estimated amount of Fees due to Us. You shall pay Us any amount owing if We underestimate Your payment to Us, and We will credit You with any overage that We charge. You must maintain a minimum of $5,000 in Your Operating Account or have a $5,000 line of credit at all times for business emergencies, provided that in any 30-day period, unless You have the required line of credit, the Operating Account may have less than such amount for a period of not more than five days. You are required to provide Us with view-only access to Your Operating Account.

5.4.4 Late Fees; Insufficient Funds Fee. You will be charged a late Fee if a required Fee or report is not timely received by Us, and You will be charged per bounced check or insufficient funds transfer. These Fees are due within five days of notice to You. These amounts may be adjusted by Us from time to time in the Manuals.

5.4.5 Interest. All Fees not paid when due will be assessed and accrue interest from the due date to the date of payment, both before and after judgment at the rate of 18% per annum or the maximum rate allowed by law, whichever is less. In no event will any amount be charged as interest or late fees that otherwise exceeds or violates any applicable legal restrictions.

5.4.6 Sales or Use Tax. If there is hereafter assessed any nature of sales tax or use tax or other value added tax on Fees that, You pay to Us, You shall also pay Us the applicable tax when invoiced.

5.5 Reports and Financial Statements. You must submit the following reports by the following due dates. We reserve the right to require all reports to be submitted at more frequent intervals.

TYPE OF REPORT	DUE DATE	REMARKS
Gross Sales Report	Five business days following the end of each month, or as otherwise designated by Us	You must submit this report in a form we approve or require.
Local Marketing Report	Quarterly, by the 15th day of the following quarter, or as otherwise designated by Us	This report must detail your expenditures for local marketing in a form we may require.
Sales Tax Report	Quarterly, by the 15th day of the following quarter	
State Tax Return	Annually, within the earlier of 30 days after the filing due date, or submission to the taxing authority	If you desire to seek a filing extension from the taxing authority, you must first obtain our prior written approval
Federal Tax Return	Annually, within the earlier of 30 days after the filing due date, or submission to the taxing authority	If you desire to seek a filing extension from the taxing authority, you must first obtain our prior written approval
Cost of Goods Sold and Labor Metrics Report	Within 30 days of Our request to You, or as otherwise designated by Us	When requested, this report must contain information in the format we may require.

Financial Statements	The 5th day of each month for the prior month's financials, and within 90 days of the end of the fiscal year	We may require the report to be submitted in our standard format.

5.5.1 Access and Use of Financial Records. We or Our certified public accountants or other duly authorized agents, have the right during normal business hours to conduct computer and other audits and to examine and make copies of Your books, records, financial statements and sales and income tax returns, and You must keep complete and accurate books and records of the operation of Your Franchise Business. You shall provide Us with access to, or copies of, all financial records in the time We require. We are not required to give You advanced written notice of an audit.

5.5.2 Audit of Books and Records. If any audit or investigation discloses a deficiency of 2% or more of the Gross Sales in the computation or payment of Fees due to Us, You shall immediately pay Us the amount of the deficiency, the appropriate Fee for late charges, and You shall reimburse Us for the total expense of the audit or investigation, Including the charges for the accountant and the travel expenses, room, board, and other costs incurred in connection with the audit. Your failure to report Gross Sales for any period, or Your failure to retain and have available, readable, and organized required records will be deemed an understatement by more than 2%.

5.6 Application of Payments. We can apply any payments received from You to any past due or then-current indebtedness of Yours for any payments owing to Us.

5.7 No Refunds. The Fees set forth in this Agreement are not refundable.

5.8 Funding. You are solely responsible for obtaining all funding for Your Franchise Business. Failure to obtain sufficient initial funding for opening Your Franchise Business is grounds for termination of this Agreement.

5.9 Non-Compliance Fines. In Our sole discretion, as an alternative to placing You in default, as determined on a case-by-case basis, Including for failure to cure a prior default even if a prior fine has been imposed, We may issue You a fine or fines for certain violations of this Agreement and/or the Manuals. See Exhibit "A-3." If You do not correct the violation within the time required by Us, We have the right to put You in default. We are not obligated to charge You a fine before putting You in default. All fines and charges are to be paid upon billing or in accordance with Our electronic funds or automatic withdrawal program, if established. These fines are paid to Us to reimburse Us for Our administrative and management costs for Us to address the violation, are not a penalty or estimate of all damages arising from Your breach, and are not Our sole remedy. Our decision to impose or not to impose a fine for Your non-compliance does not constitute a waiver of any other right that We may have under this Agreement, Including Termination of this Agreement.

5.10 Technology Fees. You must pay Us the Fees listed in Exhibit "A-3" for utilization of Our technology package and payment processing. We can designate You to pay all or a portion of this Fee directly to the supplier. We may increase this Fee to account for new or additional technologies and increased costs

ARTICLE VI
FRANCHISEE'S OPERATIONAL COVENANTS

6.1 Business Operations. In addition to other obligations, requirements, and covenants set forth in this Agreement:

6.1.1 Compliance with Applicable Laws. You are solely responsible for ensuring compliance with all applicable laws, ordinances and regulations or ruling of every nature whatsoever which in any way regulate or affect the operation of Your Franchise Business. As between Us and You, You are

solely responsible for the safety and well-being of Your Personnel and the customers of the Franchise Business.

(i) Permits and Licensing. You shall obtain and maintain all required permits and licenses for the operation of Your Franchise Business.

(ii) Contracting Prohibitions. You cannot contract with any person listed or included on: (i) the United States Department of Health and Human Services ("HHS") Office of Inspector General's ("OIG") List of Excluded Persons/Entities; (ii) the excluded provider list promulgated by the applicable state Medicaid program; or (iii) the General Services Administration ("GSA") List of Parties Excluded from Federal procurement and non-procurement programs.

6.1.2 Appearance; Customer Service. You shall establish and maintain the Premises in a clean, attractive, and repaired condition and must give prompt, professional, courteous and efficient service to the public and otherwise operate Your Franchise Business in strict compliance with Our System and policies, practices and procedures contained in the Manuals or otherwise communicated to You so as to preserve, maintain and enhance the reputation and goodwill of Our System. You must promptly respond to all complaints received from Your customers or other individuals and to resolve the complaint in a reasonable business manner. If We are contacted by a customer of Your Franchise Business who lodges a complaint, We reserve the right (but are not required) to address the customer's complaint to preserve goodwill and prevent damage to the Marks. Nothing in this Section or in any other provision of this Agreement is to be construed to impose liability upon Us to any third party for any of Your actions or obligations. We reserve the right to require that Your Personnel comply with any dress code, or other brand-related standards that We may require. You shall arrange the fixtures, signs, furniture, and décor of the Franchise Business in strict compliance with the format recommended or required by Us.

6.1.3 Signage. You must have the number of interior and exterior signs as required by Us and according to Our specifications. All signs to be used on, in, or in connection with Your Franchise Business must meet Our specifications and must be approved in writing by Us prior to use by You. You shall maintain all signs in good condition and to undertake such repairs and or replacements at Your expense as We reasonably determine to be necessary. You are required to use the location's pylon/pole or monument sign, if available. You understand and acknowledge that although You are required to purchase and display signage, Including signage displaying Our Marks, You do not own rights to use of the signs following Termination.

6.1.4 Training. Your Operating Principal and Your designated managers, if other than Your Operating Principal, are required to attend and successfully complete Our training program at least 30 days prior to opening Your Franchise Business. The length of training is generally six days (with three days being at Our headquarters or other training facility) but could be longer if Your Operating Principal or Your designated manager fails to successfully complete the training. Successful completion will be determined by Our trainers but may Include demonstrating knowledge of basic techniques, understanding of equipment, knowledge of policies and procedures, daily operations, record keeping, computer system competency, Marketing, and customer service. Failure to successfully complete training is a default of this Agreement. There is no training fee for up to five attendees. We also allow additional persons to attend the same initial training session as Your Operating Principal. The cost for additional trainees to attend the initial training is listed in Exhibit "A-3." Each person must attend the same training session. You are responsible for all travel, food, living and other expenses for Your attendees during training.

(i) Replacement Training. Any new Operating Principal or managers from outside the Plunj® System must complete the initial training program prior to taking over in their respective capacity. The Fee for this training is listed on Exhibit "A-3." Depending on availability and advanced written notice, this training may take place at Your location, but more likely the training will take place at or near Our headquarters or at an affiliate's location. You must also cover the travel, food, and lodging for Your attendees or Our representatives, as applicable. However, after You have been open for one year, and so long as You have not been put on notice of any defaults, new managers may be trained by Your Operating

Principal, but We reserve the right to require Your managers to be trained by Us if We reasonably believe such training would be in the best interest of Your franchise.

(ii) Annual Manager Training. At Our discretion, once each calendar year, at a time designated by Us, Your Operating Principal and Your designated manager will be obligated to meet with Our representatives at a location specified by Us, for the purpose of discussing and reviewing Your operations, status, financial performance, etc. If We, at Our discretion, determine that such a meeting is necessary, all costs of travel, food, lodging, and Your Personnel salaries, and other expenses of Our representatives as applicable, or Your attendees will be borne by You. The Fee for this training is listed on Exhibit "A-3."

(iii) Additional In-Person Training. Depending on availability and advanced written notice, if You would like additional in-person training, We may provide this training to You. We have the right in Our sole discretion to limit additional training to a certain number of days, attendees, and/or representatives at a time. We can also require Your Operating Principal and/or other managers to attend additional trainings if You are in default, or if We reasonably believe such training would be in the best interest of Your Franchise Business. Our current Fee for these additional trainings are listed in Exhibit "A-3" and You will be responsible for the costs of travel, food, lodging and compensation of Your attendees or Our representatives.

(iv) Non-Disclosure. All attendees at a training must sign a non-disclosure agreement acceptable to Us before attending a training.

(v) Rescheduling Fee. You shall pay Us the rescheduling Fee listed in Exhibit "A-3" if You cancel, postpone, or reschedule any training or opening assistance within one week of the scheduled date, or if You fail to complete certain requirements prior to a training or opening assistance.

6.1.5 Opening Assistance. You must provide Us a valid certificate of occupancy for the Premises before We send any representatives to provide any opening assistance. Additional details on the opening assistance are set forth in Section 7.4 below.

6.1.6 Other Agreements. You must execute all other agreements required under this Agreement or as reasonably requested by Us from time to time and to provide Us with a copy within 15 days of execution.

6.1.7 Management. Your Franchise Business must be managed by either Your Operating Principal or a designated manager who will be required to devote their full time (at least 40 hours per week), attention, and best efforts to the management and operation of Your Franchise Business. You must disclose the identity of Your Operating Principal to Us, and You must immediately notify Us in writing if Your Operating Principal is no longer acting in such capacity. We must approve of Your Operating Principal and any replacement Operating Principal.

(i) Unless Your Operating Principal acts as the full time manager of the Franchise Business, Your Operating Principal is not required to work a certain or minimum number of hours; however, Your Operating Principal must maintain sufficient inventory, supplies and products and work sufficient hours to operate Your Franchise Business or supervise Your managers and employ adequate Personnel to operate Your Franchise Business at its maximum capacity and efficiency. Your Operating Principal must be Your principal contact person with Us.

(ii) Although We do not require Your Operating Principal to be involved in the day-to-day, on-premises management, Your Operating Principal is required to participate in Your Franchise Business as follows: (i) be directly responsible for overseeing all accounting, reporting and bookkeeping, and all financial components of the Franchise Business; (ii) attend and complete all training and retraining courses required by Us; (iii) attend any annual or special meetings of franchisees called by Us; (iv) be directly involved with site selection, construction and Updates, (v) be directly involved in all Personnel decisions affecting the Franchise Business; and (vi) conduct frequent inspections of the Franchise Business

operations to ensure the highest standards of professionalism, cleanliness and general pleasant appearance in compliance with Our approved methods.

(iii) Your Operating Principal must devote their primary attention to the Franchise Business, and You, Your Operating Principal and Your manager(s) must keep free from any conflicting or competing enterprises or any other activities that would be detrimental to or interfere with the operation of Your Franchise Business.

6.1.8 Operational Hours. You shall operate Your Franchise Business at least six days per week throughout the year and at the hours We may designate. Currently, We require that You are open for 10 hours each weekday and 12 hours on at least one weekend day (defined as a Saturday or Sunday). We reserve the right to require You to operate seven days a week and at the hours We designate.

6.1.9 Remodel and Upgrades. You are required to Update Your Franchise Business and Premises from time to time as We may reasonably direct, but not more often than every five years and, We will not obligate You to invest additional capital at a time when the investment cannot in Our reasonable judgment be amortized during the remaining term of this Agreement (except for required changes to the Marks, or changes due to health or government mandates, guidelines, or public concerns, which We may require at any time). This can Include structural changes, new flooring, wall treatments, signage, remodeling, redecoration, new furnishings, fixtures and décor, and such modifications to existing improvements as may be reasonably necessary, such that all Plunj® locations will have a generally similar look, appearance and capabilities. We may also require You to invest in new or updated equipment and technology at any time. You acknowledge that this obligation is reasonable and necessary to ensure continued public acceptance and patronage to Our brand and to avoid deterioration or obsolescence in connection with the operation of Your Franchise Business. You must complete all such Updates within six months of notice from Us. You will also be required to complete any day-to-day maintenance issues as they occur. In the event You relocate Your Premises to a new approved location, or sign a Successor Franchise Agreement, You must bring Your new Premises up to Our then-current standards.

6.1.10 Your Personnel. You, Your principals, and Your Personnel are not Our employees or independent contractors. You are solely responsible for the hiring, firing, discipline, scheduling, management, compensation, supervision, assignment of duties, directions governing the matter, means, and methods of the performance of duties, work rules, safety, working conditions and training of Your Personnel. Other than management training, We do not assist You in employment related decisions, or in creating any policies or terms and conditions related to the management of Your Personnel or their employment. We may provide You with a sample employee guide or manual, but it will only be an example of certain employment matters that You may choose to adopt or not. You must use Your own discretion on what policies to implement for Your Personnel based on Your own circumstances and management decisions. The sample manual is not edited or reviewed frequently to stay up to date with current or state specific employment laws and some policies may be outdated or conflict with current existing state or federal employment laws. You must seek Your own legal counsel to determine those policies that are legally compliant with current employment laws in Your state to draft Your own employee handbook. You must seek Your own legal counsel to determine those policies that are legally compliant with current employment laws in Your state to draft Your own employee handbook. It is Your responsibility to comply with local and federal labor and employment laws. You further agree that in any office, break room, or other non-public area accessed by Your Personnel, You will post a sign or other document containing language We require explaining the differences between You, their employer or contractor, and Us, Your franchisor.

Your Personnel must execute Our Personnel Brand Protection Agreement (see Exhibit “A-5”). (Although We provide You this form, You are responsible to conform it to the laws and regulations of Your state). You must also have each of Your Personnel sign Our then-current form of the Franchise Relationship Acknowledgement attached as Schedule “A-5.1” to the Personnel Brand Protection Agreement. You shall promptly deliver a copy of all such agreements to Us within 10 days of hiring of the respective Personnel.

6.1.11 Insurance.

(i) Minimum Limit Requirements. You shall at all times during the entire term of this Agreement and at Your own expense keep in full force, by advance payment(s), the following minimum insurance policies, obtained from a company rated "A-" or better by A.M. Best & Company, Inc.

Type of Insurance	Minimum Required Amount(s)
Commercial General Liability Insurance	$1,000,000 per occurrence and $2,000,000 in the aggregate or leasehold minimum, whichever is greater.
Data Breach & Cyber Security Breach Insurance	$100,000 per occurrence and $300,000 aggregate.
Property Insurance (Optional)	100% of the full replacement cost (with a minimum of $100,000 for personal property and $200,000 for tenant improvements and 100% for equipment) against loss or damage from fire and other risks normally insured against in extended risk coverage.
Business Interruption Insurance (Optional)	Recommend 12 months of actual loss sustained.
Employment Practices Liability (Optional)	$150,000 per occurrence and aggregate with third-party liability included, $25,000 minimum wage & hour coverage and a maximum deductible of $10,000.
Government Required Insurances	All workers' compensation and employment insurance on your employees as required under all federal and state laws.

(ii) Policy Requirements. Other than worker's compensation, these policies must insure You and Us (Plunj Franchise, LLC, 493 E 4380 N, Provo, Utah 84604) and Our nominees as additional insureds, without regard to any other insurance program that We may have in effect, against any liability that may accrue by reason of or relating to Your ownership, maintenance, or operation of the Franchise Business wherever it may be located. Your insurance is primary and non-contributory. Any insurance obtained by Us is solely for Our benefit and not for the benefit of You or Your Franchise Business. These policies must include a waiver of the insurer's right of subrogation against Us and provide coverage for Your indemnification obligations under this Agreement. Your insurance is primary and non-contributory. Any insurance obtained by Us is solely for Our benefit and not for the benefit of You or Your Franchise Business. These policies must stipulate that We will receive a 30-day written notice prior to renewal or termination, and We must receive a 30-day notice of any modifications. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to Us must be furnished to Us together with proof of payment prior to You beginning operations and within 15 days of any request which We may make from time to time.

You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate. If You fail to obtain insurance and keep the same in full force and effect, We may obtain insurance on Your behalf at Our discretion, and You must reimburse Us the premium costs, plus an administration Fee for Our time (see Exhibit "A-3"). We may periodically increase the amounts of coverage required and/or require different or additional coverage. We have the right to require that You obtain from Your insurance company, and subsequently provide to Us for Our review, a report of claims made and reserves set against Your insurance (commonly known as "loss runs"). If Your Premises are damaged and covered by insurance, You must use the proceeds to restore the facility to its original condition no later than 160 days from receiving the proceeds.

(iii) Continuation of Policy. Regardless of the amounts We state above, it is Your responsibility to maintain adequate insurance coverage at all times during the term of and after the expiration of this Agreement, so that coverage, Including any policies that are on a "claims made" basis, which through the purchase of an extended reporting endorsement (i.e., "tail" insurance) will be in effect for acts or omissions that occurred prior to the termination of the policy and are reported within a 24-month period following the end of the policy period.

6.1.12 Pricing. We may, to the degree permitted by law, suggest retail prices and specify maximum and/or minimum pricing You may charge for products and services. If We impose a maximum price for any product or service, You may charge any price for the product or service up to and Including the maximum pricing We impose, but You may not charge any price in excess of the maximum pricing. If We impose minimum pricing for any product or service, You may charge any price down to and Including the minimum pricing imposed, but You may not charge any price below the minimum pricing set by Us. Unless otherwise agreed to by Us in writing, You cannot advertise or promote prices lower than, or inconsistent with, Our suggested prices outside of Your Premises. Our pricing policies are intended to benefit the System as a whole and may not maximize Your profits.

6.1.13 Computer and POS System. At Your expense, You must purchase or lease the computer and point of sale ("POS") system and other computer hardware and software systems designated by Us in strict accordance with Our specifications, and We can mandate the forms of payment that You can or must accept. If We adopt a different computer system, POS system or other system in the future, You must adopt it at Your expense. You must maintain, repair, modify and upgrade, all such items, at Your sole expense. You must provide Us full 24-hour/7-day a week access, Including online access, and the right to "upload" or "download" information to and from all POS, computer, and other systems, and to the information and data contained in them. We can require that You to obtain a static IP address from Your internet provider. There is no contractual limitation on Our right to receive information through Your computer, POS or other systems or to the frequency and cost of the obligation to upgrade and maintain them. You hereby waive any claim against Us or Our affiliates for any loss, damage, liability, or expense caused by or related to failures, errors, acts, omissions, or otherwise of any computer, POS, hardware or software system (not related to Our or an affiliate's acts or omissions).

(i) Retention of Records. You must record all sales at the time of the sale in Your computer and/or POS system, or other sales recordation system approved or designated by Us. You must have high speed broadband Internet access at the levels required in the Manuals. You must retain all POS and computer records, charge account records, sales slips, orders, return vouchers, sales tax reports and all Your other business records and related back-up material, tax returns and financial reports for at least five years following the end of the year in which the items pertain, Including after the Termination of this Agreement. Any data collected or provided by You, downloaded from Your POS System, or otherwise collected from You by Us or provided to Us, is and will be owned exclusively by Us, and We have the right to use the data in any manner without compensation to You. During the term of this Agreement, You are licensed, without additional compensation, to use such data solely for the purpose of operating Your Franchise Business. This license will automatically and irrevocably expire, without additional notice or action by Us, when this Agreement Terminates.

(ii) Accounting Systems. You must use and pay for the accounting software designated by Us. You are required to follow Our accounting procedures, line items, and templates and charts of accounts as provided and updated in Our Manuals. You shall provide Us with independent, view-only access to Your account.

(iii) Merchant Account. At Your expense, You must participate in Our merchant account and other point of sale programs as set forth in Our Manuals.

(iv) Data Security Standards. At Your cost and expense, You must investigate and ensure that You comply with all payment card industry ("PCI") and data security standard ("DSS") standards, regulations, and requirements; however, We reserve the right to approve of the supplier You use for compliance. You must meet the requirements of, and comply with enhancements and changes to, the PCI and DSS and maintain PCI compliance with the current version of the PCI and DSS. We reserve the right to require an audit (and to designate the auditor) to verify compliance. You must reimburse Us for all costs related to the audit if You are not in compliance. You are responsible to use all required tools, systems, and vendors to complete ongoing PCI requirements, Including quarterly external security scans and annual self-assessment questionnaires. You are solely responsible for all costs relating to PCI compliance and data security issues, Including, security threats, breaches, and malware. It is Your responsibility to alert Us, not later than 24 hours following a suspected or confirmed data security breach,

so that appropriate action can be taken to protect Customer Data and to notify relevant parties. You are not permitted to collect, store, transfer, etc., any unnecessary customer information.

(v) Waiver. You are required to use a waiver form if required by Us, and as designated by Us. The POS system may include a sample waiver form for Your customers, but it is Your responsibility to verify that the waiver complies with the laws and regulations of Your jurisdiction.

6.1.14 Conferences and Seminars. At Our discretion, We may hold conferences or seminars on a regional or national basis for all franchisees in good standing. The conferences and seminars may be held at various locations chosen by Us. If held, attendance is mandatory for Your Operating Principal, and You must pay registration Fees (see Exhibit "A-3") and all travel, lodging, food, and other expenses for each of Your attendees.

6.1.15 Marketing Plan. You are required to provide Us an initial marketing plan at least three months prior to the opening of Your Franchise Business. In addition, You are required to annually update Your Marketing plan and submit the updated plan to Us within 90 days after Your fiscal year end.

6.1.16 Required Software; Technology. You must use and pay for all software and other technology and platforms as required by Us, which may be changed from time to time. You must timely input all required information into Our designated software as set forth in Manuals. You must follow all laws and regulations in storing customer data and in submitting information to Us.

6.2 Quality Control.

6.2.1 Correction of Defects. You shall immediately correct defects, deficiencies or unsatisfactory conditions in the appearance or conduct of Your Franchise Business. You shall establish and maintain an image and reputation for Your Franchise Business consistent with the standards set forth in this Agreement, in the Manuals, or as otherwise specified by Us.

6.2.2 System Compliance. You shall strictly follow Our System, the Manuals, and other directives promulgated or provided by Us from time to time.

(i) Email Address. You must at all times use and maintain the email address provided by Us or approved by Us for use in relation to Your Franchise Business, frequently checked by You to facilitate Our communications, and that You must use as the sole email for all Franchise Business-related communications and accounts. If We provide You with an email account/address, such email account belongs to Us, and We have the right to access Your email account at any time and without notice to You, and You understand and acknowledge that You have no expectation of privacy in the assigned email accounts. All Social Media You develop or use must be attached only to the email address We provide to You or that is approved by Us.

