# FRANCHISE DISCLOSURE DOCUMENT

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| | **Prime I.V. Hydration & Wellness, Inc.**<br>**A Wyoming Corporation**<br>**1434 Kelly Johnson Blvd.**<br>**Colorado Springs, CO 80920**<br>**Telephone: (719) 375-1413**<br>**Website: www.PrimeIVHydration.com**<br>**Email: Franchising@PrimeIVHydration.com** |

This disclosure document is for the right to own and operate a franchise ("Unit Franchise") in which you will be responsible for operating and/or managing IV rejuvenation centers ("Center(s)") that specialize in providing customized nutrient IV hydration therapy and cryotherapy services to the general public at a specific location under the word mark "Prime IV Hydration & Wellness®" and design/logo mark "and such other trademarks we authorize ("Marks"). Each Unit Franchise will report to and receive support directly and indirectly from our corporate headquarters, or from one of our Area Representatives where the Unit Franchise is located.

The total investment necessary to begin operation of a new Prime IV Hydration & Wellness® Center is $164,108 to $599,722. This amount includes $49,000 that must be paid to the franchisor or an affiliate.

The total investment necessary to begin operation of an Add-On Prime IV Hydration & Wellness® Center is $74,608 to $440,722. This amount includes $34,000 that must be paid to the franchisor or an affiliate.

This disclosure document ("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 fourteen (14) calendar days before you sign a binding agreement with, or make any payment to us or an affiliate in connection with the proposed franchise sale. **Note, however that no government agency has verified the information contained in this document.**

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Amy Neary, Chief Executive Officer, Prime I.V. Hydration