(ii) Incentive Programs. If We adopt a loyalty, coupon, gift card/certificate, free giveaways, fundraising programs, or other discount or incentive program, You are required to implement and honor such programs in Your Franchise Business. You are not allowed to implement any sort of coupon, loyalty, membership, fundraising program, gift card program, etc., without Our prior written permission. The method of sales and pooling and reconciling the funds for all such programs will be determined by Us at Our sole discretion as set forth in the Manuals.

(iii) Modifications. We have the right to modify, delete, add to and otherwise make systematic and other changes to the System, Intellectual Property, Manuals, operations, etc. We may issue new specifications and standards for any aspect of Our System, or modify existing specifications and standards, at any time by revising Our Manuals and/or issuing new written directives (which may be communicated to You by any method We choose). You must accept, comply with, use, and implement all such changes to the System or operations. The modifications may obligate You to invest additional capital in Your Franchise Business and to incur higher operating costs. You must incorporate all such modifications

within the time that We specify. You are prohibited from making modifications to the System or Your Franchise Business without Our prior written approval.

(iv) Inspections and Visits. We may conduct periodic evaluations, inspections, and audits of any or all aspects of Your Franchise Business at reasonable intervals by Our duly authorized representative for compliance with the System, reporting, customer service and the standards and procedures set forth in the Manuals. These inspections may be conducted in person or through remote access such as video or live video conferencing. We may conduct inspections without prior notice to You. Our inspections may Include Your Premises, business records, bank accounts, Venmo (and the like), operating procedures, reports, computer drives, electronic storage devices, POS system, account records, tax records, etc., related to the Franchise Business. We also have the right to speak with and interact with Your Personnel, and customers, and to remove samples of products, supplies and materials. Immediately upon Our request, You must provide to Us video and/or images of the interior and exterior of Your Premises, and any specific pieces of equipment or other areas of the Premises as may be more fully set forth in the Manuals. You will be charged a Fee (see Exhibit "A-3") if You fail to comply with the System after an inspection and notice, and We reasonably determine a re-inspection is necessary.

(v) Customer Complaints. In the event We (as determined in Our sole discretion) step in to resolve any customer dispute with You or the Franchise Business, We will charge a Fee (see Exhibit "A-3").

6.2.3 Interim Management. If We give You notice of default and You fail to cure (or as set forth in Section 14.10), We have the right at Our sole discretion (but not the obligation) to step in to manage Your Franchise Business for up to six months (We both must agree to any longer period), as We deem advisable for a Fee. See Exhibit "A-3." This Fee reflects the estimated fair market value of Our services. You shall also pay all travel, lodging, food and other expenses for Our representative(s) and other expenses that may be incurred by Us to perform such services, plus royalties, advertising fees and other applicable fees.

(i) Operations, Access to Information and Operating Account. During the Interim Management Period, You hereby grant Us authority to assist You in managing any or all aspects of Your Franchise Business. We will work directly with Your Operating Principal and Your manager, and We may require additional training for Your Operating Principal, Your manager, Personnel. You shall cooperate to provide Us with all pertinent information regarding Your Franchise Business and access to the applicable operating accounts to enable Us to efficiently assist with management operations. All accounts must remain in Your name during the Interim Management Period, but You shall add Us or Our representative as a co-signer on certain accounts. You hereby grant Us permission to speak directly with Your landlord, suppliers, banks, IRS, state agencies, creditors, etc., regarding Your Franchise Business, and You shall cooperate with Us to facilitate such communication. We may require You to establish a new bank account for Your Franchise Business during the Interim Management Period into which all operating income will be deposited. You and We (at Our option) will have authority over this account, and You or We will make payments on Your accounts payable as cash is available, but only with Your prior authorization and direction. You are ultimately responsible for all operating costs during the Interim Management Period. You shall provide Us with a list of all accounts payable with direction on which accounts are to be paid, but with the understanding that all taxing authorities will be paid first. Any excess funds in the Operating Account or any new account after all applicable costs and Fees have been paid and after an additional amount has been set aside sufficient for the Franchise Business to fulfill its business purposes as determined by Us, will be transferred to You monthly. We may provide monthly internal profit and loss statements to You. We have no obligation to infuse capital into Your Franchise Business, but if We do, such amounts will be treated as a loan, which must be repaid within an agreed upon time and bear market interest as agreed. We have the right to direct Your Personnel during the Interim Management Period. Both You and We agree that in no way does Our interim management create a relationship of trustee, beneficiary or any type of fiduciary relationship over or in relationship to Your Franchise Business.

(ii) Your Obligation to Cure. During the Interim Management Period, You are obligated to cure all applicable defaults within the applicable cure periods as set forth in this Agreement.

We have the right to terminate this Agreement during the Interim Management Period for defaults not cured within the applicable cure periods.

6.2.4 Mystery Shopper Service. We reserve the right, from time to time and without prior notice to You, to evaluate the operation and quality of Your Franchise Business through the use of a secret shopper service provided by Us or third-party. We may make the results of any service evaluation available to You, in Our sole discretion.

6.3 Personal Guarantees. Each individual owner, partner, shareholder, and member of your Franchise Business, respectively, who own 20% or greater interest, must each personally sign the Guaranty and Assumption of Obligations attached as Exhibit "A-8" to this Agreement.

6.4 Standards and Control. Any required standards exist to protect Our interest in the System and the Marks and not for the purpose of establishing control or duty to take control over those matters that are reserved to You in the day-to-day operation of Your Franchise Business.

6.5 Required Notices. You shall provide Us with prompt notice (within five business days of receipt) of any default with regards to late payment of any taxes, government fines, payments owing to any vendors, landlords, or amounts owing to Personnel.

6.6 Non-Contravention; Non-Disparagement. You shall not undertake any action or inaction to circumvent, contravene, or undermine the purposes of this Agreement. Additionally, during and after the term of this Agreement, You shall not make any negative, disparaging, false or misleading statements, published or made orally, in any form or medium about Us, Our officers, owners, partners, directors, members, managers, representatives, agents or employees, the brand, the System, Our products and services, or other franchisees.

6.7 Minimum Performance Standards. At all times during the term of this Agreement, You must maintain the minimum performance standards ("Minimum Performance Standards") set forth in this Section 6.7. Failure to maintain these standards will result in termination of this Agreement or We may elect to assist You in the management of Your Franchise Business as set forth in Paragraph 13.1.1(i) below.

(i) You must, at all times, maintain a balance in Your Operating Account of $5,000 or more; provided that in any 30-day period the Operating Account may have less than $5,000 for a period of not more than five days.

(ii) You must keep Your rent current at all times, within the time frame specified in Your Lease. You must provide Us with ongoing evidence of rent payments within 5 days of the due date.

(iii) You must timely pay all withholdings and FICA taxes and state sales taxes. You must provide Us with evidence of such payments by sending Us a copy of the quarterly (or monthly) tax return.

(iv) You must timely pay all designated suppliers as set forth in the Manuals.

(v) After the first six months of operations of Your Franchise Business, You must generate and maintain minimum average monthly Gross Sales of $10,000 (as determined on an annual basis) from the operations of Your Franchise Business (see also Paragraph 1.1.2).

6.8 Non-Delegation. You may not outsource to a third party, any part of Your obligations to Us or services to customers, Including to another franchisee, without Our prior written approval.

6.9 Annual Minimum Revenue. Your rights under this Agreement are dependent upon Your achievement of an annual minimum revenue volume. After the first six months of operations of Your Franchise Business, You must achieve, on a continual yearly average basis, a minimum average monthly Gross Sales of $10,000 during the term of this Agreement. If You do not achieve the minimum Gross Sales

in Your Territory, You will be given a notice of default and a six-month period to cure by being on pace to hit the minimum Gross Sales during this time. If You do not cure within the six-month cure period, We have the right to terminate this Agreement, or as determined in Our sole discretion, to sell Your Franchise Business. Under this scenario, We will provide You with up to six months to allow You to continue to operate Your Franchise Business under the terms of this Agreement while broker the sale of Your franchise. If We broker the sale of Your franchise, We are entitled to a fee equal to 5% of the sales price to compensate Us for time and expenses to broker the sale of Your franchise. You shall also be required to pay the required transfer fee and comply with the transfer provisions set forth in this Agreement. If We broker the sale of Your Franchise Business within the provided time period, this Franchise Agreement will be immediately terminated upon notice.

ARTICLE VII
FRANCHISOR'S OPERATIONAL ASSISTANCE

7.1 Layout and Design. We shall provide You with general specifications for the Premises layout, signs, equipment and interior décor.

7.2 Suppliers and Products. We shall provide You with a list of specifications for approved products and a list of approved suppliers. We may add to or discontinue working with any of Our suppliers.

7.3 Operations Assistance. We shall furnish You with guidance relating to the general operation of Your Franchise Business, and upon Your reasonable request, make Ourselves available to consult with You by telephone, email, video conference, teleconferences, or website posting during regular business hours during the continuing operation of Your Franchise Business. Other than initial training and the opening assistance, We are not required to provide in-person training to You. If You feel additional training is necessary (such as management training), We will provide such training to You based on advance notice, availability of Personnel, and Your payment of a per day, per person Fee. See Exhibit "A-3." You shall be responsible to cover the cost of travel, food, wages, lodging and other costs incurred by Your trainees or Our representatives, as applicable. We have the right to communicate directly with Your Operating Principal, designated managers, and assistant managers concerning operational matters that We reasonably believe may affect Our goodwill, Marks, or the System.

7.4 Initial Training. We shall provide an initial training program for Your Operating Principal and other attendees in the various practices, policies and procedures for operating a Franchise Business. This training will take place at Our headquarters in Provo, Utah or as designated by Us. The training program is described in Paragraph 6.1.4.

7.4.1 Opening Assistance. We will provide You with at least one of Our representatives, who will provide You with up to two days of opening assistance. There is not fee for this opening assistance, but You must cover 50% of the cost of travel food and lodging for Our representatives (see Exhibit "A-3").

7.5 Additional Guidance. Additional guidance, at Our sole discretion, will be furnished in the form of written Manuals, videos, audio recordings, bulletins or other written materials.

7.6 Website Maintenance. We may choose to maintain a website for the Plunj® brand that may Include Your business information for Your location.

7.7 Advisory Committees. In Our sole discretion, We may choose to create franchisee committees to advise Us in various aspects of the System. Only franchisees who are in good standing and have maintained good standing for the six-month period prior to serving on a committee may serve on any advisory committee. Each committee will establish rules for admitting and retaining committee members, but the initial rules will be established by Us.

ARTICLE VIII
PURCHASE OF PRODUCTS AND EQUIPMENT

8.1 Approved Products and Services; Suppliers. You shall purchase, use, provide, carry, and sell only those goods and services that meet Our specifications and/or that are purchased from Our approved suppliers. No goods or services may be added to, altered, or discontinued by Your Franchise Business unless it is first approved by Us in writing. Any additional goods or services that are unique to Your area requires written approval from Us before such goods and/or services are offered. For the purpose of this Article, "goods" means any product, good, inventory, supply item, equipment, tool, item, etc.

8.1.1 Delivery and Installation. For delivery and installation, You are required to work directly with the manufacturer or supplier of these items. We do not assist in delivery or installation of any required or approved purchases.

8.2 Supplier Compensation. We or Our affiliate may derive revenue from the sale of required goods and services through mark-ups in prices We charge to You for goods and services purchased from Us or an affiliate, or We or an affiliate may receive compensation or discounts from the supplier for Your purchase of such goods and services. No compensation is due to You for compensation or discounts We receive from suppliers.

8.3 Unapproved Suppliers. If You desire to purchase any goods or services from an unapproved supplier, or if You would like Us to consider alternative goods, You must submit to Us a written request for such approval or request the supplier itself to do so. We may require You to submit samples, and other data to permit Us to ascertain whether any such supplier or goods meets Our specifications. We will notify You in writing and within 30 days of completing Our evaluation as to whether that supplier or good has been approved. You will be required to pay a supplier evaluation Fee, whether or not the requested supplier is approved. (See Exhibit "A-3"). A supplier and good that meets Our specifications may, as determined in Our sole discretion, become an approved supplier (or good). We may make changes in the standards and specifications for approved suppliers and/or goods. At Our discretion, We may revoke Our approval of an approved supplier and/or good upon 30 days' prior written notice.

8.4 Maintenance. You shall maintain all inventory and equipment of Your Franchise Business in good working order. If You fail to replace equipment, inventory, signs, furniture, tools, etc., that We reasonably feel is outdated, damaged, in need of repair, obsolete, etc., at Our sole discretion, We may replace those items for You, and You would be required to reimburse Us Our costs, plus a Fee for Our time within 15 days of invoicing (see Exhibit "A-3").

8.5 Warranties; Support. You must look to the respective manufacturers or suppliers for issues related to warranties, defective products, training, and support for any third-party goods purchased for Your Franchise Business. We do not provide any warranty for items purchased from Us.

ARTICLE IX
MANUALS

9.1 Manuals. We shall loan You a copy or provide electronic access to Our Manuals. Our Manuals may consist of a series of online videos, webpages, online drives, or other forms designated by Us. You may not copy any part of the Manuals either physically or electronically. The Manuals are confidential and remain Our property. The Manuals may be used by You only in association with Your Franchise Business and only during the term of this Agreement. We have the right to revise the Manuals at Our sole discretion. You must promptly and continuously comply, at Your expense, with all provisions of, and modifications to the Manuals. The master or most updated copy of the Manuals maintained by Us will control in the event of a dispute relative to the contents of the Manuals.

9.2 Standards and Procedures. We may establish performance procedures, standards and specifications for products, services and Marketing ("Standards") for the operation of Your Franchise

Business. We may change these Standards at Our discretion, and You must strictly follow and implement all such Standards within the periods required by Us.

ARTICLE X
MARKETING

10.1 Marketing Fund. We have the right to institute, maintain and administer a national Marketing and brand development fund ("Marketing Fund") for Marketing activities as We, in Our sole discretion, may deem necessary or appropriate to Market the System. The Fees for the Marketing Fund are listed in Exhibit "A-3." We can terminate, suspend, or postpone the Marketing Fund at any time. Upon termination of the Marketing Fund, the unused funds will either be returned to those that contributed the funds, or We will cease to collect new funds while We spend the remainder of funds.

10.1.1 Marketing Fund Administration. We will direct all such programs, with sole discretion over: 1) the creative concepts, materials, endorsements and media used in connection with such programs; 2) the source of the Marketing or public relation efforts; 3) the placement, timing, and allocation of such programs; and 4) the composition of all geographic territories and market areas for the development and implementation of such programs. The Marketing Fund can be operated through an entity separate from Us that has all Our rights and duties relating to the Marketing Fund. We are not liable for any act or omission with respect to the Marketing Fund or otherwise that is consistent with this Agreement, or which is done in subjective good faith. The Marketing Fund may be used, in Our reasonable discretion, to reimburse Us for costs related to the administration of the Marketing Fund and Marketing efforts intended to benefit the System. We have the right to loan money to the Marketing Fund to cover any deficits. The Marketing Fund is not in the nature of a trust, fiduciary relationship or similar special arrangement, and We disclaim any such relationship.

10.1.2 Use of Marketing Fund Fees. We may use the Marketing Fund to offset a portion of direct costs to manage and maintain the Marketing Fund, Including the payment of staff salaries and other expenses for those employees who may be involved in Marketing Fund activities. We may receive payment for providing goods or services to the Marketing Fund. We reserve the right to use fees from the Marketing Fund to place Marketing in national or regional media. We are not required to spend any amount on Marketing directly in Your area or Territory, and We do not have any obligation to ensure that expenditures are or will be used equally in each region or that they will be equivalent or proportionate to contributions to the fund by other franchisees operating in any geographic area. We make no representations that Marketing expenditures will benefit You or any other franchisee directly, on a pro-rata basis, proportionally, or at all. Any unused Marketing funds in any calendar year will be applied to the following year's fund. You may request in (writing) an unaudited annual report of the previous year's Marketing expenditures once each calendar year. We will provide the report within 90 days of the request, so long as the request is made at least 90 days after the end of the calendar year.

10.2 Marketing Cooperative. We may form a local and/or regional Marketing cooperative covering such areas as We, at Our discretion, deem appropriate, and We may disburse such funds as We believe appropriate from the Marketing Fund to any such local and/or regional Marketing cooperative for local and/or regional Marketing. We have the power to require cooperatives to be formed, changed, dissolved or merged at any time. You are not required to join or contribute to more than one advertising cooperative for the same Franchise Business.

10.2.1 Governing Documents and Financial Statements. We will develop or approve the governing documents and make them available to all franchisees within the cooperative area. The cooperative will be required to prepare annual unaudited financial statements, and these will be available to all franchisees in the Marketing cooperative for review. No changes may be made to the governing documents without Our prior written approval.

10.2.2 Membership and Voting. Upon the formation of a local or regional Marketing cooperation, You will automatically be deemed to be a member of such association as covers the area in which Your Franchise Business is located and will be bound by any decisions made by the Marketing

cooperative upon a majority rule by members voting. Voting will be one vote per company or affiliate owned location or franchise unit in good standing in the Marketing cooperative. If We or affiliates have a company or affiliate owned unit in the cooperative area, We or Our affiliate will also become a member of the association.

10.2.3 Contributions. All franchisees within the Marketing cooperative area will be required to join and contribute to the fund pro rata based on the number of units in the cooperative. Contributions to the Marketing cooperative will be credited toward your local Marketing obligation. The cost of Marketing programs will be allocated among the members in the cooperative area, and each member must contribute equally to the local cooperative fund based on a per franchise unit basis in the Marketing Area. You will be required to contribute to the Marketing cooperative in the amounts and frequency as determined by its voting members, but such Fees and costs will not exceed Your local marketing requirement and or the amount identified in Exhibit "A-3" unless a majority of voting members of the cooperative decide to exceed the limit. We can require that contributions be made at a different frequency.

10.2.4 Audit. We and our designated agents will have the right to examine, copy, and audit, at Our expense, on reasonable notice and during normal business hours, the books, records, and accounts of any Marketing cooperative.

10.3 Sample Marketing Materials. We may provide You samples of Marketing materials developed by Us from time to time. Additional copies will be made available at cost, plus 10%, plus shipping and handling.

10.4 Your Obligations to Market. You shall participate in all Marketing programs as directed by Us and use all materials, mediums, and other information made available to You in doing so. Neither We nor You are restricted from Marketing in the Territory. You are not permitted to Market or sell to customers in another franchisee's territory or in a territory of Our affiliate(s). Nonetheless, You may market and sell products and services outside of Your Territory if such territory has not been granted to another franchisee or affiliate.

10.4.1 Approval of Marketing. You may develop Marketing materials and digital Marketing programs for Your use at Your cost, but You must submit to Us, prior to publication, copies of all Marketing materials, proposed to be used by You, Including any use of the Internet, or other digital, electronic or Social Media along with a description of how it will be used, by what media published, and such other information as may be reasonably requested by Us. All such materials must be approved by Us in advance and in writing in accordance with Our Manuals. Submitted Marketing materials will be deemed unapproved if You do not receive Our written approval or disapproval within 10 business days of the date We receive the submission. We have the right to disapprove previously approved Marketing materials at any time.

10.4.2 Marketing Compliance. All of Your Marketing activities must be done in strict compliance with Our Manuals and in good taste and must reflect favorably upon Us and the System. You shall participate in all Marketing, email, texting, and other programs as developed by Us, Including the collection of Customer Data and participation in using and promoting apps, as developed by Us.

10.5 Internet and Social Media. You must strictly comply with Our policies and procedures regarding websites, Social Media sites, and Internet Marketing. We reserve the right to restrict Your use of these mediums in the future.

10.5.1 Use of the Internet. You may not create a website for Your Franchise Business or use or obtain a domain name consisting of all or any part of the Marks, or that would be confusingly similar to all or any part of the Marks without Our prior written permission. However, You may be allowed to place pre-approved information concerning Your Franchise Business on Our website or a subdomain, as developed by Us. Additionally, You cannot Market on the Internet, Including posting for resale, items on third party resale or auction-style websites such as eBay, Craigslist, or Amazon without Our prior written permission. We have the right (but not the obligation) to manage and control all online reviews for Your Franchise Business. With Our prior approval, You may be allowed to register listing on sites such as Yelp.

10.5.2 Social Media. We will own and control all Social Media related to the brand, but We may allow You to manage certain aspects of Social Media related to Your Franchise Business. In all cases, We will have administrative access, and access to account information, and any other information related to Your Social Media activities related to the Plunj® brand. We have the right to remove or alter or require You to remove or alter any content We deem inappropriate or inconsistent with the Plunj® brand. We reserve the right to restrict Your use of Social Media in the future. Additionally, You must sign the Digital, Social Media, and Listings Assignment Authorization attached as Exhibit "A-9."

10.6 Marketing Fund Council. At Our discretion, We may create a Marketing Fund council that provides input for how the Marketing Fund is used. We may appoint franchisees to this council. This council serves only in an advisory capacity and has no operational or decision-making authority. We have the ability to make changes to this council or dissolve it at any time

10.7 Territory Marketing. Neither We nor You are restricted from Marketing Your Franchise Business in the Territory. Except for the rights expressly given to You, there will be no limitation on Our rights to deal with potential or actual customers located anywhere. You are prohibited from Marketing whether directly or indirectly outside of Your Territory as more fully set forth in the Manuals.

ARTICLE XI
BREACH AND TERMINATION

11.1 Default and Termination. We may terminate this Agreement before the expiration of its term if You breach this Agreement and fail to cure, if curable. If curable, You must cure all defaults within the times set forth below after receiving notice of default. If the default is one which is incapable of cure, Termination is effective as of the date of the notice of default and Termination.

No Cure Period:

A. Insolvency; Receivership; Levy or Foreclosure. You become insolvent or commit an act of bankruptcy or make a general assignment for the benefit of creditors or to an agent authorized to liquidate Your property or assets, or become or are adjudicated bankrupt, or voluntarily file a petition in bankruptcy or for reorganization, or a bill in equity or other proceeding for the appointment of a receiver of: (1) You; (2) Your Franchise Business; or (3) another custodian for Your Franchise Business or Operating Assets, is filed or consented to by You, or if a receiver or other custodian (permanent or temporary) of Your Operating Assets or property, or any part of them, is appointed by any court of competent jurisdiction, or the real or personal property of Your Franchise Business is sold after levy by any sheriff, marshal, or constable, or a suit is filed to foreclose a lien or mortgage against any of Your Operating Assets and it is not dismissed within 30 days.

B. Repeated Breaches. You repeatedly breach (three or more times) the same or different conditions of this Agreement or the Manuals within a 12-month period.

C. Unauthorized Use. You duplicate the System, or You intentionally or recklessly use or disclose Our Confidential Information or Intellectual Property other than in connection with the operation of Your Franchise Business and as authorized by Us.

D. Misrepresentations. You make any material misrepresentations relating to the acquisition of the Franchise Business.

E. Abandonment. You abandon Your Franchise Business or You state or clearly demonstrate any intent not to operate the Franchise Business.

F. Unauthorized Transfer. You Transfer or attempt to make an unapproved Transfer all or any part of this Agreement, Your Franchise Business, or any material portion of the property associated with Your Franchise Business, or an unapproved percentage of Your franchise entity, or You

sublicense or attempt to sublicense to another any of the rights licensed to You hereunder, or You otherwise fail, refuse, or neglect to obtain Our prior written consent or approval required hereunder.

G. False Reporting. You knowingly or intentionally conceal revenues, maintain false books or records, or submit any false report or payment or otherwise defraud Us.

H. Crimes and Adverse Behavior. You commit, or are convicted of, or plead guilty or no contest to, or enter into a plea in abeyance, stipulated order of continuance, or related agreement, to a felony, or a crime involving moral turpitude or dishonesty, or You engage in any conduct or behavior that We believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or Our interest therein; or You make disparaging remarks against Us, Our management, Personnel, the System, or Our brand to Our other franchisees or in a public forum, Including radio, television, newspapers, the Internet, or Social Media.

I. Unauthorized Competition. You fail to comply with the covenant not to compete during the term of this Agreement.

J. Termination of Lease Agreement. Your Lease for the Premises is terminated.

K. Failure to Obtain Financing. You fail to qualify for or fail to receive the necessary financing to open and operate Your Franchise Business.

L. Termination of Another Agreement. Another agreement between Us or an affiliate of Ours and You or with an affiliate of Yours is terminated due to Your failure to cure any breach after notice, or for Your uncurable breach of such agreement.

24-Hour Cure Period:

M. Public Safety. Your maintenance or operation of Your Franchise Business results in a threat or danger to public health or safety, or You fail to cure a health or safety violation within 24 hours of an inspection by Us or the applicable governmental agency.

5-Day Cure Period:

N. Unauthorized Closure or Relocation. Your Franchise Business is closed for a period of five or more consecutive business days or not open for the business hours as required under this Agreement for five or more business days in any 30-day period without Our prior written approval, or You move the location of Your Franchise Business Premises without Our prior written approval.

O. Failure to Obtain or Maintain Insurance. You fail to obtain or maintain all required insurance.

15-Day Cure Period:

P. Failure to Pay. You fail to pay any Fee or an amount due to Us, any of Our affiliates, or other designated, approved or other suppliers or assigns, within the time specified for such payments by this Agreement, the Manuals or other agreements.

Q. Failure to Accurately Report. You fail to accurately report or fail to submit any reports or records required under this Agreement or the Manuals.

R. Default Notice of Lease Agreement. You receive a notice of default under Your Lease.

S. Act in Contravention. You perform or undertake any action to undermine or circumvent this Agreement, the System, or Us.

30-Day Cure Period:

T. Non-Conforming Construction. Your construction does not conform to Our specifications.

U. Owner Deadlock. Your Owners are engaged in a Dispute with one another (deadlock) that materially affects the operation of Your Franchise Business or that We reasonably believe will materially affect the operation of Your Franchise Business if left unresolved.

V. Other Breaches. Except as otherwise provided herein, You fail to comply with any other provision of this Agreement or the Manuals.

11.1.1 Adequate Assurance. When reasonable grounds for insecurity arise with respect to the performance of Your obligations under this Agreement, We may demand adequate assurance of due performance, and, until We receive such assurance, We may reasonably suspend any performance of Our obligations. Failure to provide Us with adequate assurances within 30 days, when properly demanded, will be considered a default of this Agreement and no additional cure period will be granted.

11.2 Event of Default. In the event of any default by You, We will give You written notice of default specifying the default(s) and, if curable, state what You must do to cure the specific default(s) within the cure period. In the event of a default by You, all Our costs and expenses arising from such default(s), Including reasonable legal fees and reasonable charges for Our Personnel's time related to the default(s) must be paid to Us by You within five days following Our demand for payment. Notwithstanding anything to the contrary herein, We have the right, to be exercised in Our sole discretion, to grant You an extended period of time to cure. Any such extension will not be construed as a waiver of Our rights in the future.

11.3 Failure to Cure. If You fail to cure any default within the time allotted, We may proceed to enforce any or all of the following non-exclusive remedies in accordance with this Agreement. Our pursuit of any one remedy will not be deemed an election or waiver by Us to pursue any other additional remedies:

11.3.1 Our Pre-Termination Options. We have the right to 1) suspend all services provided to You under this Agreement or otherwise, Including training, Marketing assistance, access to Our software platforms and accounts, and the sale of products and supplies; or 2) eliminate listing You in any Marketing materials, Including any directory listings, approved or published by Us, and Our principal website or Social Media platforms. We may continue taking these actions until You comply with the requirements of any default notice that We have sent to You, and We acknowledge Your compliance in writing. The options in this Section 11.3.1 will have no effect on, and will not release You from, any obligation You owe to Us or to Our affiliates.

11.3.2 Actionable Claim. Bring an action or claim against You for the balance of any monies due hereunder, Including penalties and interest as provided for in this Agreement and for all other damages sustained by Us as a result of Your breach of this Agreement. As part of any such action, We may accelerate and bring an action against You for the balance of any outstanding installment obligation due hereunder.

11.3.3 Injunctive Relief. Bring an action against You for temporary or permanent injunctions and orders of specific performance enforcing the provisions of this Agreement and otherwise stop You from engaging in actions prohibited hereby.

11.3.4 Termination. Terminate this Agreement and proceed to enforce Our rights under the appropriate provisions. Such Termination will be effective upon delivery of a notice of Termination to You without further action by Us.

11.3.5 Other Remedies. Seek any other remedy available to Us at law or in equity, Including lost profits.

11.4 No Right of Termination. You may not terminate this Agreement; however, some states may allow You to terminate as permitted by state law.

11.5 Opportunity to Cure. Prior to taking any action against Us, You must first give Us 60 days' prior written notice and an opportunity to cure any alleged act or omission. If such act or omission cannot be cured within such 60-day period, and We are diligently continuing efforts to attempt to cure such alleged act or omission, You must give Us such additional time as is reasonably necessary to cure.

ARTICLE XII
TERMINATION AND EXPIRATION

12.1 Upon Termination of this Agreement for any reason, You immediately cease to be Our franchisee and must:

12.1.1 Payments Due. Immediately pay for all product purchases, Fees, and other obligations owed or accrued to Us, Our affiliates or designated suppliers.

12.1.2 Cease Use. Not hold Yourself out as a Plunj® franchisee or business and immediately and permanently cease to Market or in any way use Our Intellectual Property or Confidential Information, provided by or licensed to You by Us or in any way connected with the Franchise Business or System.

12.1.3 Trade Secret and Confidential Information and Products. Except as provided below in Paragraph 12.1.7, within five days, You must demonstrate with video proof sent to Us that You have permanently destroyed all information and/or products that We deem trade secret or confidential, or in the alternative, provide proof to Us that You have sold such products or information to Us or another System franchisee.

12.1.4 Disassociation. Within 10 days of Termination, take all necessary steps to disassociate Yourself from the System and Your Franchise Business, Including the removal of signs, destruction or removal of letterheads, Marketing material, the change of Your Franchise Business telephone listings, telephone numbers, email addresses, URLs, Internet websites, and any other property that bears Our brand or is affiliated with Our brand. All property and listings that are associated with and considered part of Our brand, Intellectual Property, and System revert back to Us upon Termination of this Agreement excluding any of your unbranded Operating Assets. If any of Your Operating Assets and inventory bear Our brand and Marks to Our System, You must take the steps necessary to dissociate it all from Our brand, Marks, and Intellectual Property. You shall assist Us to assign, transfer, or disconnect (at Our option) the telephone listing, telephone numbers, Marketing accounts, email addresses, URL's, Internet sites, web pages, and Social Media to Us. If You fail or refuse to do so, the telephone company, URL and hosting companies, and other listing agencies may accept this Agreement as evidence of Our exclusive rights in and to such telephone number(s), Internet websites, URL's, email accounts, and Social Media and listing and its authority to direct their transfer. You hereby appoint Us as Your attorney-in-fact for the above transfers, which appointment is coupled with an interest. You must not identify any present or future business owned or operated by You as having been in any way associated with Us or the System.

12.1.5 Cancel DBA. Within 10 days of Termination, take such action as will be necessary to amend or cancel any assumed name, fictitious or business name or equivalent registration, which contains any Mark of Ours or in any way identifies You as being affiliated with Our System.

12.1.6 Notify Suppliers. Immediately notify all suppliers, utilities, creditors and concerned others that You are no longer affiliated with Us or the System and provide proof to Us of such notification.

12.1.7 Return Materials. At Your cost, permanently delete electronic copies and return to Us by first class prepaid United States Mail (Including originals and any copies), physical copies of Our Manuals, all training materials, Marketing materials, and all other printed and electronic materials and any

other Confidential Information obtained by You from Us pertaining to the operation of Your Franchise Business.

12.1.8 Modification of Premises. If We do not exercise Our right to purchase Your Operating Assets or assume Your Lease upon Termination, then You shall alter, modify and change both the exterior and interior appearance of the Premises to Our satisfaction, so that it will be easily distinguished from a Plunj® business and shall cease using the equipment, signs, décor, displays, advertisements, promotional materials and the like that are unique or distinctive to the System.

12.1.9 Customer Data. To the extent We do not have access, You shall provide Us with (and then permanently destroy) the Customer Data.

12.1.10 Prepaid Services Reimbursement Fee. Upon Termination, You shall provide Us with an accounting of all outstanding customer Prepaid Services as of the date of Termination, and You shall refund all Prepaid Services amounts (less royalties and other fees paid to Us on the Prepaid Services) to Us or an affiliate (if We or an affiliate decide to service that customer) to Your customers as required under Your state's applicable laws. In the event We or an affiliate are required to or elect to provide or fulfill those Prepaid Services to any customer, You shall pay Us the amount of the service or reimbursement (less royalties and other fees paid to Us on the Prepaid Services), plus a Fee in each instance for Our time to Us or an affiliate (if We or an affiliate decide to service that customer). Subject to state law.

12.1.11 Evidence of Compliance. Otherwise furnish evidence satisfactory to Us or in the manner required by Us of Your full compliance with this Section 12.1 within 30 calendar days after the Termination of this Agreement or on the timeline We may provide at Termination.

12.1.12 Financial Inspections. You must provide Us with access to all Your financials, books, and other accounting records for 12 months following the date of Termination.

12.1.13 Pay Damages and Costs. In addition to any other remedy We may have under this Agreement and under law, in the event You fail to comply promptly with any of Your post-termination obligations, We may hire a third party or use Our own personnel to de-identify Your Premises and/or to carry out any other post-termination obligations on Your behalf, for which costs You will be responsible. These costs will Include any attorneys' fees and costs incurred and associated with enforcing Your post-termination obligations. We have the right to automatically debit by EFT or other electronic withdrawal means, Your bank account for these payments. Your reimbursement of Our costs will not affect Our right to obtain appropriate injunctive relief and other remedies to enforce this Article XII, Our trademark rights, or the covenants to not compete.

12.2 Upon Termination of this Agreement, for any reason:

12.2.1 No Compensation. No payment is due to You from Us or any source on account of any goodwill, intangible assets or other equity claimed by You arising from or relating to Your operation or ownership of Your Franchise Business, or otherwise. All goodwill connected in any way with Your Franchise Business or the System belongs now and, in the future, exclusively to Us.

12.2.2 No Refund. No Fees, charges, or other payments of any kind from You to Us are refundable in whole or in part.

12.2.3 No Equity. You will have no equity or other continuing rights to use the System, Confidential Information, Intellectual Property, or goodwill of the Franchise Business.

12.3 Survival of Provisions. All provisions of this Agreement, which apply following the Termination of this Agreement are enforceable following Termination of this Agreement, Including Your obligation to indemnify Us and pay all amounts owed and Your obligations to dissociate from Our brand. You shall also still be bound to the confidentiality, brand protection, indemnification, non-disparagement, non-competition, non-solicitation, arbitration and dispute resolution, choice of forum and law selections

clauses and other restrictions of this Agreement that have terms or duties owing after Termination of this Agreement.

12.4 Make Premises Available to Us. In addition to those obligations set forth above, upon Termination, You shall make the Premises and computer systems accessible and available for Us to examine and verify Your compliance with Your post-termination obligations, and/or to operate a New Business at the Premises (see Paragraph 13.1.1(i) below) if We, at Our sole discretion, choose to do so. If You fail to make the Premises available to Us, You will be assessed a Fee for the expense incurred by Us to enforce Our rights under this paragraph.

12.5 Liquidated Damages. If this Agreement is Terminated, other than for an approved Transfer, non-renewal or mutual termination, in addition to other remedies available under this Agreement, We will be entitled to liquidated damages, not as a penalty, and solely to compensate Us for lost future royalties. You and We recognize the difficulty of calculating damages caused by lost future royalties but nevertheless recognize and agree that such damages could arise, and You and We hereby agree to the formula listed on Exhibit "A-3" as a compromise on the calculation of such damages. You and We agree that such amount will be reduced to the present value of such payments as of the date of Termination utilizing an interest rate of 5% compounded annually. This amount is payable within 10 days of Termination.

12.5.1 Payment of Our Costs in Securing Compliance. In addition to any other remedy We may have under this Agreement and under law, in the event You fail to comply promptly with any of Your post-termination obligations, We may hire a third-party or use Our own personnel to de-identify Your Premises and/or to carry out any other post-termination obligations on Your behalf, for which costs You will be responsible. These costs will Include any attorneys' fees and costs incurred and associated with enforcing Your post-termination obligations. We have the right to automatically debit by EFT or other electronic withdrawal means, Your bank account for these payments. Your reimbursement of Our costs will not affect Our right to obtain appropriate injunctive relief and other remedies to enforce this Article XII, Our trademark rights, or the covenants to not compete.

12.6 Additional Equitable Remedies. The amounts contemplated under Section 12.5 do not represent a price for the privilege of not performing nor does the payment represent an alternative manner of performance. Accordingly, as a purely liquidated damages provision, Section 12.5 does not preclude and is not inconsistent with a court granting Us specific performance, other damages set forth herein, or any other equitable remedies, such as an injunction, to prevent future breaches.

12.7 Cumulative Rights. Our rights provided above are cumulative and in addition to any other right or remedy available at law or in equity.

ARTICLE XIII
PURCHASE OPTION

13.1 Purchase Option. Upon Termination of this Agreement, You hereby grant to Us the right to:

13.1.1 Acquisition of Assets. Acquire, in Our sole discretion, all or any part of Your Operating Assets at the then-existing fair market value of such item or items as of the date of Termination of this Agreement. You hereby grant Us permission to speak directly with Your landlord and other creditors, Including suppliers, banks, the IRS and state agencies (and You will cooperate with Us to facilitate such communication), regarding any loans and/or liens or obligations that would encumber Your Operating Assets. If the fair market value is not agreed to between us, the fair market value will be established by an independent appraisal. The appraisal will be done at Our expense by an appraiser selected by Us. No goodwill will be considered associated with Your Franchise Business or said items. We must exercise this option within 60 days of such Termination or within 15 days of the establishment of the price of the Operating Assets, whichever is later ("Option Period"), by giving written notice to You of Our intent to exercise Our option to purchase. We have the right to offset any amounts You owe to Us against the purchase price. If We have not notified You of Our election to exercise this option within the Option Period, it will be

conclusively presumed that We have elected not to exercise Our option, and You are then free to sell or transfer such assets to any person or entity on such terms as You may so choose, so long as the Operating Assets have been de-identified as set forth herein. If any of the Operating Assets are subject to liens or taxes, We may also withhold a portion of purchase price to pay off such lien or taxes. We may also withhold 25% of the purchase price for 90 days to ensure that all other liabilities affecting the Operating Assets are paid.

(i) Interim Management During Option Period. We have the right, but not the obligation, to use Your Operating Assets and Premises (if the Lease is still in effect, and in such case, We will obtain this right from the landlord as applicable), and to hire Your Personnel to operate the business during the Option Period. You and We understand and agree that We will not be operating Your Franchise Business during this time, but We will be using Your Operating Assets and the Premises to operate Our own, separate Plunj® business ("New Business") in order to keep the business open during the Option Period. We will pay You the fair market rental value for such use of the Operating Assets as agreed, but not to exceed fair market rental value, and if We use the Premises, We may pay rent directly to the landlord for Our use of the Premises. For any inventory or other items sold or consumed by Us during the Option Period, We will reimburse You the actual price You paid for such items. You will be required to cooperate to provide Us with all pertinent information regarding Your Franchise Business, as We deem necessary. We will establish Our own bank accounts and other accounts for the New Business during the Option Period. During the Option Period, We will pay all costs and expense of the New Business, and all proceeds of the New Business will belong to Us. We will not assume any of Your debts or obligations, and We will not be responsible to pay any debts or expenses incurred by Your Franchise Business. You shall indemnify and hold Us harmless from and against any and all claims, damages, losses, deficiencies, liabilities and costs, Including attorney's fees, of or related in any way to the Franchise Business prior to Us operating the New Business at the Premises, and We will indemnify and hold You harmless from and against any and all claims, damages, losses, deficiencies, liabilities and costs arising solely from the New Business. If necessary, We have the right to change the locks and exclude You from the Premises during this Option Period.

13.1.2 Assumption of Lease. We have the right, during the Option Period, to assume Your Lease under the provisions of Section 4.2 above.

13.1.3 Warranties. The purchase contract for the Operating Assets, as set forth in Paragraph 13.1.1 above, will include standard representations, warranties, covenants and indemnities from You as to the Operating Assets being purchased, Including warranties of good title, absence of liens, compliance with laws, absence of defaults under contracts, litigation and tax compliance.

13.1.4 Prepaid Services. If We determine to service a customer that had prepaid for the services to Your Franchise Business, We can offset the costs of fulfilling those services against amounts owing to You and We are entitled to seek those amounts as damages.

ARTICLE XIV
SALES OR TRANSFERS OF THE FRANCHISE

14.1 Our Right of Assignment. You acknowledge that We maintain a staff to manage and operate the System and that staff members can change as Our owners, directors, officers, and Personnel come and go. You represent that You have not signed this Agreement in reliance on any shareholder, director, officer, or Personnel remaining with Us in that capacity. This Agreement and all rights and obligations hereunder are fully assignable and transferable, whether in part or whole, by Us, and if so assigned or transferred, will be binding upon and inure to the benefit of Our successors and assigns, and We will no longer have any performance or other obligations under this Agreement. We may be sold, or We may sell any part of or all Our Confidential Information and/or Intellectual Property or other assets to a competitive or other entity. In addition, We may go public, may engage in a private or other placement of some or all of Our securities, may merge, acquire other entities or assets which may be competitive with the System or not, be acquired by a competitive or other entity, and may undertake any refinancing, leveraged buy-out or other transaction, Including arrangements in which: 1) the territories, retail locations

or other facilities are, or are not, converted to the System or other format or brand (Including using the System or Marks); or 2) the System is converted to another format or brand, maintained under the System or a different system. You shall fully cooperate with any such proposal, merger, acquisition, conversion, sale or financing. However, We will not, re-brand any such businesses that are located inside Your Territory by allowing them to use the Marks.

14.2 No Assignment by You Without Our Approval. This Agreement is personal as to You and is being entered into in reliance upon and in consideration of Your qualifications and representations, Including representations of all current owners. Therefore, none of Your Franchise Assets may be Transferred in any manner by You or anyone else unless Our prior written approval is obtained and consummated by signing a consent agreement as approved by Us. You shall provide Us with all documentation relating to the Transfer of Your Franchise Assets. Said approval will not be unreasonably withheld but will be conditioned upon Our satisfaction with the qualifications set forth in Section 14.3 below of the proposed transferee and its owners and officers. Any such Transfer without Our written approval is considered void ab initio.

14.3 Qualifications of Transferee. In determining the acceptability of the proposed transferee, We will consider, among other things, Our then-current standards for new franchisees, Including the net worth, financial resources, credit worthiness, health, background, training, personality, reputation, and business experience of the proposed transferee, Including that of the new Operating Principal, the terms and conditions of the Transfer, and any circumstances that would make the Transfer not in the best interests of Us or the System, Including the proposed purchase price. We may meet and candidly discuss all matters relating to Your Franchise Business with the potential transferee, Including providing a proposed transferee with corrected information or information in addition to what You have provided. In no case will You or a proposed transferee rely on Us to review or evaluate any proposed Transfer.

14.4 Application for Transfer. You must provide Us written notice of Your intent to Transfer prior to listing or offering part of the Franchise Assets for sale, and upon any proposed Transfer of Your Franchise Assets, or any interest therein, You must submit to Us an application in the form specified by Us on behalf of the proposed transferee.

14.5 Transfer Fee. To offset some of Our costs associated with the Transfer, You shall pay Us the non-refundable Transfer Fee listed in Exhibit “A-3” at the time of the approved Transfer.

14.6 Minority Interest Transfers. If a proposed Transfer is for less than 40% of Your entity (cumulative during the term of this Agreement), there will be no transfer Fee, but You must reimburse Us Our legal and corporate fees incurred related to the Transfer, and We will not be entitled to exercise Our right of first refusal set forth in Section 14.9 below. Each ownership certificate of a corporation or limited liability company franchisee must have endorsed upon its face that a Transfer is subject to the restrictions of this Agreement. Additionally, any new Operating Principal and other applicable Personnel are required to complete the necessary training as required by Us. Any new owner, with a direct or indirect ownership of 20% or more in Your Franchise Business or Your entity is required to sign Our then-current form of the Guaranty and Assumption of Obligations attached as Exhibit “A-8” hereto. Furthermore, all applicable provisions of Section 14.8 below apply to minority interest Transfers as well.

14.7 Involuntary Transfers Void. Involuntary Transfers of this Agreement by You, such as by legal process, are not permitted, are not binding on Us, and are grounds for termination of this Agreement. Using this Agreement as security for a loan, or otherwise encumbering this Agreement is prohibited unless We specifically consent to any such action in writing prior to the proposed transaction. You cannot grant a sub-franchise under this Agreement or otherwise seek to license or permit others to use this Agreement or any of the rights derived by You under it. Any attempt to Transfer any part of the Franchise Assets, whether or not binding on Us, will be grounds for the immediate Termination of this Agreement unless such Transfer is authorized in writing by Us.

14.8 Conditions of Transfer. Prior to the effective date of Transfer of any part of Your Franchise Assets and as a condition for Our approval of any Transfer:

14.8.1 Compliance. You must be in full compliance with this Agreement and not be in default hereunder, and You must comply with Our policies related to a Transfer as set forth in the Manuals. All accounts payable and other monetary obligations to Us or Our affiliates or subsidiaries must be paid in full. You must have submitted to Us all required reports, financial statements, and other documents.

14.8.2 Franchisee Application; Written Proposal. The transferee must complete and submit all application documents required by Us from prospective franchisees at the time of Transfer and be approved in writing by Us. The terms and conditions of the proposed Transfer must be provided in writing to Us within the time frames specified by Us. The price and other proposed terms of the Transfer must not, in Our reasonable business judgment, negatively impacting the future viability of the Franchise Business. If any part of the sale price is financed, You must agree that all obligations of the transferee under any promissory note, other payment agreement, or financing statement will be subordinate to the obligations of the transferee to pay the Fees owing to Us and our affiliates pursuant to this Agreement.

14.8.3 Assumption of Obligations. All Your obligations in connection with the Franchise Assets must be assumed by the transferee, Including assuming Your Lease obligations, if applicable, in a form acceptable to Us, and the transferee(s) must provide personal guarantees approved by Us. See Section 6.3 above.

14.8.4 New Franchise Agreement; Updates; Consent. At Our discretion, the transferee must sign the then-current form of the franchise agreement for a term equal to the remaining term of this Agreement, the remaining term of the existing Lease, or the term set forth in the then-current franchise agreement, or for minority interest transfers, You and We must amend this Agreement and its exhibits as necessary to reflect the change in ownership. You must also fully Update the Franchise Business and Premises to the level required of new franchisees. Additionally, You shall signed the appropriate paperwork to consummate Our consent to the Transfer.

14.8.5 Training. Unless We have previously trained the transferee, The transferee must pay for and complete the training program required of new franchisees. See Exhibit “A-3.” The transferee is also responsible for the cost of travel, food and lodging for Our representatives or the transferee’s attendees. You and the transferee and We must coordinate on the timing of training, so that the Franchise Business does not have a gap in properly trained management.

14.8.6 Transfer Fee. You shall pay the Transfer Fee set forth on Exhibit “A-3” or reimburse Our legal fees for minority interest Transfers as set forth in Section 14.6 above.

14.8.7 General Release. You must execute a general release releasing Us of any claims You may have against Us.

14.8.8 Pre-paid Services. If applicable, You must provide Us and the proposed transferee with an accounting of all outstanding Prepaid Services as of the date of Termination, which must be taken into account and handled as a part of the transfer agreement.

14.8.9 Survival of Covenants. Your non-competition, indemnity, confidentiality obligations, the provisions relating to dispute resolutions, and other applicable terms of this Agreement, will survive any Transfer.

14.9 First Right of Refusal.

14.9.1 Right of First Refusal. You hereby grant to Us the right of first refusal to purchase Your Franchise Assets on such terms and conditions specified in a bona fide written offer from a third party, who would satisfy the criteria for approval under Section 14.3. You must notify Us in writing of the terms and conditions of the Transfer, Including the Franchise Assets proposed to be Transferred, the purchase price or other consideration, any creditor financing terms being extended by You, the date of the proposed Transfer, and all other pertinent provisions of the proposed Transfer. In addition, a copy of any contract,

agreement, memorandum of sale, deposit receipt, letter of intent and the like, must also be forwarded to Us as soon as it is signed by You. Following receipt of all pertinent data and documents concerning the proposed Transfer concerning Your Franchise Business, financials, Personnel information, lease information, etc. We will have 60 days to advise You in writing of Our election to have the Franchise Assets transferred and assigned to Us on the terms and conditions agreed to by the prospective transferee. Our credit will be deemed equal to the credit of any proposed buyer (meaning that, if the proposed consideration Includes promissory notes, We or Our designee may provide promissory notes with the same terms as those offered by the proposed transferee). Should We elect to purchase the Franchise Assets proposed to be Transferred pursuant to Our right of first refusal, You and We agree to cooperate to accomplish the Transfer as set forth in the provisions submitted to Us by You, provided that the date for the completion of the Transfer can be extended at Our option for up to 30 days beyond the date originally indicated for the completion of the Transfer in order to allow the completion of the transaction in a manner more convenient to Us. We have the right to off-set any amounts You owe to Us against the purchase price.

14.9.2 Non-Election of Rights. If We do not elect to purchase the Franchise Assets proposed to be Transferred, You may complete the proposed Transfer on the terms and conditions set forth in Your notice to Us subject to Our right to approve the proposed transferee and the terms and conditions set forth under this Article. However, if there are any material changes in the terms and conditions of the proposed Transfer, and any of those changes are more favorable to the purchaser, You must notify Us of the changes in writing, and We will have an additional 10 days to elect to purchase the Franchise Assets proposed to be Transferred on the revised terms and conditions. Additionally, if Your Franchise Business is not Transferred to such third-party within five months after We elect not to purchase the Franchise Assets, You must re-offer the Franchise Assets to Us before You may Transfer to an approved third party. We have no obligation to purchase Your Franchise Assets.

14.10 Death or Incapacity and Interim Management. In the event of the death or incapacity of an individual franchisee or the majority owner of the franchisee entity (the term “incapacity” means any physical or mental infirmity that prevents the person from performing the obligations under this Agreement: (i) for a period of 60 or more consecutive days, or (ii) for 100 total days during a calendar year), the heirs or personal representative will have the right to continue Your Franchise Business; for no more than 180 days after such death or incapacity (or such longer period required by the laws of the state where Your Franchise Business is located) the heirs appoint a representative to act in behalf of the heirs in all matters pertaining to Your Franchise Business as provided for new Operating Principals, designated managers, or franchisees, Including the requirements to have the representative trained and accepted by Us in accordance with Our standards. The heirs or personal representatives, instead of operating Your Franchise Business themselves under the foregoing procedures may choose to Transfer Your Franchise Business. If a decision to Transfer is made, the Transfer procedures explained above will apply. If We are required to operate Your Franchise Business for a time due to death or incapacity, or as otherwise allowed under this Agreement, the provisions of Paragraph 6.2.3 above will apply.

14.11 Assumption of Obligations. The parties agree that in the event a court of competent jurisdiction orders You to Transfer to Your spouse, domestic partner, or a third-party all or any part of Your Franchise Assets, such an order will constitute a Transfer of this Agreement and will cause the transferee to be subject to all the terms and conditions concerning Transfers set forth herein above.

14.12 Acquisitions. If We receive an offer to acquire a majority of the franchises or to purchase a majority of Our assets or stock, or to merge or go public or similar transactions, We have the option, but not the obligation, to purchase all Your rights and interests in and under this Agreement and Your Franchise Business at fair market value payable on terms as reasonably negotiated. The purchase price will not Include compensation for any successor term or goodwill. All goodwill belongs to Us. However, local goodwill may be taken into account in determining the value of Your Franchise Business. Local goodwill is that goodwill which is established in the mind of the public within Your Territory, and only within Your Territory, discounted by Our Ownership of the Marks. If the purchase option is exercised, You must execute a general release to Us. We will close Our purchase and make payment within 60 days after closing or as soon thereafter as reasonably practical.

14.13 Transfer for Convenience of Ownership. If You are an individual or individuals, You may Transfer this Agreement to a corporation or limited liability company formed for the convenience of ownership, provided You: 1) give Us at least 15 days' prior written notice of the proposed Transfer; 2) send Us copies of the entity's charter documents, bylaws (or operating agreement), ownership interests of the owners, and similar documents, as We may request for Our review to verify ownership and control of the entity; and 3) own all equity and voting securities of the corporation or limited liability company. Additionally, You and the new entity must sign an assumption and assignment agreement in the form required by Us, whereby the transferee assumes all obligations of this Agreement. Any owner with a direct or indirect ownership of 20% or more in Your entity is required to sign Our then current form of the Guaranty and Assumption of Obligations attached as Exhibit "A-8." There is no Fee for this kind of Transfer, but You must reimburse Our legal fees to complete the Transfer the amount of which is due upon Our demand of the incurred expenses.

ARTICLE XV
RELATIONSHIP OF THE PARTIES

15.1 Independent Contractors. In all matters, You are an independent contractor. Nothing in this Agreement or in the franchise relationship constitutes You as Our partner, agent, employee, joint employer, or joint venturer with Us, and this Agreement does not create a fiduciary relationship between You and Us. Neither party is liable for the debts, liabilities, taxes, duties, obligations, defaults, compliance, intentional acts, wages, negligence, errors or omissions of the other. You are solely responsible for the management and control of Your Franchise Business, Including its daily operations, managing and directing Personnel, contractors, and salespersons, and paying all costs and expenses of Your Franchise Business. The parties agree not to hold themselves out by action or inaction contrary to the foregoing and to indemnify each other for any liability, cost or expense, Including attorney's fees, incurred by either of them for any act, omission, finding or result to the contrary. None of Your Personnel will be deemed to be Our Personnel and each Personnel will be so notified by You. Neither party has the authority to act as agent for the other, and neither You nor We guaranty the obligations of the other or in any way become obligated for the debts or expenses of the other unless agreed to in writing. You must post promptly and maintain any signs or notices specified by Us or by applicable law indicating the status of the parties as described above.

15.2 Indemnification. You shall defend, indemnify, and hold Us harmless from any and against any and all losses, liabilities, damages, costs and expenses whatsoever, Including reasonable attorney's fees, arising out of or related to, or in any way connected with You or Your acts, errors, negligence, or omissions in the operation of Your Franchise Business or Your Franchise Business generally, Including any allegation that You are Our employee, or that We are a joint employer or otherwise responsible for the acts or omissions relating to Your Personnel, and other laws regarding public accommodations for persons with disabilities. You agree not to file any crossclaim or counterclaim against Us for any action made by a third party or make any response that would infer or represent We are liable as a party or defendant to any action that is contrary to this Section. This Agreement and the terms in this Article and related terms in this Agreement is a bona fide defense to any claim You may contradictorily make against Us as to Our liability or proportion of fault. You shall bear all costs to defend Us from claims raised by a third party. If We incur any costs or liabilities to any third party, You shall reimburse Us for costs associated with Our defense to those claims. We have the right to defend any such claim against Us by employing counsel of Our choice, subject to full reimbursement of all legal fees by You. We will use Our reasonable efforts to cooperate with You in any litigation, judicial or administrative proceeding to avoid duplication of time, effort or expenditure to the greatest extent possible without compromising Our interest in such matter. You are not required to indemnify Us for liability caused by Our willful misconduct, gross negligence, strict liability, or fraud. This indemnity will continue in full force and effect subsequent to and notwithstanding the Termination of this Agreement.

ARTICLE XVI
COVENANT NOT TO COMPETE

16.1 In-Term Covenants. During the term of this Agreement and for any extensions or Successor Franchises hereof, You, Your Principals, and Your Immediate Family shall not, directly or

indirectly, be a Participant, assist, or serve in any other capacity whatsoever or have any interest in a Competing Business in any capacity, territory, or location, except with Our prior written consent. Your Principals must each execute the standard Brand Protection Agreement for Principals attached as Exhibit "A-4."

16.2 Confidentiality. During the term of this Agreement and any extensions or Successor Franchises hereof, and at any time after the Termination of this Agreement, You and those over whom You have control shall not make any unauthorized disclosure or use of Our Confidential Information or Intellectual Property other than as authorized by this Agreement. You shall adopt and implement all reasonable procedures to prevent unauthorized use or disclosure of Confidential Information and Intellectual Property, which procedures may be prescribed from time to time by Us. You shall never contest the validity of Our exclusive ownership of and rights to Our Intellectual Property or Confidential Information. Without limiting the foregoing, any communication (email, paper, etc.) from Us to You cannot be forwarded to another email account You control or share, or forwarded to anyone, Including Personnel, without first receiving Our express written consent.

16.2.1 Prior Disclosures. You acknowledge and agree that prior to the execution of this Agreement, You may have received information and met and corresponded with Our principals, agents and/or representatives, and that any such Confidential Information obtained or received is subject to the protection and restrictions of this Agreement.

16.2.2 Confidentiality of this Agreement. You agree that all terms of this Agreement that are not otherwise made public under franchise disclosure laws will remain confidential, and You shall not make any public announcement, issue any press release, publicize, make any confirmation of statements made by third parties concerning the terms of this Agreement, or make any other disclosures without Our prior written consent. It is agreed and understood that You may disclose the confidential terms of this Agreement only to Your professional lenders, advisors, and government authorities.

16.3 Post-Term Covenants. Upon Termination of this Agreement and for a continuous, uninterrupted period of three years thereafter, You, Your Principals, and Your Immediate Family shall not, directly or indirectly, be a Participant, assist, or serve in any other capacity whatsoever, or have any interest in a Competing Business in any capacity, territory, or location within Your Territory or within 20 miles of Your Territory or within 20 miles of the territory of any Plunj® business operation at the time of Termination of this Agreement.

16.4 Non-Solicitation of Customers. During the term of this Agreement and for three years after the Termination of this Agreement, You, Your Principals, and Your Immediate Family shall not, directly or indirectly, contact any customer serviced by the Franchise Business, or any former or then-current customer of Ours (with whom You had contact during the term of this Agreement) for the purpose of soliciting any customer to a Competing Business.

16.5 Survival of Covenants; Tolling of Covenants. The foregoing covenants survive the Termination of this Agreement and apply regardless of whether this Agreement was Terminated by lapse of time, by default of either party, or for any other reason. In addition to other remedies available to Us, in the event You violate a non-competition and/or non-solicitation covenant, the applicable non-competition or non-solicitation period will be tolled for the period of Your violation.

16.6 Acknowledgement of Harm. You acknowledge that Your violation or breach of the covenants and provisions of this Article is likely to cause substantial and irreparable harm to Us and the System. The existence of any claims You may have against Us, whether or not arising from this Agreement, will not constitute a defense to Our ability to enforce the covenants set forth in this Article.

16.7 Our Remedies. If the post-term restrictions of this Article are unenforceable or are reduced to a level which We, in Our reasonable business judgment, find unacceptable, You shall, in addition to any other remedies available to Us, for a period of two years from the date of Termination of this Agreement,

pay Us a fee of one-half of the royalties and Marketing Fees that would be payable if the business in question was a Franchise Business.

16.8 Enforceability. It is the desire and intent of the parties to this Agreement that the provisions of this Article be enforced to the fullest extent permissible under applicable laws. If any of the restrictions of this Article are determined to be unenforceable because of duration, scope or coverage or otherwise, then We have the right in Our sole discretion to reduce the scope of any covenant set forth above or any portion thereof, without Your consent, effective immediately upon receipt by You of written notice thereof; which modified covenant will be fully enforceable notwithstanding any other provision of this Agreement.

16.9 Breach of Non-Competition. You and We recognize the difficulty of calculating damages caused by Your breach of Your non-competition obligations and agree that such damages could arise, and You and We hereby agree to the following as a compromise on the calculation of such damages. If You operate a Competing Business in violation of this Agreement, in addition to any other remedy We may have under this Agreement and under law, You shall pay Us the damages Fee listed on Exhibit "A-3."

16.10 Additional Equitable Remedies. The amount contemplated under Section 16.9 does not represent a price for the privilege of not performing nor does the payment represent an alternative manner of performance. Section 16.9 does not preclude and is not inconsistent with a court granting Us specific performance or any other equitable remedies, such as an injunction, to prevent future breaches. Additionally, We have the right to automatically debit by EFT or other electronic withdrawal means from Your bank account for the amounts payable to Us under Section 16.9.

16.11 Immediate Family. You acknowledge and agree that the restrictions on Your Immediate Family is necessary because Your disclosing Our Confidential Information or Intellectual Property to Immediate Family or assisting Immediate Family in a Competing Business could potentially circumvent the purpose of this Agreement, and You also acknowledge that it would be difficult for Us to prove whether You disclosed Our Confidential Information or Intellectual Property to Immediate Family or assisted Immediate Family in a Competing Business. You agree to make Your Immediate Family aware of the non-compete, non-solicitation and confidentiality provisions in this Agreement.

ARTICLE XVII
DISPUTE RESOLUTION

17.1 Quick Resolution. You and We understand that there is always a possibility of differences of opinion or other disagreements in any business relationship and agree that it is important to resolve any Disputes amicably, quickly, inexpensively, and professionally and to return to business as soon as possible.

17.2 Manner of Handling Disputes. In the event any Dispute arises between Us and You in connection with, arising from, or with respect to, any provision hereof, the relationship created herein, or the validity of this Agreement or any provision hereof, or the offer and sale to You, such Dispute will be:

17.2.1 Face-to-Face Meeting. First discussed in a face-to-face meeting between You and Us in Salt Lake County, Utah, or at Our then-current headquarters, within 30 days after either You or We give written notice to the other proposing such a meeting. We have the right, in Our sole discretion, to waive this requirement.

17.2.2 Mediation. If, in the opinion of either You or Us, the face-to-face meeting has not successfully resolved such Dispute, and if desired by either You or Us, the Dispute will be submitted to non-binding mediation before Franchise Arbitration and Mediation Services ("FAM") or as otherwise mutually agreed. The mediation will be conducted exclusively in Salt Lake County, Utah. On election by either party, arbitration as provided below may proceed forward at the same time as mediation. The mediator will be disqualified as a witness, consultant, expert, or counsel for any party with respect to the Dispute and any related matters. Mediation will not defer or suspend Our exercise of any right, Including termination right under Article XI. All aspects of the mediation process will be treated as confidential, may not be disclosed to others, and may not be offered or admissible in any other proceeding or legal action whatsoever. Should

a party refuse to pay its share of the costs and fees in advance of mediation, that party will be in default of this Agreement, and the Dispute may proceed directly to arbitration without mediation.

17.2.3 Arbitration. If, in the opinion of either You or Us the mediation has not successfully resolved such matters, at the request of either You or Us, the Dispute will be submitted for arbitration to the offices of the American Arbitration Association in accordance with its commercial arbitration rules in effect. All arbitration hearings will be conducted exclusively in Salt Lake County, Utah. The arbitrator will have the power and jurisdiction to decide such dispute solely in accordance with the express provisions of this Agreement. The arbitrator will render a written opinion setting forth the facts found, law applied, and reasons for the decision.

(i) Arbitration Procedures. In any arbitration, the parties will be entitled to specific performance of the obligations under this Agreement. The arbitrator may award or otherwise provide for temporary restraining orders, preliminary injunctions, injunctions, attachments, claim and delivery proceedings, temporary protective orders, receiverships and other pre-judgment, equitable and/or interim relief as appropriate pending final resolution by binding arbitration of a Dispute, as well as in connection with any such final resolution, and may issue summary orders disposing of all or part of a Dispute at any point. Each party consents to the enforcement of such orders, injunctions, etc., by any court having jurisdiction. Offers and/or other communications made in connection with, or related in any way to, mediation, possible settlement or other resolution of a Dispute will not be admitted into evidence or otherwise used in connection with any arbitration or other proceeding, and any arbitration award in violation of this provision will be vacated by the arbitration appeal panel (described below) and/or any court having jurisdiction. The arbitrator will have the power to order compliance with such discovery procedures, as well as assess sanctions for non-compliance with any order. Discovery will be controlled by the arbitrator and will be permitted to the extent set out in this Paragraph. Each party may submit in writing to the other party, and the other party will respond, to a maximum of any combination of 25 (none of which may have subplots) of the following: interrogatories, demands to produce documents, and requests for admission. You and We are also entitled to take the oral deposition of one individual of the other party. Additional discovery may be permitted upon mutual agreement of the parties or at the discretion of the arbitrator if petitioned by either party. Any procedural or evidentiary issues that are not covered by the federal arbitration act or this Agreement, will be supplemented by the federal rules of civil procedures and evidence, limited to the arbitration restrictions and procedures. The arbitrator, and not a court, will decide any questions relating in any way to the parties' agreement or claimed agreement to arbitrate, Including a claim for fraud in the inducement or otherwise. Each participant must submit or file any Dispute that would constitute a compulsory counterclaim (as defined by the applicable rule under the Federal Rules of Civil Procedure) within the same proceedings as the Dispute to which it relates. Any such Dispute that is not submitted or filed in such proceedings will be forever barred. The award and findings of the arbitrator will be conclusive and binding upon all parties hereto and the judgment upon the award may be entered in any court of competent jurisdiction.

(ii) Individual Disputes. All Disputes must be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or similar basis between You and Us and will not be consolidated with any other arbitration or court proceeding involving Us and any other party. You hereby fully waive any right You may have to any potential class action claim and agree that any legal action will only be on an individual party basis.

(iii) Agreed Limitations. Except for payments owed by one party to the other, claims attributable to Your underreporting of sales, indemnification under Article XV, or claims related to an act of Yours allowing Us to immediately terminate this Agreement, any legal action or arbitration proceeding (Including the offer and sale of a franchise to You) brought or instituted with respect to any Dispute hereunder must be brought or instituted within one year from the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim; provided that no claim may be brought more than two years after the first act or omission giving rise to an alleged claim. The initiation of mediation or arbitration hereunder will toll the applicable statute of limitations for the duration of any such proceedings.

(iv) Limited Damages. You and We waive any right or claim of any consequential, punitive, or exemplary damages against each other and agree that in the event of a Dispute between You and Us, each will be limited to the recovery of actual damages sustained. Notwithstanding the above, nothing shall be construed to limit Our ability to collect liquidated damages.

(v) Exceptions to Arbitration. You and We agree that nothing in this Agreement obligates Us to arbitrate or mediate Disputes or issues relating to: (a) the validity of the Marks, or any trademarks, service marks or other Intellectual Property; (b) rights to obtain a writ of attachment or other prejudgment remedies; (c) rights to receive and enforce a temporary restraining order, preliminary injunction, permanent injunction or other equitable relief; or (d) Disputes solely for fees and other monies owed by one party to the other under this Agreement.

(vi) Appeals. If any party to an arbitration wishes to appeal any final award by an arbitrator (there will be no appeal of interim awards or other interim relief), that party can appeal, within 30 days of such final award, to a three-person arbitrator panel to be appointed by the same organization as conducted the arbitration to be held exclusively at the same location as specified above. The issues on appeal will be limited to the proper application of the law to the facts found at the arbitration and will not Include any trial *de novo* or other fact-finding function. The party that requests the appeal must pay all costs and fees of the arbitrators and arbitration proceedings, subject to reimbursement as set forth below.

(vii) Sharing of Fees. Except for an appeal, the parties to the Dispute or action will share the fees and expenses of the mediation and the arbitration equally during the mediation and arbitration. If a party is unable or unwilling to pay its share of the cost of the mediation or arbitration, that party will be in default of this Agreement, and the non-defaulting party will have the following options: 1) to proceed directly to arbitration without mediation or proceed to litigation if the failure is to pay arbitration fees; or 2) cover the costs of the mediator or arbitrator. Nonetheless, the prevailing party in arbitration, Including on appeal, will be awarded costs and attorney's fees as set forth in Section 19.3 below.

(viii) Federal Arbitration Act. You and We mutually agree that all issues relating to arbitrability are governed exclusively by the Federal Arbitration Act and the federal common law of arbitration to the exclusion of any state statutes or common law and will be decided by the arbitrator. All provisions of this Agreement pertaining to venue, choice-of-laws, dispute avoidance and resolution will be strictly enforced, and You and We will rely on federal preemption under the Federal Arbitration Act.

17.3 Continued Performance. During the pendency of any Dispute or any such interim relief proceeding, the parties shall continue to perform their respective obligations under this Agreement.

ARTICLE XVIII
NOTICES

18.1 Notices. All notices permitted or required under this Agreement must be in writing and delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by facsimile transmission when confirmed by facsimile transmission, during normal business hours, Monday through Friday, holidays excepted; (iv) by sending an email to the email address below or other verified email address when confirmed by receipt verification, which verification will not be withheld or otherwise denied; or (v) by certified or registered mail, return receipt requested, addressed as follows:

FRANCHISOR:	FRANCHISEE:
Plunj Franchise, LLC Attn: Sean Foster 493 E 4380 N Provo, Utah 84604 (or Our then-current headquarters) Email: SEAN@PLUNJ.CO With a courtesy copy to (which will not act as notice or service to Plunj Franchise, LLC): The Franchise & Business Law Group Attn: Kara K. Martin 222 South Main Street, Suite 500 Salt Lake City, Utah 84101 Email: KMARTIN@FBLGLAW.COM	_____ _____ _____ Email: _____

18.2 Delivery. If You refuse or fail to accept any certified or overnight delivery, acceptance will be deemed to have occurred 48 hours after rejection or failure to accept such notice. Any notice delivered by mail in the manner herein specified will be deemed delivered and received three days after mailing.

18.3 Listed Addresses. The address specified herein for services of notices may be changed at any time by the party making the change by giving written notice to the other party by certified mail or as otherwise agreed by You and Us. Any notice to You may be delivered to the address set forth above or to the address of Your Franchise Business or office.

ARTICLE XIX
CONSTRUCTION AND JURISDICTION

19.1 Governing Law. Except as provided in Section 19.5, this Agreement will be governed, construed and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions. You and We agree that the provisions of this Agreement will control the state or provincial laws by which this Agreement will be governed and any provisions of state or provincial law to the contrary or any statements in Our franchise disclosure document or otherwise required as a condition of registration or otherwise. If the governing law requires terms other than or in addition to those in this Agreement, then such terms will be deemed incorporated herein but only to the extent necessary to prevent the invalidity of this Agreement or any of the provisions hereof or the imposition of civil or criminal penalties or liability. To the extent permitted by the laws of the state whose laws govern this Agreement, You hereby waive any provisions of law or regulations which render any portion of this Agreement invalid or unenforceable in any respect.

19.2 Jurisdiction. In order to facilitate our joint interests in having franchise issues determined in a consistent manner for application throughout the System, without in any way limiting or otherwise affecting Your and Our obligations regarding mediation and arbitration in accordance with the provisions of Article XVII, if there is any litigation between us, You and We hereby irrevocably consent to the exercise of general personal and subject matter jurisdiction in the courts of record of the state of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and You and We agree that Salt Lake County, Utah will be the exclusive venue for any litigation between Us and You. Each party waives any objection they may have to the personal jurisdiction or venue in the state and federal courts of Utah.

19.3 Costs and Attorney's Fees. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties are entitled to reasonable attorney's fees and other costs reasonably incurred in such action or arbitration or litigation proceeding. The costs of mediation will also be awarded to the prevailing party in arbitration or litigation, if applicable. For purposes of this Agreement, "prevailing party" Includes the party which obtains a judgment in their favor or agrees to dismiss an action or proceeding upon the other's payment of sums allegedly due or performance of the covenants allegedly breached, or which obtains substantially the relief sought. Reimbursement is due within 30 days of written notice after prevailing.

19.4 No Jury Trial. You and We waive, to the fullest extent permitted by law, all rights to trial by jury in any action or Dispute, whether at law or in equity, brought by either party.

19.5 Exception. Notwithstanding the foregoing, the Federal Arbitration Act (9 U.S.C. §§ 1 Et. Seq.) and the United States Trademark Act (Lanham Act, U.S.C § 1051 Et. Seq.) will apply to this Agreement and the relationship of the parties and preempt any state law to the contrary.

ARTICLE XX
MISCELLANEOUS

20.1 Headings. Headings used in this Agreement are for reference and convenience purposes only and are not to be used in construing the provisions of this Agreement. As used herein, the male or female gender will include the other and the neuter. The singular will include the plural and the plural will include the singular as appropriate.

20.2 No Third-party Rights. The parties intend to confer no benefit or right on any person or entity not a party to this Agreement and no third parties will have any right or claims, benefit or right or a third-party beneficiary under this Agreement or any provision hereof. Similarly, You are not entitled to claim any rights or benefits, Including those of a third-party beneficiary, under any contract, understanding or agreement between Us and any other person or entity, unless that contract, understanding, or agreement specifically refers to You by name and specifically grant rights or benefits to You.

20.3 Authority. Where an entity is a party to this Agreement, the person or persons signing this Agreement on behalf of the entity warrant to Us that they have the requisite authority to sign this Agreement. At Our request, the concerned company signatory agrees to promptly provide Us with a certified copy of the resolution authorizing the execution of this Agreement and naming the officers, directors, members, or managers of the entity who are authorized to sign this Agreement on behalf of the entity. No field representative or salesperson has the right or authority to sign this Agreement or make oral representations or written modifications hereof on Our behalf.

20.4 No Partial Payments. No payment by You or receipt by Us of any amount less than that required to be paid under this Agreement, or otherwise, to Us or any person or entity affiliated with Us, will be deemed to be anything except payment on account, regardless of any endorsement to the contrary contained on any such payment or in any oral or written communication transmitted in connection therewith.

20.5 Joint and Several Liability. If more than one person, corporation, limited liability company, partnership or other entity, guarantor or any combination thereof, sign this Agreement on behalf of the franchisee, the liability of each will be joint and several. All members of a general partnership and all members of any association or other unincorporated entity, which is part of the franchisee hereunder, are jointly and severally liable for Your performance hereunder.

20.6 No Off-Set or Withholdings. You shall not offset or withhold the payment of any Fees, payments or other amounts due to Us or Our affiliates or suppliers on grounds of the alleged non-performance by Us of any of Our covenants or obligations hereunder, any Dispute of any nature or otherwise.

20.7 Disclosure. We can disclose, in disclosure documents or otherwise, information relating to Your Franchise Business, Including Your name, address, phone numbers, financial information, copies or reports, and other information.

20.8 Binding Agreement. This Agreement is binding upon the heirs, administrators, personal representatives, assigns and successors in interest to the parties hereto.

20.9 Force Majeure. Neither party will be liable by reason of any failure or delay in the performance of such applicable party's obligations hereunder on account of strikes, fires, flood, storm, explosion, government shutdown or mandate, or other similar causes which are beyond such party's reasonable control. This Section will not be interpreted to relieve You from Your obligation to pay Us when due all payments required to be made by You under this Agreement.

20.10 Entire Agreement. The parties intend this Agreement and all attached exhibits hereto to be the full and complete agreement between Us and You and the entire integration of all our understandings of every nature concerning the matters contained in this Agreement or in any way related thereto, whether oral or written, and whether occurring before or contemporaneously with the execution of this Agreement. You represent and acknowledge that no agreements, representations, negotiations, promises, commitments, inducements, assurances, terms, conditions, or covenants of any nature exist between You and Us except as specifically set forth in this Agreement, whether pertaining to this Agreement or to any future, further, or additional rights of either You or Us. Nothing in this Agreement, or in any related agreement, is intended to be a disclaimer of the representations We made to You in the franchise disclosure document. If any term of this or Agreement is determined as void and unenforceable, the remaining terms and duties under this Agreement will still be considered enforceable and severable as if it was its own separate agreement from the voided term.

20.11 Amendments. No amendment, change, or variance from this Agreement will be binding on either party unless executed in writing and signed by both parties; however, the Manuals and policies and procedures may be modified by Us from time to time as set forth in this Agreement and are binding.

20.12 Effective Date. Delivery of a draft of this Agreement to You does not constitute an offer. This Agreement will become effective only when fully executed and accepted by Us.

20.13 No Course of Dealing. No course of dealing between You and Us will affect Your or Our rights under this Agreement or otherwise.

20.14 No Representations. You understand that the success or failure of Your Franchise Business depends, in major part, upon Your efforts. You agree that We have not made nor have You received any promise, representation or warranty that: 1) any payments by You are refundable at Your option; 2) We will repurchase any rights granted hereunder; 3) You will achieve any particular sales, income or other levels of performance, or that You will be successful in Your Franchise Business licensed by this Agreement; 4) You will have any exclusive rights of any type other than as expressly set forth herein; 5) You will receive any level of Marketing assistance, site location, development or other services, operational assistance, or otherwise other than as expressly set forth in this Agreement; 6) You will not be required to obtain any licenses or permits in order to operate Your Franchise Business; 7) any location or territory will be successful; or 8) that You will be awarded additional or further franchises or other rights, except as expressly set forth in a written document signed by Us.

20.15 Variances. You understand and agree that: 1) We may have offered franchises in the past, may currently be offering franchises, or may offer franchises in the future, on economic or other terms, conditions and provisions which may significantly differ from those offered by this Agreement and any related documents; and 2) there may be instances where We have varied, or will approve exceptions to or changes in the uniform standards, or the terms on which We offer franchises, the charges We make, or otherwise deal with Our franchisees to suit the circumstances of a particular transaction as We believe necessary or desirable under particular circumstances. You have no right to object to such variances or to obtain the same variances for Yourself.

20.16 No Misrepresentations. You further represent to Us, as an inducement to Our entry into this Agreement, that You have made no misrepresentations in obtaining the award of this franchise.

20.17 Representations of Non-Violation. You represent and warrant that You can enter into this Agreement and that the execution and performance of this Agreement will not be in violation or breach, or cause the violation or breach, of any agreement or covenant between any third-party, or the violation or breach of any order, decree or judgment of any court or administrative agency.

20.18 FDD Acknowledgement. You represent that You have had a copy of Our franchise disclosure document ("FDD") for at least 14 calendar days or 10 business days, whichever is applicable in Your state, prior to signing this Agreement or making any payment to Us.

20.19 Waiver. We may, in writing, unilaterally waive any of Your obligations or requirements under this Agreement. Waiver by Us of any particular default by or obligation of You does not affect or impair Our rights with respect to any subsequent default by You or any of Our other rights to declare the same or subsequent acts a breach or default. Unless otherwise agreed to by Us in writing, Our acceptance of any payments due from You does not waive any prior defaults.

20.20 Counterpart and Electronic Signatures. This Agreement and its exhibits may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature with full legal force and effect and may be used for all purposes as if it were an original.

20.21 Owners of the Franchise. You represent and We rely upon Your representations in entering into this Agreement that the individuals in Exhibit "A-2" are the owners of and sole holders of a legal and beneficial interest in Your Franchise Business.

20.22 Drafting; Rules of Construction. You acknowledge that You have read this Agreement, have had the opportunity to review it with an attorney of Your respective choice and have agreed to all its terms. The rule of construction that a contract be construed against the drafter will not be applied in interpreting this Agreement. Terms used in this Agreement that are not defined must be construed and interpreted according to their ordinary meaning. If any provision of this Agreement is susceptible to two or more meanings, one of which would render the provision enforceable and the other(s) which would render the provision unenforceable, the provision must be given the meaning that renders it enforceable.

ARTICLE XXI
DEFINITIONS

"Competing Business" means a sauna, bathhouse or spa business in any format or form, or a business offering products or services the same as or substantially similar to Your Franchise Business or the System at the time of Termination.

"Confidential Information" means any non-public information (through no fault of Yours) relating to Our products or services, or operation of a Plunj® business, the System, or relating to the System as a whole, Including: (i) methods, techniques, formats, specifications, procedures, and systems; (ii) hardware, software, proprietary technology, and equipment; (iii) sales and Marketing programs, sales techniques, pricing, bidding methods, etc.; (iv) the development and operation of Plunj® businesses; (v) knowledge of, specifications for, and suppliers of, certain Plunj® products, materials, supplies, equipment, furnishings and fixtures; (vi) operating results, margins, expenses, and financial performance of Plunj® businesses; (vii) strategic plans and concepts for the development, operation, or expansion of Plunj® businesses; (viii) the contents of the Manuals; (ix) all Customer Data; (xi) login, passwords, access information, etc., to email accounts, Social Media, Manuals or other internal sites or shared documents; (xii) Intellectual Property that is generally deemed confidential; (xiii) all Innovations; and (xiv) any other information obtained from Us in confidence at any time by virtue of the franchise or license relationship.

"Copyright Materials" means, even if it is not federally registered, writings, manuals, designs, blueprints, schematics, drawings, artwork, Marketing materials, agreements, contracts, scripts, pamphlets, instructions, books, literary works, documents, photographs, images, audio, music and jingles affiliated with the brand, videos, recordings, Social Media posts, software, websites and website data, apps, or any other work We, You, other franchisees, or Our affiliates make that is in a fixed tangible medium as part of the Plunj® franchise system and authorized for use under the System

"Customer Data" means any and all customers, and customer and prospective customer data and lists, Including phone numbers, emails, mailing addresses, name and contact information for key personnel of the customer, Social Media followers' information, etc., even if maintained by You or deemed to have arisen through Your activities as well as payment activity, demographic information, product and services purchases and use, and their frequency as well as any feedback and reviews and any other information You or We may collect on such customers through Our system and processes either electronically or on paper or other means that You are legally allowed to collect and share with Us under state or federal law and under this Agreement. For clarity, a "prospective customer" does not mean any possible customer. It means a potential customer who has been engaged in some way to gather information on that customer but who has not yet done business to be considered an actual customer.

"Dispute" means any claim, controversy, disagreement, or dispute of any type whatsoever.

"Fees" refers to those fees, payments, and costs that You are required to pay to Us, as more fully set forth on Exhibit "A-3."

"Gross Sales" Includes the total of all sales of all goods, and services sold, traded, bartered, or rendered by You and income of every kind and nature, Including the value of a trade or other bartering, arising from Your Franchise Business and tangible property of every kind sold by You during the term of this Agreement. Gross sales also Includes insurance proceeds and/or condemnation awards for loss of sales, profits, or business. "Gross Sales" excludes bona fide credits or returns and excludes amounts paid by You for sales or use taxes on the sale of any products or services.

"Franchise Assets" means this Agreement, or any of rights or privileges associated with this Agreement, or any shares or units in the ownership of Your entity, Your Franchise Business, or substantially all Your assets.

"Immediate Family" means spouses, domestic partners, parents, stepparents, children, stepchildren, sons-in-law, and daughters-in law.

"Innovation" means any idea conceived or developed, or any actual improvement, change, modification, enhancement, or addition to the System, Including to Your Franchise Business, Copyright Materials, Manuals, Confidential Information, website, Social Media, Marketing materials, apps or any other documents or information pertaining to or relating to the System, or any Intellectual Property related to the System, or any creative concepts, Marketing ideas, or inventions related to the System, and all derivatives thereof, whether implemented in the System or not.

"Including" or "Includes" means "including but not limited to," "including, without limitation," and similar all-inclusive and non-exhaustive meanings.

"Intellectual Property" means all Marks, trade dress, names, Copyright Materials, systems, patents, patent applications, and trade secrets.

"Interim Management Period" refers to the period of time during which We step in to manage Your Franchise Business as allowed under this Agreement.

"Internet" means any present or future interactive system for electronic communications, using lines, cables, wireless, satellite, radio or any other technology; and which involves one or more of the following: the system of interconnected computer networks that use the internet protocol suite (TCP/IP) or

its successor; websites or similar remotely-accessible electronic information sources (whether password protected or not); use of domain names, other locators, or emails that use our trademarks; internet phone services; cellular or similar messaging; mobile applications; social networks or Social Media; or wikis, podcasts, online content sharing communities, or blogging.

"Lease" means a commercial lease or other document of occupancy of the Premises.

"Manuals" means one or more guides or manuals, Including an operations manual, brand standards manual, training manuals, and/or policies and procedures manual, technical bulletins, online drives or portals, or other written materials as may be developed, modified and supplemented by Us periodically. The Manuals may be printed or in an electronic format.

"Marketing" or "Market" Includes advertising, brand development, promotion, public relations campaigns, content creation, influencer incentives or compensation, market research, and other related processes.

"Marks" means the federally registered and common law trade names, trademarks, slogans, catchphrases, service marks, colors, font schemes, logos and/or other commercial property or symbols owned by Us or licensed to Us, whether now or later developed, used in connection with the System.

"Operating Account" means that account into which all receipts of Your Franchise Business must be deposited.

"Operating Assets" means Your assets, contracts, inventory, supplies, furniture, equipment, signs, service vehicles, accessories, and other personal property relating to Your Franchise Business.

"Operating Principal" is: a) You if You as the franchisee are an individual; or b) if You are an entity, an individual that owns at least 25% of the ownership and voting interests in the franchisee entity (unless You obtain Our written approval of a lower percentage), has authority over all business decisions related to the Franchise Business, and has the power to bind You in all dealings with Us.

"Owner" means a shareholder, member, partner, general partner, limited partner, and the like.

"Participant" means an owner, operator, shareholder, director, partner, member, manager, consultant, agent, employee (management-level or higher), contractor, advisor, officer, lessor, lessee, licensor, or licensee.

"Personnel" means any individual or entity engaged by the Franchisee to perform work or services in connection with the Franchised Business, Including employees, independent contractors, temporary workers, consultants, agents, subcontractors, interns, and volunteers, whether compensated or uncompensated.

"Prepaid Services" means gift cards, gift certificates, event deposits, prepaid services, etc., sold at or through Your Franchise Business for which We allow You to manage the accounting and pooling on such gift cards, gift certificates, prepaid services, etc.

"Principal" means Owners, directors, members, managers, officers, and principal employees and contractors.

"Shall" when used in this Agreement (even if not capitalized) means must, mandatory, or other similar affirmative obligation, as the context requires.

"Social Media" means any and all websites, apps and web or Internet pages for social interaction, business operation, Marketing, and other online information communications, whether now or later developed.

"Termination" or "Terminate" Includes expiration, non-renewal, repurchase of Your rights, non-granting of a Successor Franchise, non-renewal, Transfer, or any other means by which this Agreement is no longer in effect, and You are no longer a franchisee of the Plunj® System.

"Transfer" Includes any direct or indirect assignment, transfer, division, trade, sale, gift, pledge, sublicense, mortgage, granting of any security interest, or sale at judicial sale or under power of sale, conveyance or retention of collateral in satisfaction of debt, or other procedure to enforce the terms of any pledge, encumbrance, or security interest.

"Update" Includes renovations, remodeling, redecorating, redesigning, refixturing, upgrading, refurbishing, modernizing, etc.

"We," "Our(s)" or "Us" only as applied to Paragraphs 2.2.3, 10.1.1, 10.1.2, and 14.8.7, Sections 3.1, 3.5, 6.6, and 16.4, and Articles XI and XV Includes Our predecessors, parents, affiliates, subsidiaries, successors, and assigns and Our officers, directors, Owners, managers, Personnel, agents, development agents, or others with whose conduct We are chargeable, as applicable.

"You" or "Your" Includes all signers of this Agreement, all current and subsequent guarantors, all subsequent and current Owners, Operating Principals, managers, directors, officers, agents, affiliates, principal Personnel and with those whose conduct You are chargeable.

[Remainder of page intentionally left blank; signatures follow on next page]

IN WITNESS WHEREOF, the parties have respectively signed this Franchise Agreement effective as of the day and year first written above.

FRANCHISOR:

PLUNJ FRANCHISE, LLC

By: _____
(Signature)

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____
(Signature)

Name: _____

Title: _____

If the franchisee is not an entity, each person must sign personally.

By: _____
(Signature)

Name: _____, personally

By: _____
(Signature)

Name: _____, personally

EXHIBIT "A-1"
TO THE FRANCHISE AGREEMENT

SEARCH AREA AND TERRITORY:
(Map may be attached)

1. Your Search Area in which to select Your Premises location is as follows (this is ***not*** Your protected Territory):

_____
_____

2. A description of Your Territory is listed below:

_____
_____

3. Approved Premises located at (*may be filled in later if the approved Premises is not known at the time of signing the Franchise Agreement, and once filled in the Premises becomes an integral part of the Franchise Agreement*):

_____
_____

Our approval of the Territory or a site is not a guarantee or a warranty of the potential success of a territory or a site.

_____
Franchisee Initial and Date

_____
Franchisor Initial and Date

EXHIBIT "A-2"
TO THE FRANCHISE AGREEMENT

COMPANY REPRESENTATIONS AND WARRANTIES

You make the following additional warranties and representations:

You are a (check one):

□ Partnership □ Corporation
□ Sole Proprietorship □ Limited Liability Company

Name of your entity: _____
The state in which your entity was formed: _____
Date of formation: _____
EIN: _____

The names and addresses of each shareholder, partner, or member holding an ownership interest in the corporation, partnership or limited liability company (please print or type the information and add extra lines if necessary):

Name	Address	Percentage of Ownership*

*Corporation: Percentage owned of outstanding voting stock.
*Partnership: Percentage owned in voting and in capital and profits.
*Limited Liability Company: Percentage owned in membership interest.

The names of the officers of the company (please print or type the information and add extra lines if necessary):

Name	Title

The address where Your corporate records are maintained is:
_____
_____

The name and address of the Operating Principal who has been approved by Us and who will be directly responsible for supervising Your business operations and who has authority to work with Us and

make decisions relating to the operations of the Franchise Business:

Name: _____
Address: _____
Email: _____
Phone: _____

You must provide Us a copy of Your articles of organization and operating agreement or articles of incorporation and bylaws within one week of the date below. Your entity documents must state that Your entity will be used solely for the purpose of operating the Franchise Business.

Dated _____.

FRANCHISEE:

_____

By: _____
(Signature)

Name: _____

Title: _____

EXHIBIT "A-3"
TO THE FRANCHISE AGREEMENT

FEE CHART[1]

The following Fees are more fully described in the Franchise Agreement.

Type of Fee*	Amount	Section Reference
Initial Franchise Fee	$25,000	See Section 5.1
Royalty	6% of Gross Sales	See Section 5.2
Marketing Fee	1% of Gross Sales	See Paragraph 5.3.1
Annual Minimum Revenue	$10,000 per month	See Section 6.9
Successor Franchise Fee	50% of our then-current initial franchise fee	See Paragraph 2.2.4
Relocation Fee	$2,500	See Section 4.6
Additional Franchise Purchases	10% of the then-current initial franchise fee	See Paragraph 5.1.1
Local Marketing Requirement	Currently, 1% of Gross Sales, up to 2.5% of Gross Sales	See Paragraph 5.3.2 and Section 10.3
Marketing Cooperative Fee	1% of Gross Sales	See Paragraphs 5.3.3 and 10.2.3
Late Fees [1]	$25 per day, up to a maximum of $500 per fee per month	See Paragraphs 5.4.4 and 5.4.5
Interest	18% interest, or the maximum interest allowed by state law	See Paragraphs 5.4.4 and 5.4.5
Non-Sufficient Fund Fees[1]	$50 per bounced check or draft, or the maximum allowed by state law	See Paragraph 5.4.4
Sales or Use Tax	Sum equal to tax imposed	See Paragraph 5.4.6
Audit Charge	Cost of audit	See Paragraph 5.5.2
System Non-Compliance Fines and Charges[1]	$250 for the first violation; $350 for the second violation; and $500 for the third and subsequent violations	See Section 5.9
Technology Package Fee[1]	$150 per month	See Section 5.10
Payment Processing Fee[1]	10 basis points (0.10%) per transaction	See Section 5.10
Additional Trainees at Initial Training[1]	$200 per person/per day	See Paragraph 6.1.4
Replacement Training[1]	$200 per person/per day	See Paragraph 6.1.4(i)
Annual Manager Training[1]	$200 per person/per day	See Paragraph 6.1.4(ii)
Additional In-Person Training[1]	$200 per person/per day	See Paragraph 6.1.4(iii) and Section 7.3
Rescheduling Fee	25% of our incurred costs to reschedule	See Paragraph 6.1.4(v)
Opening Assistance Reimbursement Fee[1]	50% of Our travel, food and lodging costs	See Paragraphs 6.1.5 and 7.4.1
Insurance Reimbursement Fee	Reimbursement of premium amount	See Paragraph 6.1.11
Administrative Fee[1]	$100	See Paragraph 6.1.11
PCI and DSS Audit Reimbursement Fee	Reasonable costs of the audit	See Paragraph 6.1.13(iv)
Conference and Seminar Fee[1]	$250 to $1,000 per person	See Paragraph 6.1.14

Compliance Inspection Fee	$50 per hour, per representative, plus Our costs for travel, food, & lodging	See Paragraph 6.2.2(iv)
Customer Complaint Resolution Fee[1]	$50 per hour, per representative, plus Our costs for travel, food, & lodging	See Paragraph 6.2.2(v)
Interim Management Fee[1]	$200 per person/per day	See Paragraph 6.2.3 and Section 14.10
Supplier Evaluation Fee[1]	$500	See Section 8.3
Replacement Costs	Our costs, plus $50 per hour for our time	See Section 8.4
Additional Copies of Marketing Materials[1]	Our reasonable costs, plus 10%, and the costs for shipping and handling	See Section 10.4
Fees on Default	Our costs associated with Your default	See Section 11.2
Prepaid Services Reimbursement Fee[1]	$100 and reimbursement to Us of any prepaid amount We redeem in any customer transaction	See Paragraph 12.1.10
Early Termination Liquidated Damages	Average royalty from the previous 12 months multiplied by 24 months or the remaining term of the Franchise Agreement, whichever is less.	See Section 12.5
Post-Termination Deindentification Non-Compliance Fee	$200 per day	See Paragraph 12.5.1
Transfer Fee	$7,500	See Section 14.5
Minority Interest Transfer Fee	Legal and corporate fees and costs incurred	See Section 14.6
Transferee Training Fee[1]	$200 per person, per day	See Paragraph 14.8.5
Indemnification	Our damages and costs	See Section 15.2
Non-Compete Violations Fee	Equal to 2x the average royalty from the previous 12 months calculated on a per day basis, for each competing business	See Section 16.9
Dispute Resolution Fees	Our legal fees and costs if we prevail	See Sections 17.2 and 19.3

[1] If a fee is subject to change by Us rather than by a third party, the increase will be an amount equal to the Consumer Price Index each year, during the term of this Agreement. Costs or fees charged by third parties are subject to change at any time and do not have an annual cap.

EXHIBIT "A-4"
TO THE FRANCHISE AGREEMENT

BRAND PROTECTION AGREEMENT FOR PRINCIPALS

This BRAND PROTECTION AGREEMENT FOR PRINCIPALS (the "Agreement") is entered into and made effective as of the effective date listed below by PLUNJ FRANCHISE, LLC ("Franchisor") and the undersigned (individually and collectively, the "Principals").

WHEREAS, Principals or his or her or their company entered into an agreement with Franchisor so as to be able to obtain the rights to operate a Plunj® Franchise Business using the System developed by Franchisor, Including certain Confidential Information of Franchisor ("Franchise Agreement"); and

WHEREAS, Principals recognize the value of the System and the intangible property rights licensed under the Franchise Agreement, and the importance of maintaining the Confidential Information, and recognize that the Franchisor's entering into the Franchise Agreement is conditioned upon each Principal entering into this Agreement; and

WHEREAS, all capitalized terms used, but not defined, herein will have the respective meanings assigned to them pursuant to the Franchise Agreement.

NOW THEREFORE, in consideration of Franchisor entering into the Franchise Agreement with Principals or his or her or their company, the recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Acknowledgment. Principals individually acknowledge that he or she has obtained or may obtain access to Confidential Information and made available to Principals that is necessary and essential to the operation of the Franchise Business, without which information the Franchise Business could not efficiently, effectively, and profitably operate. Principals further acknowledge that such Confidential Information was not known to him or her prior to the association with Franchisor.

2. Non-Disclosure and Non-Use. Except as may be required or allowed under the Franchise Agreement, Principals and any of a Principal's Immediate Family, shall not during the term of the Franchise Agreement and any time thereafter, in perpetuity, directly or indirectly, use, or disclose to any third party, or authorize any third-party to use, any information relating to the Franchise Business or interest of Franchisor, Confidential Information, the System, or other information or materials that he or she knows, or reasonably should know, is regarded as confidential to Franchisor. Principals shall also make its Immediate Family aware of this Agreement as well as the non-compete, non-solicitation and confidentiality provisions in the Franchise Agreement. Principals shall also adopt and implement all reasonable procedures prescribed by Franchisor, from time to time, to prevent unauthorized use and/or disclosure of the Confidential Information, Including restrictions on disclosure to Personnel and other third parties.

2.1 Duty to Notify. Principals agree to notify Franchisor of any reasonably suspected attempts to violate the terms or purposes of this Agreement and further agree to require all Personnel to report to it any reasonably suspected attempts to violate this Agreement. In the event it is discovered that Principals knew or had reason to know of any suspected attempts to violate this Agreement, Principals shall indemnify Franchisor for all costs and fees associated with enforcement, and to reimburse Franchisor for those losses sustained due to such violation.

2.2 No Reverse Engineering. Principals shall not, either personally, in concert with others, or through other authorization, reverse engineer, decompile or deconstruct or attempt to reverse engineer, decompile or deconstruct any portion of the Confidential Information and shall not allow, encourage or permit any Owner, Principal or other person to do so.

2.3 Limited Use. Principals shall limit their use of the Confidential Information, Including, their recollection of any part of the Confidential Information, to the performance of their duties as

described in the Franchise Agreement, the Manuals, and any policies and procedures implemented by Franchisor and shall not use the Confidential Information for any personal use or gain.

3. Non-Competition; Non-Solicitation. The following covenants will be enforced during and after the term of the Franchise Agreement:

3.1 In-Term Covenant. During the term of the Franchise Agreement and for any extensions or Successor Franchises thereof, except as permitted under the Franchise Agreement, Principals, and each Principal's Immediate Family, shall not be a Participant, assist, or serve in any other capacity whatsoever, or have any interest in a Competing Business in any capacity or location except with Franchisor's prior written consent.

3.2 Post-Term Covenant. Upon Termination for any reason of the Franchise Agreement, and any extensions or Successor Franchise Agreements thereof, or upon any Transfer or repurchase of a Principal's rights under the Franchise Agreement or the franchise entity, or a Principal's dissociation from the Franchise Business, and for a continuous, uninterrupted period of three years thereafter, Principals, and Principal's Immediate Family, shall not, directly or indirectly, be a Participant, assist, or serve in any other capacity whatsoever, or have any interest in a Competing Business in any capacity, territory, or location within the Territory or within 20 miles of the Territory or within 20 miles of the territory of any System franchise or Plunj® business operation at the time of such Termination or Transfer. The ownership of not more than 2% of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision. Principals agree that the Franchise Business attracts customers from up to 20 miles, and that such geographical restraint is not unreasonable.

3.3 Non-Solicitation of Customers. During the term of the Franchise Agreement and for three years after the Termination of the Franchise Agreement, Principal and each of Principal's Immediate Family shall not, directly or indirectly, contact any former or then-current customer of the Franchise Business, or any former, then-current customer of Franchisor or an affiliate of the Franchisor (with whom the Principal had contact during the term of the Franchise Agreement), or prospective customer for the purpose of soliciting such customer to a Competing Business. All Customer Data belongs to Franchisor. For clarity, a "prospective customer" does not mean any possible customer. It means a potential customer who has been engaged in some way to gather information on that customer but who has not yet done business to be considered an actual customer.

4. Violation of Non-Competition, Non-Solicitation Provisions; Tolling of Covenants. In addition to other remedies available to Franchisor, in the event a Principal violates a non-competition and/or non-solicitation covenant, the applicable non-competition or non-solicitation period will be tolled for the period of that Principal's violation. Principal shall also pay Franchisor the daily rate set forth on Exhibit A-3 to the Franchise Agreement in liquidated damages for each Competing Business for violation of Sec. 3.1 or 3.2. These liquidated damages do not represent a price for the privilege of not performing nor does the payment represent an alternative manner of performance. This Section does not preclude and is not inconsistent with a court granting Franchisor specific performance or any other equitable remedies, such as an injunction, to prevent future breaches.

5. Return of Materials. Upon the Termination of the Franchise Agreement, or a Principal's disassociation from the Franchise Business, each Principal agrees to deliver to Franchisor (and shall not keep a copy in his or her possession or deliver to anyone else) the Plunj® Manuals and any and all Confidential Information.

6. Non-Disparagement. Principals shall not, during and after the term of this Agreement, make any negative, disparaging, false or misleading statements, published or made orally, in any form or medium about Franchisor, Franchisor's officers, owners, partners, directors, members, managers, representatives, agents or Personnel, the brand, the System, Franchisor's products and services, or other franchisees.

7. Irreparable Harm. Principals hereby acknowledge and agree that any breach by him or her of any portion of Sections 1 through 6 above, inclusive, will cause damage to Franchisor in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisor may be entitled, Franchisor will be entitled to temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by any Principal of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisor by such breach and without the requirement of posting bond. Additionally, Principals agree that the existence of any claims a Principal may have against Franchisor, whether or not arising from this Agreement or the Franchise Agreement, will not constitute a defense to Franchisor's ability to enforce the covenants set forth in this Agreement.

8. Reasonableness and Enforceability. Principals agree that the terms of this Agreement are fair and reasonable in light of the circumstances and were in part, based on the perceived or potential value of the System and the business relationship that Principals and/or his or her or their company have and will have with Franchisor. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative. Whenever the context so requires, the masculine will Include the feminine and neuter and the singular will Include the plural and conversely. Principals understand that a separate action may be brought or prosecuted against a Principal whether or not the action is brought or prosecuted against any other Principal or against the franchisee, or any or all of them, or whether any other Principal or the franchisee is or are joined in the action. Principals acknowledge and agree that the restrictions related to Immediate Family is necessary because a Principal's disclosing the Confidential Information or Intellectual Property to Immediate Family or assisting Immediate Family in a Competing Business could potentially circumvent the purpose of this Agreement and that it would be difficult for Franchisor to prove whether a Principal disclosed Confidential Information or Intellectual Property to Immediate Family or assisted Immediate Family in a Competing Business.

9. Governing Law and Jurisdiction. The validity, enforcement, construction, rights and liabilities of the parties and provisions of this Agreement will be governed by and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions. If for any reason court action is filed, Principals individually consent to the jurisdiction of the courts of record in the state of Utah, and unless the enforcement of this Agreement is brought in connection with a Dispute under the Franchise Agreement (in which case this matter may be handled through arbitration as set forth in the Franchise Agreement), each Principal agrees that proper jurisdiction and venue for all Dispute resolution will be exclusively in the state and federal courts of Salt Lake County, Utah.

10. Attorney's Fees and Costs. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

11. Binding Agreement. This Agreement will bind each parties' respective heirs, personal representatives, successors and assigns. No rights under this Agreement are assignable by any Principal without Franchisor's written approval, and any purported assignment will be null and void and of no force or effect.

12. Survival of Covenants. All covenants made in this Agreement by Principals survive the Termination of this Agreement or the Franchise Agreement or Principal's disassociation with the Franchise Business or the System in any way.

13. Modification of Agreement. This Agreement may be amended in whole or in part only by an agreement in writing signed by the parties.

14. Counterpart and Electronic Signatures. This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

15. Prior Disclosures. The parties intend that the information disclosed by Franchisor prior to the actual execution of this Agreement constitutes Confidential Information and is subject to all the terms and conditions of this Agreement as if such information had been disclosed following the execution of this Agreement.

PRINCIPALS INDIVIDUALLY ACKNOWLEDGE THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date below.

DATED _____.

FRANCHISOR:

PLUNJ FRANCHISE, LLC

By: _____
(Signature)
Name: _____

Title: _____

PRINCIPALS:

By: _____
(Signature)
Name: _____

Title: _____

By: _____
(Signature)
Name: _____

Title: _____

By: _____
(Signature)
Name: _____

Title: _____

EXHIBIT "A-5"
TO THE FRANCHISE AGREEMENT

PERSONNEL BRAND PROTECTION AGREEMENT

This PERSONNEL BRAND PROTECTION AGREEMENT ("Agreement") is entered into as of _____, between _____ ("Franchisee") and _____ ("Disclosed Party"), residing at _____.

A. Franchisee is the holder of a Plunj® franchise developed by Plunj Franchise, LLC ("Franchisor").

B. Franchisor has developed certain confidential and proprietary information for the operation of a Plunj® franchise, including without limitation, processes, methods, trade secrets, systems, software, pricing, financial information, customer data and lists, manuals, marketing techniques, and procedures ("Proprietary Information").

NOW, THEREFORE, in consideration of the employment or contracted labor of Disclosed Party by Franchisee, the parties hereto agree as follows:

1. Acknowledgement. Disclosed Party acknowledges that during the course of his or her association or contracted labor with Franchisee he or she has obtained or may obtain knowledge of the Proprietary Information and other confidential matters and procedures developed, licensed to or owned by Franchisor and made available to Franchisee, which are necessary and essential to the operation of the business of Franchisee, which without such information, Franchisee could not efficiently, effectively and profitably operate its Plunj® franchise. Disclosed Party shall disclose in writing to Franchisee or Franchisor, within 10 days after receipt of such Proprietary Information, as to whether such Proprietary Information was already known to him or her. Recipient agrees that by not providing such disclosure to Franchisee or Franchisor, Employee is acknowledging and representing that that such Proprietary Information was not known to Employee prior to its association with Franchisee.

2. Non-Use, Non-Disclosure. Except as may be authorized by Franchisee and only in the performance of duties for Franchisee, Disclosed Party shall not, during the course of his or her employment or contracted labor or at any time thereafter, directly or indirectly, use, or disclose to any third party, or authorize any third party to use any portion of the Proprietary Information, and agrees not to copy, transmit, recreate or otherwise reproduce all or any part of the Proprietary Information at any time.

3. Duty to Notify. Disclosed Party agrees to notify Franchisor or Franchisee or Disclosed Party's immediate superiors of any reasonably suspected attempts to violate the terms or purposes of this Agreement or to otherwise disclose, copy, or reproduce any part of the Proprietary Information. In the event it is discovered that Disclosed Party knew or had reason to know of any suspected attempts to violate this Agreement and fails to report such knowledge, Disclosed Party agrees to indemnify Franchisor and Franchisee for all costs and fees associated with enforcement, and to reimburse Franchisor and Franchisee for those losses sustained due to such violation. Disclosed Party agrees to cooperate with Franchisor and Franchisee in its or their attempts to enforce the terms of this Agreement and to otherwise protect the Proprietary Information, and to cooperate with Franchisee and Franchisor to the extent Franchisee is obligated to cooperate with Franchisor's attempts to enforce its rights in and to the Proprietary Information.

4. Return of Materials. Immediately upon the termination of employment or its contracted labor, Disclosed Party agrees to deliver to Franchisee or to destroy at Franchisee or Franchisor's instruction and to provide evidence of such destruction (and shall not keep in his or her possession or deliver to anyone else whether in hard or electronic soft copy) any and all records, data, photographs, notes, manuals, lists, correspondence, specifications, materials, other documents or property, or reproductions relating to, directly or indirectly, to the Proprietary Information to which Disclosed Party has in its possession whether in hard or electronic soft copy.

5. Management and Supervisor Personnel. Subject to applicable law, this Section 5 will only apply if Disclosed is in a management position with Franchisee and/or acts in a supervisory role over other Personnel. “Personnel” in this Agreement means any individual or entity engaged by the Franchisee to perform work or services in connection with its Plunj® franchise businesses, including but not limited to employees, independent contractors, temporary workers, consultants, agents, subcontractors, interns, and volunteers, whether compensated or uncompensated.

5.1 Non-Competition. Disclosed Party shall not, during the course of his or her employment or contracted labor by Franchisee, and for one year thereafter, directly or indirectly in any capacity, without Franchisee’s prior written consent, engage in a business, or plan for or organize a business, or have any financial interest in, or become an owner, officer, director, shareholder, partner, associate, employee (management-level or higher), contractor, agent, representative or consultant in any offering or selling products or services the same or substantially similar to a Plunj® business (collectively, a “Competing Business”). Without limiting the generality of the foregoing, the minimum area of competitive nature will be that area within a 15-mile radius of Franchisee’s place of business or any Plunj® business in operation at the time of Disclosed Party’s termination of employment. The ownership of not more than 2% of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision.

5.2 Non-Solicitation. Disclosed Party shall not, during the course of his or her employment or contracted labor, and for one year thereafter, directly or indirectly, solicit away any then-current Personnel, customers or third party vendors to a third-party business.

6. Irreparable Harm. In addition to other remedies available to Franchisee and/or Franchisor, in the event Disclosed Party violates a non-competition and/or non-solicitation covenant, the applicable non-competition or non-solicitation period will be tolled for the period of Disclosed Party’s violation. Additionally, Disclosed Party hereby acknowledges and agrees that any breach by him or her of any portion of Sections 1 through 5 above, inclusive, will cause damage to Franchisee and Franchisor in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisee may be entitled, either Franchisee and/or Franchisor will be entitled to enforce this Agreement and to seek temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by Disclosed Party of any of the terms of Section 1 through 5 above, inclusive, without proof of actual damages that have been or may be caused to Franchisee or Franchisor by such breach, and without the requirement of posting bond. The existence of a claim against Franchisee or Franchisor will not constitute a defense to enforce the covenants of this Agreement.

7. Modification. Disclosed Party hereby agrees that, without limitation, any modifications, alterations, changes, or improvements conceived, designed, devised, developed, perfected or made by Disclosed Party, whether alone or in conjunction with others, and related in any manner to the actual or anticipated operation of the Franchisee, or the Plunj® system, or to any area of research and development related to the operation of the business, must be promptly disclosed to the Franchisee and will become the property of Franchisor, and Disclosed Party hereby irrevocably assigns, transfers, and conveys any such to Franchisor.

8. Enforceability. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative.

9. Survival of Covenants. All covenants made in this Agreement by Disclosed Party survive the termination of Disclosed Party’s employment or contracted labor with Franchisee or the assignment or termination of this Agreement.

10. Modification of Agreement. This Agreement may be amended in whole or in part only by an agreement in writing signed by both parties.

11. Attorneys’ Fees. In the event any action in law or equity or any arbitration or other

proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

12. Counterpart and Electronic Signatures. This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

13. Third-party Beneficiary. It is agreed and acknowledged that Franchisor is a third-party beneficiary to this Agreement.

14. Prior Disclosures. Disclosed Party acknowledges and agrees that prior to the execution of this Agreement, Disclosed Party may have received information Franchisee, Franchisor and/or their representatives, and that any such Proprietary Information obtained or received is subject to the protection and restrictions of this Agreement.

DISCLOSED PARTY ACKNOWLEDGES THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the dated listed below.

Effective as of _____.

FRANCHISEE:
_____

By: _____

Name: _____

Title: _____

DISCLOSED PARTY (if a minor, see next page):
_____

By: _____

Name: _____

Title: _____

Age (if under 18): _____

For persons under 18 years of age, a parent or legal guardian must sign and complete the following section.

I, _____ (Parent/Guardian), the undersigned and the parent and natural guardian of _____ (minor's name), hereby acknowledge that I have executed the foregoing Personnel Brand Protection Agreement for and on behalf of the minor named herein. I represent that I have legal capacity and authority to act for and on behalf of the minor named herein. As the natural or legal guardian of such minor, I hereby bind myself, the minor, and our successors and assigns to the obligations and liabilities of the foregoing Personnel Brand Protection Agreement.

DATED: _____.

Signature of Parent/Guardian: _____

Name of Parent/Guardian: _____

Address: _____
_____

Phone: _____

[Continuation of Personnel Brand Protection Agreement Signature Page]

SCHEDULE "A-5.1"
FRANCHISE RELATIONSHIP ACKNOWLEDGEMENT

Because you are becoming a part of the Plunj® franchise system, it is important that you understand and acknowledge who is your employer (or the party that hired you as an independent contractor), and who is not.

You have been hired by _____ (Legal Name of Franchisee) ("Franchisee"), which is an independent franchise owner in the Plunj® franchise system (which we call the "System"). Although Franchisee looks the same, has the same name, and is operated the same way as other Plunj® outlets in the System, Franchisee is not part of the same company as those other Plunj® outlets in the System. Plunj Franchise, LLC is a completely separate company that owns or has been licensed the name and System. Plunj Franchise, LLC has devised rules, systems of operation, and policies and procedures that all of its franchisees must follow, including Franchisee, which makes each independent franchise Plunj® outlet look and operate the same way as one another. This way, Plunj Franchise, LLC manages a System composed of many different franchisee owners, each of whom is independently responsible for operating its own Plunj® outlet.

It is important that you understand that Franchisee is your **only** employer (or is the only party associated with the Plunj® franchise system that hired you as an independent contractor). If you are an employee of Franchisee, then Franchisee gives you your paycheck, establishes your hours, and is responsible for all decisions relating to your employment relationship. If you are an independent contractor, then Franchisee compensates you, hires you for certain hours or tasks, and provides you with the job description for your services to Franchisee. Plunj Franchise, LLC is **not** your employer and has not hired you to provide services related to the Plunj® franchise system. If Plunj Franchise, LLC's representatives ever give you direction, training, or advice, it is intended only to ensure that the experience of all customers of Plunj® is the same at or through your place of work as it is at other Plunj® outlets in the Plunj® system. The fact that you are trained, or given direction or advice, by Plunj Franchise, LLC's representatives does not mean that Plunj Franchise, LLC is your employer.

If you have any questions about your employment relationship or your contracted relationship or about this Franchise Relationship Acknowledgement, please direct them to your employer (or the party that hired you as an independent contractor), Franchisee.

I have read this Franchise Relationship Acknowledgement, and I understand it. I have had the opportunity to ask any questions that I have about this Franchise Relationship Acknowledgement, and those questions have been answered fully to my satisfaction.

SIGNED: _____

DATE: _____

EXHIBIT "A-6"
TO THE
FRANCHISE AGREEMENT

LANDLORD'S CONSENT TO ASSIGNMENT

_____ ("Landlord") hereby consents to an assignment of the lease agreement ("Lease Agreement") to Plunj Franchise, LLC ("Franchisor") for the purpose of securing the obligations of _____ ("Lessee" and Franchisor's franchisee) to Franchisor. In the event of Lessee's breach of the Lease Agreement, Landlord agrees to provide Franchisor with written notice of any breach of the Lease Agreement that Landlord is required to provide to Lessee. Further, Landlord agrees it will not take any action to terminate said Lease Agreement without first giving Franchisor an opportunity, but not the obligation, to cure said breach for an additional 10 days beyond the applicable cure period granted to the Lessee under the Lease Agreement.

Landlord agrees to provide Franchisor with all information relating to amounts owing, settlement agreements, and all matters related to the Lease Agreement within five days of written request from Franchisor.

Landlord agrees that if Tenant does not timely cure a default under this Lease Agreements, or the Lease Agreement or franchise agreement is terminated, Franchisor will have the right, but not the obligation, within 90 days of such date, to take possession of the premises, and to assume or reassign the Lease Agreement, or sublet the premises to another franchisee for the remaining term of the Lease Agreement; provided that Landlord will have the right to reasonably approve such reassignment or subletting.

Landlord further covenants that so long as Franchisor has not entered into possession of the leased premises, Franchisor will not be liable for rent or any other obligation under the Lease Agreement, but that Landlord will look to Lessee for all obligations under the Lease Agreement.

Notices to Franchisor will be sent to: Plunj Franchise, LLC, Attn: Sean Foster, 493 E 4380 N, Provo, Utah 84604.

Landlord Contact Information:

Contact Person: _____
Mailing Address: _____
_____
Email: _____
Phone: _____

LANDLORD:

By: _____
Title: _____
Name: _____

Date: _____

EXHIBIT "A-7"
TO THE FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS (ACH DEBITS)

Business Name: _____

I hereby authorize Plunj Franchise, LLC hereinafter called ("Company"), to initiate debit entries to my checking account or savings account as indicated below at the depository financial institution named below, hereinafter called ("Depository"), and to debit the same to such account on a recurring basis, commencing as of the date below, and continuing for the term of my franchise agreement with the Company. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of United States law.

Depository Name: _____ Branch: _____

City: _____ State: _____ Zip Code: _____

Phone:_____

Routing Number: _____ Account Number: _____

Type of Account: Checking/Savings: _____

I agree to provide accurate banking information and authorize the Company to verify account ownership through a test deposit or other verification methods as required by NACHA rules.

I understand that this authorization will remain in full force and effect through the term of my franchise agreement until I notify the Company in writing that I wish to revoke this authorization. I understand that the Company requires at least 15 days' written notice prior to the proposed effective date of termination to cancel this authorization. Notice shall be provided to the Company at both SEAN@PLUNJ.CO 493 E 4380 N Provo, Utah 84604.

I consent to the use of electronic records and signatures for the purposes of entering into and executing this agreement and any related transactions.

Name: _____
(please print)

Title: _____

Signature: _____ Date: _____

NOTE: ALL WRITTEN DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE RECEIVER MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE ORIGINATOR IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

EXHIBIT "A-8"
TO THE FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

This GUARANTY AND ASSUMPTION OF OBLIGATIONS ("Guaranty") is entered into and made effective as of _____ by and between PLUNJ FRANCHISE, LLC ("We," "Us" or "Our") and the undersigned Guarantor(s) ("Guarantor(s)") who are the owners of _____ (the "Business Entity").

1. Scope of Guaranty. In consideration of and as an inducement to Our signing and delivering the Franchise Agreement dated _____ (the "Franchise Agreement"), each Guarantor(s) signing this Guaranty personally and unconditionally: (a) guarantees to Us and Our successors and assigns that the Business Entity will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Franchise Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, any provision in the Franchise Agreement, Including confidentiality and the non-competition provisions. Each Guarantor acknowledges and agrees that no subsequent amendment, modification, and/or extension of the Franchise Agreement by and between Us and the Business Entity will affect the enforcement or validity of this Guaranty. Each Guarantor agrees that upon the death of a Guarantor, the estate of such Guarantor will be bound by the obligations of this Guaranty.

2. Waivers. Each Guarantor waives: (a) acceptance and notice of acceptance by Us of Guarantor(s) obligations under this Guaranty; (b) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (c) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed by Guarantor(s); (d) any right Guarantor(s) may have to require that an action be brought against the Business Entity or any other person as a condition of Guarantor(s) liability; (e) all rights to payments and claims for reimbursement or subrogation which Guarantor(s) may have against the Business Entity arising as a result of Guarantor(s)' execution of and performance under this Guaranty; and (f) all other notices and legal or equitable defenses to which Guarantor(s) may be entitled in Guarantor(s)' capacity as guarantors.

3. Consents and Agreements. Each Guarantor consents and agrees that: (a) Guarantor(s)' direct and immediate liability under this Guaranty are joint and several; (b) Guarantor(s) must render any payment or performance required under the Franchise Agreement upon demand if the Business Entity fails or refuses punctually to do so; (c) Guarantor(s)' liability will not be contingent or conditioned upon Our pursuit of any remedies against the Business Entity or any other person; (d) Guarantor(s)' liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which We may from time to time grant to Business Entity or to any other person, including, without limitation, the acceptance of any partial payment or performance of the compromise or release of any claims (including the release of other guarantors) and no such indulgence will in any way modify or amend this Guaranty; and (e) this Guaranty will continue and is irrevocable during the term of the Franchise Agreement and, where required by the Franchise Agreement, after its termination or expiration.

4. Enforcement Costs. If We must enforce this Guaranty in any judicial or arbitration proceeding or any appeals, Guarantor(s) must reimburse Us for Our enforcement costs. Enforcement costs include reasonable fees from accountants, attorneys, attorney's assistants, arbitrators, and expert witness fees, costs of investigation and proof of facts, court costs, arbitration filing fees, other litigation expenses and travel and living expenses, whether incurred before, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing or proceeding to enforce this Guaranty.

5. Disputes. Guarantor(s) acknowledge and represent that Guarantor(s) have had an opportunity to review the Franchise Agreement and agree that the provisions of Article XVII (disputes and arbitration) of the Franchise Agreement have been reviewed by Guarantor(s) and by reference are incorporated herein and will govern this Guaranty and any disputes between Guarantor(s) and Us. Each Guarantor(s) irrevocably submits to the exclusive jurisdiction and venue of said arbitration and listed courts.

Nevertheless, Guarantor(s) agree that We may also enforce this Guaranty and awards in the courts of the state or states in which a Guarantor(s) is domiciled. Each Guarantor will be held personally, jointly, and severally liable. Any settlement made between Us and the Business Entity, or between Us and another Guarantor, or any other determination made pursuant to this Agreement will be binding upon the Guarantor(s).

6. Counterparts. This Guaranty may be signed in counterparts including by electronic signatures and other electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

IN WITNESS WHEREOF, the Guarantor(s) have respectively signed this Guaranty effective as of the day and year first written above.

Guarantor(s)

By: _____

Name: _____

By: _____

Name: _____

By: _____

Name: _____

Address for Notice

_____
_____
Email: _____

_____
_____
Email: _____

_____
_____
Email: _____

EXHIBIT "A-9"
TO THE FRANCHISE AGREEMENT

DIGITAL AND SOCIAL MEDIA AND LISTINGS ASSIGNMEMNT AUTHORIZATION

This DIGITAL AND SOCIAL MEDIA ASSIGNMENT AUTHORIZATION ("Assignment") is made and entered into as of the Effective Date (listed on the signature page below), by and between the undersigned Franchisee and Plunj Franchise, LLC ("Franchisor").

RECITALS

WHEREAS, Franchisee has entered into a franchise agreement with Franchisor of even date herewith ("Franchise Agreement"); and

WHEREAS, as part of the Franchise Agreement, Franchisee is granted limited rights to use the Plunj® trademarks, trade names, trade dress, and other associated intellectual property (collectively, the "Marks") in conjunction with Franchisee's Franchise Business; and

WHEREAS, all capitalized terms used but not defined herein will have the respective meanings assigned to them pursuant to the Franchise Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, recitals, obligations, terms and conditions herein contained, and the acts to be performed by the respective parties hereto, the parties hereto agree as follows:

1. Franchisee hereby assigns all rights and interest, Including all associated goodwill, in the Social Media and other digital media accounts used in the Franchise Business or used or created in any way by Franchisee to promote or use the Marks, Including, Franchisee's Facebook, Instagram, Tik-Tok, Pinterest, Google listings, Twitter, LinkedIn, Tumblr, email accounts, and the like (collectively the "Social Media Accounts"). Franchisee shall take all action necessary to grant exclusive access of the Social Media Accounts to Franchisor, Including providing all passwords and administrative access to such Social Media Accounts.

2. Franchisee represents, warrants, and covenants the following with regard to the Social Media Accounts:

   a. Franchisee has the right to assign the Social Media Accounts, and they are free and clear of all liens and encumbrances.

   b. Franchisee shall not, after Termination of the Franchise Agreements attempt to access, control, interfere with, or obstruct the Social Media Accounts.

   c. Franchisee shall not prevent or hinder Franchisor from enforcing its rights in or to the assigned Social Media Accounts and/or Listings.

   d. Franchisee has not taken, or permitted, any action that would prevent Franchisor from enjoying the full benefits of assignment of the Social Media Accounts to Franchisor hereunder.

3. Franchisee hereby directs and authorizes each company associated with, or in control of, the Social Media Accounts and/or Listings to assign, transfer, set over and otherwise authorize Franchisor to take over and control the Social Media Accounts and Listings. If necessary, Franchisee shall execute all documents required by Franchisor to give effect to the assignment of the Social Media Accounts to Franchisor hereunder.

4. This Assignment is binding upon the heirs, administrators, personal representatives, assigns and successors in interest to the parties hereto.

5. This Assignment is governed, construed and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions.

6. This Assignment may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

IN WITNESS WHEREOF, the parties have respectively signed this Assignment effective as of the Effective Date written below.

Dated effective as of _____.

FRANCHISOR:	**FRANCHISEE:**
Plunj Franchise, LLC	_____
By: _____ (Signature)	By: _____ (Signature)
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT "A-10"
TO THE FRANCHISE AGREEMENT

FRANCHISEE REPORT

We will not ask You to complete the Franchise Report, and We will disregard any answers from You, if You live or plan to operate Your Franchise Business in the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin. Washington Franchisees cannot complete, fill out, or sign this Franchisee Report.

Please review each of the following questions carefully and provide honest responses to each question.

1. If You have received any oral, written, visual or other claim, guarantee or representation of any sort by Us which stated or suggested any specific level or range of actual or potential sales, income, expenses, profits, cash flow, by any person or entity, except for information (if any) expressly set forth in Item 19 of the Franchisor's disclosure document (or an exhibit referred to therein), please describe what You received and if known, from whom You received the information. If none, please write "none."

   _____
   _____
   _____
   _____

2. If You have received any information or representations inconsistent with the statements in the FDD or Franchise Agreement, please list those below. If none, please write "none."

   _____
   _____
   _____
   _____

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT "A-11"
TO THE FRANCHISE AGREEMENT

State Specific Addenda

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

1. The California Franchise Relations Act, Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with California law, California law controls.

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

3. The franchise agreement contains a covenant not to compete which extends beyond the termination
of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

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

5. The franchise agreement requires binding arbitration. The arbitration will occur at Salt Lake County, Utah with the costs being borne by you for travel to, and lodging in, Salt Lake County, Utah and other costs associated with arbitration. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and Federal laws (this or these as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 128a, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

6. The franchise agreement requires application of the laws of Utah, but the California franchise laws may prevail in some instances. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California laws.

7. Both the Governing Law and Choice of Law for Franchisees operating outlets located in California, will be the California Investment law and the California Relations Act regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the franchise agreement or amendment to or any agreement to the contrary is superseded by this condition.

8. You must sign a general release if you transfer, renew or terminate 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).

9. The franchise agreement provides for waiver of a jury trial. This may not be enforceable in California.

10. Section 31512.1 Franchise Agreement Provisions Void as Contrary to Public Policy. Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

(a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.

(b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.

(c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.

(d) Violations of any provision of this division.

11. Franchisees owning 20% or greater must sign a personal guaranty, making you and your spouse individually liable for your financial obligations under the agreement if you are married. The guaranty will place your and your spouse's marital and personal assets at risk, perhaps including your house, if your franchise fails.

12. Late Fees in Exhibit "A-3" is amended to include the following: "The highest interest rate allowed in California is 10% annually."

13. Paragraph 4.1 is amended to remove the following language, "Although We must approve of Your site, We do not warrant or guarantee the success of the site."

14. Paragraph 20.10 is amended to remove the following language, "You represent and acknowledge that no agreements, representations, negotiations, promises, commitments, inducements, assurances, terms, conditions, or covenants of any nature exist between You and Us except as specifically set forth in this Agreement, whether pertaining to this Agreement or to any future, further or additional rights of either You or Us."

15. Paragraphs 20.14 and 20.18 are not enforceable in the state of California.

16. Under California law, an agreement between a seller and a buyer regarding the price at which the buyer can resell a product (known as vertical price-fixing or resale price maintenance) is illegal. Therefore, requirements on franchisees to sell goods or services at specific prices set by the franchisor may be unenforceable.

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

FRANCHISOR:	FRANCHISEE:
Plunj Franchise, LLC	_____
By: _____	By: _____
Name: _____	(Signature)
Title: _____	Name: _____
	Title: _____

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE COMMONWEALTH OF VIRGINIA

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Paragraph 19.1 of the franchise agreement is amended to remove the following language, "but only to the extent necessary to prevent the invalidity of this Agreement or any of the provisions hereof or the imposition of civil or criminal penalties or liability. To the extent permitted by the laws of the state whose

laws govern this Agreement, You hereby waive any provisions of law or regulations which render any portion of this Agreement invalid or unenforceable in any respect."

20. Paragraph 20.10 of the franchise agreement is amended to remove the following language, "You represent and acknowledge that no agreements, representations, negotiations, promises, commitments, inducements, assurances, terms, conditions, or covenants of any nature exist between You and Us except as specifically set forth in this Agreement, whether pertaining to this Agreement or to any future, further or additional rights of either You or Us."

21. Paragraph 20.11 of the franchise agreement is amended to clarify that for Washington franchisees, the Washington Addendum applies even if the Washington Addendum is not executed or not signed by the franchisor, franchisee, or both.

22. Sections 20.14, 20.18, and 20.22 of the franchise agreement is not enforceable do not apply in Washington.

The undersigned parties do hereby acknowledge receipt of this Addendum.

_____	_____
Signature of Franchisor Representative	Signature of Franchisee Representative
_____	_____
Title of Franchisor Representative	Title of Franchisor Representative

EXHIBIT “B”
TO THE FDD

FINANCIAL STATEMENTS
(Attached)

December 31, 2024
December 31, 2023
December 31, 2022

PLUNJ FRANCHISE, LLC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2024, 2023, AND 2022

KEZOS & DUNLAVY

Certified Public Accountants

& Business Advisors

PLUNJ FRANCHISE, LLC

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KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Members
Plunj Franchise, LLC
Provo, Utah

Opinion

We have audited the accompanying financial statements of Plunj Franchise, LLC, which comprise the balance sheets as of December 31, 2024, 2023, and 2022, and the related statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Plunj Franchise, LLC as of December 31, 2024, 2023, and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

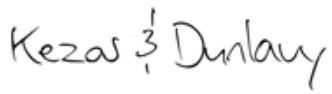
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Restrictions on Use

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.



St. George, Utah
April 16, 2025

PLUNJ FRANCHISE, LLC
BALANCE SHEETS
As of December 31, 2024, 2023, and 2022

	2024	2023	2022
Assets			
Current assets			
Cash and cash equivalents	$ 291,793	$ 173,612	$ 251,949
Accounts receivable	10,200	16,177	-
Notes receivable	100,000	160,760	56,200
Total current assets	401,993	350,549	308,149
Non-current assets			
Property and equipment, net	33,779	43,049	-
Intangible assets, net	29,422	-	-
Total non-current assets	63,201	43,049	-
Total assets	$ 465,194	$ 393,598	$ 308,149
Liabilities and Members' Equity			
Current liabilities			
Credit card liability	$ 5,816	$ 2,343	$ -
Accrued expenses	117,337	-	-
Deferred revenue	185,342	104,500	-
Total current liabilities	308,495	106,843	-
Total liabilities	308,495	106,843	-
Members' equity	156,699	286,755	308,149
Total liabilities and members' equity	$ 465,194	$ 393,598	$ 308,149

The accompanying notes are an integral part of the financial statements.

PLUNJ FRANCHISE, LLC
STATEMENTS OF OPERATIONS
For the years ended December 31, 2024, 2023, and 2022

	2024	2023	2022
Operating revenue			
Royalty fees	$ 87,564	$ 16,888	$ -
Initial franchise fees	22,300	-	-
Other operating revenue	45,552	-	-
Total operating revenue	155,416	16,888	-
Operating expenses			
General and administrative	134,322	8,233	2,430
Advertising and marketing	23,479	512	-
Professional fees	25,205	28,807	64,415
Depreciation	19,903	730	-
Total operating expenses	202,909	38,282	66,845
Net loss	$ (47,493)	$ (21,394)	$ (66,845)

The accompanying notes are an integral part of the financial statements.

PLUNJ FRANCHISE, LLC
STATEMENTS OF CHANGES TO MEMBERS' EQUITY
For the years ended December 31, 2024, 2023, and 2022

Balance as of April 13, 2022 (Inception)	$	-
Member contributions		374,994
Net loss		(66,845)
Balance as of December 31, 2022		308,149
Net loss		(21,394)
Balance as of December 31, 2023		286,755
Member distributions		(182,563)
Member contributions		100,000
Net loss		(47,493)
Balance as of December 31, 2024	$	156,699

The accompanying notes are an integral part of the financial statements.

PLUNJ FRANCHISE, LLC
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2024, 2023, and 2022

	2024	2023	2022
Cash flows from operating activities:			
Net loss	$ (47,493)	$ (21,394)	$ (66,845)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	19,903	730	-
Changes in operating assets and liabilities:			
Accounts receivable	5,977	(16,177)	-
Credit card liability	3,473	2,343	-
Accrued expenses	117,337	-	-
Deferred revenue	80,842	104,500	-
Net cash provided by (used in) operating activities:	180,039	70,002	(66,845)
Cash flows from investing activities:			
Investment in notes receivable	-	(251,524)	(56,200)
Repayment of notes receivable	60,760	146,964	-
Investment in intangible assets	(40,055)	-	-
Purchase of property and equipment	-	(43,779)	-
Net cash provided by (used in) investing activities	20,705	(148,339)	(56,200)
Cash flows from financing activities:			
Member contributions	100,000	-	374,994
Member distributions	(182,563)	-	-
Net cash provided by (used in) financing activities	(82,563)	-	374,994
Net change in cash and cash equivalents	118,181	(78,337)	251,949
Cash and cash equivalents at beginning of period	173,612	251,949	-
Cash and cash equivalents at end of period	$ 291,793	$ 173,612	$ 251,949
Supplementary disclosures:			
Cash paid for interest	$ -	$ -	$ -
Cash paid for taxes	$ -	$ -	$ -

The accompanying notes are an integral part of the financial statements.

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

Plunj Franchise, LLC (the "Company") was formed on April 13, 2022 in the state of Utah as a Limited Liability Company for the principal purpose of conducting franchise sales, marketing, and management of the Plunj franchise system.

The Company uses the accrual basis of accounting, and its accounting period is the 12-month period ending December 31 of each year.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission ("SEC"), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. As of December 31, 2024, 2023, and 2022, the Company had cash and cash equivalents of $291,793, $173,612, and $251,949, respectively.

(e) Accounts Receivable

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales and royalty fees. These receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of outstanding amounts. When determining the allowance for doubtful receivable, the Company has adopted ASC 326, Financial Instruments—Credit Losses. This standard requires that management utilize the Current Expected Credit Losses ("CECL") model to recognize the appropriate allowance for doubtful receivables. This model requires entities to estimate and recognize expected credit losses over the life of the financial instrument. For trade receivables, management has elected to apply a simplified approach, based on historical loss experience and adjustments for current and forecasted economic conditions. Management regularly evaluates individual customer receivables, considering their financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received.

As of December 31, 2024, 2023, and 2022 there was no allowance for doubtful accounts. As of December 31, 2024, 2023, and 2022, the Company had net accounts receivable of $10,200, $16,177, and $0, respectively.

(f) Leasing

The Company adopted ASC 842, *Leases* upon inception. The Company has made an accounting policy election not to recognize right-of-use assets and lease liabilities that arise from any of its short-term leases. All leases with a term of 12 months or less at commencement, for which the Company is not reasonably certain to exercise available renewal options that would extend the lease term past 12 months, will be recognized on a straight-line basis over the lease term.

(g) Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Items in excess of $500 that meet specific guidelines are capitalized. Expenditures for major renewals and improvements are capitalized. Minor replacements, maintenance, and repairs are expensed as incurred. When property and equipment are retired or otherwise disposed of, the cost of the asset and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the result of operations for the respective period. Depreciation on property and equipment is calculated on the straight-line method over the estimated useful lives of the assets. The estimated useful lives for significant property and equipment categories are as follows:

Vehicles	5 years
Furniture and fixtures	5 years
Leasehold improvements	Lesser of the useful life or lease term

(h) Intangible Assets

The Company capitalizes certain costs incurred in the development of its website in accordance with ASC 350-50, *Intangibles—Goodwill and Other: Website Development Costs*. Costs incurred during the planning and post-implementation (operating) stages are expensed as incurred, while costs incurred during the application and development stage, including external direct costs of materials and services and payroll costs for employees directly involved in development, are capitalized.

Capitalized website development costs are included in intangible assets and are amortized on a straight-line basis over an estimated useful life of 5 years, which represents the period over which the asset is expected to provide economic benefit. The Company evaluates the carrying value of the website for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

(i) Revenue Recognition

The Company has adopted ASC 606, Revenue from Contracts with Customers. ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue. For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the various components of the transaction price and the Company's performance obligations.

The Company's revenues consist of initial franchise fees and ongoing royalties based on a percentage of gross revenues.

Royalty fees

Upon evaluation of the five-step process, the Company has determined that royalty fees are to be recognized in the same period as the underlying sales.

Other operating revenue

The Company assists franchisees in purchasing equipment and fixtures from third-party vendors in exchange for a fee. Upon evaluation of the five-step process, the Company has determined that it is an agent, not the principal, and has recorded revenues net of the costs incurred. These revenues are recognized upon transfer of control from the vendor to the franchisee.

Initial franchise fees

The Company is required to allocate the transaction price associated with initial franchise fees between the franchise license and associated performance obligations. In identifying the associated performance obligations, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers*. In addition, the practical expedient allows franchisors to account for pre-opening services as a single distinct performance obligation, which the Company has elected to adopt. These pre-opening services include the following (which the Company may or may not provide all of):

- Assistance in the selection of a site
- Assistance in obtaining facilities and preparing the facilities for their intended use, including related financing, architectural, and engineering services, and lease negotiation
- Training of the franchisee's personnel or the franchisee
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes about local regulations affecting the franchisee's business
- Inspection, testing, and other quality control programs

In determining the allocation of transaction price (the initial franchise fee) to either the license or to the pre-opening services, the Company has determined that the standalone selling price of its pre-opening services exceeds the initial franchise fee received; as such, the Company allocates the entire initial franchise fees to those pre-opening services. The franchise fees are then recognized as revenue when those pre-opening services have been completed (which generally occurs upon commencement of the associated franchised location's operations).

(j) Income Taxes

The Company is structured as a limited liability company under the laws of the state of Utah. Accordingly, the income or loss of the Company will be included in the income tax returns of the members. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under ASC 740, *Accounting for Uncertainty in Income Taxes*. ASC 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the member rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2024, the 2023, 2022, and 2021 tax years were subject to examination.

(k) Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses for the years ended December 31, 2024 and 2023 were $23,479 and $512, respectively. The Company incurred no advertising expenses during the year ended December 31, 2022.

(l) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, and accounts payable the carrying amounts approximate fair value due to their short maturities. The amounts shown for notes payable also approximate fair value because current interest rates and terms offered to the Company for similar debt are substantially the same.

(m) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(n) Reclassification

Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements. These reclassifications had no effect on the previously reported results of operations.

(2) Property and Equipment

As of December 31, 2024, 2023, and 2022, the Company had the following property and equipment:

	2024	2023	2022
Vehicle	$ 43,779	$ 43,779	$ 69,599
Less: accumulated depreciation	(10,000)	(730)	(3,655)
	$ 33,779	$ 43,049	$ 66,444

Depreciation expense for the years ended December 31, 2024 and 2023 was $9,270 and $730, respectively.

(3) Intangible Assets

As of December 31, 2024, 2023, and 2022, the Company had the following intangible assets:

	2024
Website	$ 39,325
Less: accumulated amortization	(9,903)
	$ 29,422

Amortization expense for the year ended December 31, 2024 was $9,903.

(4) Notes Receivable

During the years ended December 31, 2023 and 2022, the Company provided funds to franchisees and affiliates to fund start up costs. These notes receivable are due within 12 months of the balance sheet date and accrue interest at various rates. During the year ended December 31, 2024, the Company’s members contributed notes receivable to the Company. These notes receivable were payable to the members directly by third parties for funds previously loaned by the members. As of December 31, 2024, 2023, and 2022, the total notes receivable were $100,000, $160,760, and $56,200, respectively.

(5) Franchise Agreements

The Company's franchise agreements generally provide for a payment of initial fees as well as continuing royalties, technology fees, and marketing fees to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a location using the Plunj system for a period of ten years. Under the Company's revenue recognition policy, franchise fees and any corresponding direct costs associated with obtaining the contracts such as commissions are recognized when the franchisee begins operations. For any franchisees that have not yet begun operations as of year-end, the Company defers both the revenues and associated direct costs. All locations that are expected to begin operations within the following year are categorized as current, while all others are classified as non-current.

As of December 31, 2024, the Company had deferred revenue of $185,342, all of which was classified as current. As of December 31, 2023, the Company had deferred revenue of $104,500, all of which was classified as current. As of December 31, 2022, the Company had no deferred revenue.

(6) Commitments and Contingencies

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC 450, *Contingencies*, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involving such amounts of unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(7) Subsequent Events

Management has reviewed and evaluated subsequent events through April 16, 2025, the date on which the financial statements were available to be issued.

EXHIBIT "C"
TO THE FDD

SCHEDULE OF FRANCHISEES:
(as of December 31, 2024)

CURRENT FRANCHISES:

	Location	Owner	Phone	Address
Idaho				
1	Idaho Falls	Cade Baldwin	208.821.0714	3510 S 25th E, Idaho Falls
Utah				
2	Kaysville	Matt Hawkes	801.896.0268	265 N Main Street, Ste B, Kaysville
3	Provo	Riley Connors	385.309.4224	768 N University Ave, Ste 10, Provo
4	Saratoga Springs	Boyd Hildreth	406.533.8622	1048 N Redwood Rd, Ste. B, Saratoga Springs

FRANCHISEES THAT TRANSFERRED THEIR FRANCHISE IN 2024: None

No franchisees have been terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during 2024, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document.

Franchisees who signed a Franchise Agreement in 2024, but were not open as of December 31, 2024:

Location	Owner
Scottsdale, Arizona*	Ian Ence
Miami, Florida	Alexander Villanuava
Boise, Idaho	James Curran
Draper, Utah	Albert Stanley
Ogden, Utah	Matt Hawkes
Park City, Utah*	Kim Ence
Salt Lake City, Utah	Jason Blikenstaff
St. George, Utah	Joe Gadd
South Utah County, Utah	Riley Connors

*These units are franchises units owned by one of our owners/principals.

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

“EXHIBIT “D”
TO THE FDD

TABLE OF CONTENTS FOR THE BRAND STANDARDS MANUAL

PLUNJ®
Brand Standards Manual

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EXHIBIT "E"
TO THE FDD

LIST OF AGENTS FOR SERVICE OF PROCESS

If a state is not listed, Plunj Franchise, LLC has not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed below in which Plunj Franchise, LLC has appointed an agent for service of process.

STATE	CONTACT	DEPARTMENT	ADDRESS	PHONE NUMBER
California	Commissioner of Financial Protection and Innovation	Department of Financial Protection and Innovation	2101 Arena Blvd., Sacramento, CA 95834	(916) 445-7205 (866) 275-2677 www.dfpi.ca.gov ask.DFPI@dfpi.ca.gov
Georgia	Secretary of State of Georgia	Corporations Division	2 Martin Luther King Jr. Dr., SE, Suite 315, West Tower, Atlanta, GA 30334	
Hawaii	Commissioner of Securities	Department of Commerce and Consumer Affairs Business Registration Division, Securities Compliance Branch	335 Merchant Street, Room 203, Honolulu, HI 96813	(808) 586-2722
Illinois	Chief, Franchise Division	Office of Attorney General	500 South Second Street, Springfield, IL 62706	(217) 782-4465
Indiana	Indiana Secretary of State		210 State House, Indianapolis, IN 46204	
Maryland	Maryland Securities Commissioner	Division of Securities; Office of Attorney General	200 St. Paul Place, 20th Floor, Baltimore, MD 21202-2020	(410) 576-6360
Michigan	Antitrust and Franchise Business	Michigan Department of the Attorney General's Office; Franchise Administrator; Consumer Protection Division	6546 Mercantile Way, Lansing, MI 48910	(517) 373-7117
Minnesota	Commissioner of Commerce	Minnesota Department of Commerce	85 7th Place East, Suite 280, St. Paul, MN 55101	(651) 539-1600

New York	New York Department of State		99 Washington Avenue, 6th Floor, Albany, NY 12231	(518) 473-2492
North Dakota	Securities Commissioner		600 East Boulevard Ave., State Capitol Fourteenth Floor, Dept. 414, Bismarck, ND 58505-0510	(701) 328-4712
Oregon	Director of Insurance & Finance	Business Service Division of Finance and Corporate Securities Labor and Industries Building	Salem, OR 97310	(503) 378-4387
Rhode Island	Chief Securities Examiner of Business Regulation	Department of Business Regulation Securities Division	1511 Pontiac Avenue, John O. Pastore Complex – Building 69-1, Cranston, RI 02920	(401) 462-9527
South Dakota	Division of Insurance	Securities Regulation	124 South Euclid Avenue, 2nd Floor, Pierre, SD 57501-3185	(605) 773-3563
Virginia	Clerk of the State Corporation Commission		1300 East Main Street, 1st Floor, Richmond, VA 23219	
Washington	Department of Financial Institutions	Securities Division	150 Israel Rd SW Tumwater, WA 98501	(360) 902-8760
Wisconsin	Wisconsin Commissioner of Securities	Franchise Investment Division	101 East Wilson Street, Fourth Floor, Madison, WI 53702	

EXHIBIT "F"
TO THE FDD

LIST OF STATE AGENCIES RESPONSIBLE FOR FRANCHISE DISCLOSURE/REGISTRATION LAWS

STATE	CONTACT	DEPARTMENT	ADDRESS	PHONE NUMBER
California	Commissioner of Financial Protection and Innovation www.dfpi.ca.gov ask.DFPI@dfpi.ca.gov	Department of Financial Protection and Innovation	Sacramento: 2101 Arena Blvd., Sacramento, CA 95834 San Diego: 1455 Frazee Road, Suite 315, San Diego, CA 92108 San Francisco: One Sansome Street, Ste. 600, San Francisco, CA 94101 Los Angeles: 320 West 4th Street, Ste. 750, Los Angeles, CA 90013-2344	Sacramento: (916) 445-7205 San Diego: (619) 525-4233 San Francisco: (415) 972-8559 Los Angeles: (213) 576-7500 Toll Free: (866) 275-2677
Connecticut	Securities and Business Investment Division	Connecticut Department of Banking	260 Constitution Plaza, Hartford, CT 06103-1800	(860) 240-8233
Florida	Division of Consumer Services	Department of Agriculture and Consumer Services	P.O. Box 6700, Tallahassee, FL 23214-6700	(805) 488-2221 Fax: (805) 410-3804
Georgia	Secretary of State of Georgia	Corporations Division	2 Martin Luther King Jr. Dr., SE, Ste. 315, West Tower, Atlanta, GA 30334	
Hawaii	Business Registration Division, Commissioner of Securities	Department of Commerce and Consumer Affairs	P.O. Box 40, Honolulu, HI 96810	(808) 586-2744
Illinois	Franchise Bureau	Office of Attorney General	500 South Second Street, Springfield, IL 62706	(217) 782-4436
Indiana	Franchise Section	Indiana Securities Division, Secretary of State	302 West Washington Street, Room E-111, Indianapolis, IN 46204	(317) 232-6681
Iowa	Iowa Securities Bureau		340 Maple, Des Moines, Iowa 50319-0066	(515) 287-4441
Maryland	Office of the Attorney General	Division of Securities	200 St. Paul Place, 20th Floor, Baltimore Maryland 21202-2020	(410) 576-6360
Michigan	Michigan Attorney General's Office	Consumer Protection Division; Attn: Franchise Section	525 West Ottawa Street, Williams Building, 6th Floor, Lansing, MI 48933	(517) 373-7117

Minnesota	Minnesota Department of Commerce	Securities – Franchise Registration	85 7th Place East, Suite 280, St. Paul, Minnesota 55101-2198	(651) 539-1600
Nebraska	Bureau of Securities/Financial Institutions Division	Department of Banking and Finance	1526 K Street, Suite 300, Lincoln, NE 68508-2732	(402) 471-3445
New York	NYS Department of Law	Investor Protection Bureau	28 Liberty St. 21st Floor, New York, NY 10005	(212) 416-8222 Fax: (212) 416-6042
North Dakota	Franchise Examiner	North Dakota Securities Department	600 East Boulevard Avenue, State Capitol Fourteenth Floor, Dpt 414, Bismarck, ND 58505-0510	(701) 328-4712
Oregon	Division of Finance and Corporate Securities	Department of Consumer and Business Services	Labor and Industries Building	(503) 378-4140 Fax: (503) 947-7862
Rhode Island	Securities Division	Department of Business Regulation	1511 Pontiac Avenue, John O. Pastore Complex 69-1, Cranston, RI 02920-4407	(401) 462-9527
South Dakota	Division of Insurance	Securities Regulation	124 S. Euclid 2nd Floor, Pierre, SD 57501-3185	(605) 773-3563 Fax: (605) 773-5953
Texas	Secretary of State	Registration Division	P.O. Box 13193, Austin, TX 78711-3193 1719 Brazos, Austin, TX 78707	(512) 475-1769
Utah	Division of Consumer Protection	Utah Department of Commerce	160 East 300 South, SM Box 146704, Salt Lake City, UT 84114-6704	(801) 530-6601 Fax: (801) 530-6001
Virginia	State Corporation Commission	Division of Securities and Retail Franchising	1300 East Main Street, 9th Floor, Richmond, VA 23219	(804) 371-9051
Washington	Securities Division	Department of Financial Institutions	150 Israel Rd. SW, Tumwater, WA 98501P	(360) 902-8760
Wisconsin	Division of Securities	Department of Financial Institutions	P.O. Box 1768, Madison, WI 53701	(608) 266-2801
Federal Trade Commission	Division of Marketing Practices	Bureau of Consumer Protection	Pennsylvania Avenue at 6th Street, NW, Washington DC 20580	(202) 326-3128

EXHIBIT “G”
TO THE FDD

RELEASE AGREEMENT (FORM)

RELEASE AGREEMENT
(Form)

This RELEASE AGREEMENT ("Agreement") is made and entered into as of _____ by and between **PLUNJ FRANCHISE, LLC** ("Franchisor") and _____, **LLC/INC.,** _____, **AND** _____ (jointly and severally "Franchisee"). The above will collectively at times be referred to as "Parties" and individually as "Party." Capitalized terms used herein will have the meanings set forth in the Franchise Agreement, unless defined otherwise herein.

RECITALS

WHEREAS, Franchisee entered into a Plunj® franchise agreement on _____ with Franchisor ("Franchise Agreement"); and

WHEREAS, the Franchise Agreement was personally guaranteed by _____ and _____ ("Personal Guarantor(s)"); and

WHEREAS, the Franchise Agreement has been terminated effective as of _____.

NOW THEREFORE, in consideration of the recitals, premises and other provisions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Franchisor, Franchisee and Personal Guarantor(s) hereby agree as follows:

1. Franchisee and Personal Guarantor(s) hereby, fully and irrevocably, release, acquit and forever discharge Franchisor and its successors, affiliates, directors, officers, members, managers, employees, shareholders, representatives and agents and each of them, individually and collectively, of and from any and all claims, demands, obligations, causes of action, suits or liabilities of any kind and nature, whatsoever, whether known or unknown, suspected or unsuspected, and in whatever legal theory or form which Franchisee and Personal Guarantor(s) have or claim to have, or at any time heretofore, had or claimed to have had, or which may hereafter accrue or arise, against Franchisor, its successors, affiliates, directors, officers, members, managers, shareholders, employees and agents, and each of them, by reason of, or in any way connected with the Franchise Agreement, the relationship described therein and any business transaction, agreement or occurrence, act or omission relating thereto prior to the date hereof. Franchisee and Personal Guarantor(s) further waive any and all state law provisions limiting the effect of a general release.

2. Franchisee and Personal Guarantor(s) hereby covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court agency, or other forum, either affirmatively or by way of crossclaim, defense, or counterclaim against any person or entity released under Section 1 above with respect to any claim released under Section 1.

3. Franchisee and Personal Guarantor(s) represent that each of them fully understands the broad coverage of the release provisions of this Agreement, and that they execute the same with respect to all claims, causes of action and demands, as set forth above, they have or may have against the Franchisor, fully intending that the provisions hereof be given the broadest interpretation permitted by law or the English language. Franchisee and Personal Guarantor(s) acknowledge and expressly agree that they will make no claim, and hereby waive any right they may now have, or may hereafter have, based upon any alleged oral or written alteration, amendment, or modification of this Agreement, fully waiving any right they may have to refer to extrinsic matters in the interpretation hereof, whether to establish fraud, duress, mistake, undue influence, or for any other purpose.

4. This Agreement may be pleaded as a full and complete defense to, and may be used as the basis for, an injunction against any action, suit or other proceeding which may be instituted, prosecuted or maintained in breach of this Agreement.

5. Franchisee and Personal Guarantor(s) are reminded of their ongoing obligations under the non-competition clauses of the Franchise Agreement and the Brand Protection Agreement for Principals signed with Franchisor.

6. Miscellaneous.

6.1 Cooperation. Franchisee and Personal Guarantor(s) will make, execute and deliver to Franchisor, promptly upon request and without additional consideration, any document or instrument necessary to carry out and effectuate the purposes of this Agreement.

6.2 Choice of Law and Jurisdiction. This Agreement will be construed in accordance with and all disputes hereunder will be governed by the laws of the state of Utah without giving effect to its conflicts of law provisions. Franchisee, Personal Guarantor(s), and Franchisor hereby irrevocably consent to the exercise of general personal jurisdiction in the courts of record of the state of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and we both agree that Salt Lake County, Utah will be the exclusive venue for any litigation between us. Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Salt Lake County, Utah.

6.3 Arbitration. In the event any controversy or dispute arises between the Parties hereto in connection with, arising from or with respect to the provisions hereof, the relationship of the Parties hereto, or the validity of this Agreement or any provision hereof, such dispute or controversy will, on the request of any Party hereto be submitted for arbitration to the American Arbitration Association in accordance with its commercial arbitration rules. All arbitration hearings will be conducted exclusively in Salt Lake County, Utah, and the laws of the state of Utah will govern without giving effect to its conflicts of law provisions. The arbitrator will have the power and jurisdiction to decide such controversy or dispute solely in accordance with the express provisions of this Agreement. The prevailing Party in any arbitration suit or action to enforce this Agreement, will be entitled to recover the administrative costs of the arbitration proceeding and the fee for the arbitrator. The Parties agree that any claim hereunder will result in an award not more than 120 days from the date of the statement of claim filed with the American Arbitration Association, unless otherwise waived by the Parties. The award and findings of the arbitrators will be conclusive and binding upon all Parties hereto and the judgment upon the award may be entered in any Court of competent jurisdiction.

6.4 Attorneys' Fees and Costs. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

6.5 Amendment. This Agreement may be amended, modified or changed only by a written instrument signed by duly authorized representatives of both Parties.

6.6 Company Authority. The persons signing below warrant that they are authorized to enter into this Agreement on behalf of their respective principals identified below and that by their signatures they bind such principals to this Agreement.

6.7 Binding Agreement. This Agreement and all its terms, conditions and stipulations will be binding upon and will inure to the benefit of the Parties hereto and their respective legal representatives, heirs, successors and permitted assigns.

6.8 Confidentiality. Franchisee and Personal Guarantor(s) agree to maintain this Agreement, the terms hereof, and any and all information obtained or provided by either Party in order to initiate a contractual relationship, in the strictest of confidence.

6.9 Counterparts. This Agreement, and those contemplated herein, may be executed in counterparts, including by means of telefaxed, emailed pdf or other electronically delivered signature page, each of which will be deemed an original, but all of which together will constitute one and the same document.

6.10 Entire Agreement. This Agreement contains the entire agreement and only understanding between the Parties with respect to the subject matter hereof and supersedes all previous negotiations, agreements and understandings between the Parties and affiliates of the Parties, in connection with the subject matter covered herein, whether oral or written, and any warranty, representation, promise or condition in connection therewith not incorporated herein will not be binding upon either Party. The Parties hereby agree that all prior agreements between the Parties regarding the subject matter hereof are hereby terminated with no continuing duties or obligations on the part of the other Party.

6.11 Paragraph Headings. The paragraph headings appearing in this Agreement are inserted only as a matter of convenience and reference and in no way define, limit, construe or describe the scope, interpretations or extent of such paragraph or in any way affect such paragraph or this Agreement. Words in the masculine gender include the feminine and neuter. Use of the singular will include the appropriate plural numbers.

6.12 Enforceability. Any provision of this Agreement, which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, not be effective to the extent of such prohibition, but such prohibition will not invalidate the remaining provisions hereof or affect the validity or enforceability of such provisions in any other jurisdiction.

7. This Agreement will be effective when all the parties have signed it. The date of this Agreement will be the date this Agreement is signed by the last party to sign it as provided in the signature block below.

8. For franchisees located in California only:

These releases are intended to waive, release and discharge all claims, other than those expressly reserved herein, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The parties, with the advice of their respective counsel, waive the benefit of both statute and other legal doctrine or principle of similar effect in any jurisdiction.

9. For franchisees located in Washington only: This Agreement does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or any rule or order adopted thereunder.

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Agreement and have caused this Agreement to be executed as of the date provided below written with the full authority of the company principal they represent.

FRANCHISOR:	FRANCHISEE:
PLUNJ FRANCHISE, LLC	_____
By: _____ (Signature)	By: _____ (Signature)
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

PERSONAL GUARANTOR(S):

By: _____	By: _____
Name: _____	Name: _____
Date: _____	Date: _____
By: _____	By: _____
Name: _____	Name: _____
Date: _____	Date: _____

EXHIBIT “H”
TO THE FDD

SIGNING CHECKLIST

Franchise Documents Signing Checklist
The following items need to be filled out, signed, or dated by the party indicated

1. When you receive the FDD.

DOCUMENT	PAGE OR SECTION NUMBER	INSTRUCTIONS	CHECK WHEN COMPLETED
FDD Receipt Pages	(last 2 pages of the entire FDD packet)	There are two receipt pages at the very end of the FDD. You must sign and date both copies. You will keep the copy labeled "Franchisee Copy" and return the other copy ("Franchisor Copy") to the franchisor ("Plunj®").	_____

2. When you sign the Franchise Agreement and other documents.

DOCUMENT	PAGE OR SECTION NUMBER	INSTRUCTIONS	CHECK WHEN COMPLETED
Franchise Agreement	(page 1)	Fill in the franchisee name	_____
Franchise Agreement	(page 3)	In first paragraph fill in date and franchisee name.	_____
Franchise Agreement	(page 40)	Fill in the franchisee name, address, and email	_____
Franchise Agreement	(page 47)	**1**. If the franchisee is an entity, (1) fill in the entity name on the line before LLC/INC., and have the president, manager, etc. sign on behalf of the entity. **2**. If there is no entity, the franchisee will sign on the lower lines and print his or her name on the line before "personally."	_____
Territory	Exhibit A-1 (page 48)	If the premises is not already known, this will be filled out and initialed later.	_____
Company Reps. and Warranties	Exhibit A-2 (page 49-50)	The franchisee must fill in the appropriate fields, date, and sign.	_____
Brand Protection Agreement for Principals	Exhibit A-4 (page 53-56)	Each owner and principal manager of the franchisee must fill out and sign this agreement.	_____
Personnel Brand Protection Agreement	Exhibit A-5 (page 57-61)	To be filled out and signed by each one of franchisee's employees.	_____
Landlord's Consent to Assignment	Exhibit A-6 (page 62)	Landlord fills in the blanks, dates, and signs.	_____
ACH Agreement	Exhibit A-7 (page 63)	This must be filled out with all the appropriate bank information and signed.	_____

Guaranty of Assumption of Obligations	Exhibit A-8 (page 64-65)	Franchisee must fill in the date, the name of its entity and the date of the franchise agreement on the first page. The owners of the franchisee	_____
Digital and Social Media Authorization for Assignment	Exhibit A-9 (page 66-67)	Franchisee and franchisor must sign this.	_____
Franchisee Report	Exhibit A-10 (page 68)	Franchisee must fill out relevant information, sign, and date.	_____

3. Exhibits to the FDD.

DOCUMENT	PAGE OR SECTION NUMBER	INSTRUCTIONS	CHECK WHEN COMPLETED
Form Release Agreement	Exhibit – G	This does not get signed at the time of signing the franchise agreement. This agreement or a form thereof will only be signed upon the termination, non-renewal or transfer of the franchise.	_____

4. Items to complete after you sign the franchise agreement.

DOCUMENT	INSTRUCTIONS	CHECK WHEN COMPLETED
Proof of insurance	The franchisee must get and maintain insurance and provide proof of insurance that lists the franchisor as an additional insured. The franchisee must provide this **annually**.	_____
Franchisee's d.b.a.	In the state where your franchise is located, you need to file for a dba or "doing business as" under the name "Plunj _____." The blank line will be the city or neighborhood where your franchise is located or as assigned by the franchisor. For example, if your franchise is located in Irvine, California, your filed dba could be "Plunj – Irvine." The franchisor must approve your dba before you file it. You must send a copy of the dba filing to the franchisor after it is filed. Please note that a dba is different from your company name if you have a company that is the franchisee. Please note that also you cannot use the name "Plunj" as part of your company name.	_____
Franchisee's certificate of occupancy	Franchisee must provide a certificate of occupancy before you schedule on-site opening assistance/training	_____
Franchisee's entity documents	Articles of incorporation/organization along with bylaws or operating agreement sent to franchisor.	_____
Copy of lease agreement	The franchisee must provide a copy of the lease agreement to the franchisor.	_____

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Virginia	Pending
Washington	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT
(Franchisee's 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 Plunj Franchise, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If Plunj Franchise, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator listed in Exhibit "F." Plunj Franchise, LLC authorizes the respective state agencies identified on Exhibit "E" to receive service of process for it in the particular state.

The issuance date of this disclosure document is April 25, 2025.

Plunj Franchise, LLC is located at 493 E 4380 N, Provo, Utah 84604. Its telephone number is (801) 955-5158. The names, business addresses, and phone numbers of each franchise seller offering this franchise is as follows:

Name	Address	Phone Number
Sean Foster	493 East 4380 North, Provo, Utah 84604	(801) 955-5158
Derek Ence	2444 Piper Way, Park City, Utah 84060	208-313-3375
Ian Ence	2047 W 1100 N, Provo, Utah 84604	801-935-0502

If your franchise seller's name and contact information is not listed above, please list the name, address, and phone number of the franchise seller: _____
_____.

I received a disclosure document dated April 25, 2025, that included the following Exhibits:

A.	Franchise Agreement and Its Exhibits	E.	List of Agents for Service of Process
B.	Financial Statements	F.	List of State Agencies Responsible for Franchise Disclosure and Registration Laws
C.	Schedule of Franchisees	G.	Release Agreement (Form)
D.	Table of Contents for Manual	H.	Signing Checklist

Date: _____ By: _____
(Do not leave blank) (Signature)

Title: _____ Name: _____
(Print name)

Please keep this copy for your records.

RECEIPT
(Franchisor's 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 Plunj Franchise, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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D.	Table of Contents for Manual	H.	Signing Checklist

Date: _____ By: _____
(Do not leave blank) (Signature)

Title: _____ Name: _____
(If signing on behalf of a company) (Print name)

If you do not sign this receipt via our electronic signature platform, then you need to send us a signed and dated copy. You may return the signed and dated receipt by mailing it to Plunj Franchise, LLC at 493 E 4380 N, Provo, Utah 84604, or by emailing a copy of the signed and dated receipt to franchise@plunj.co.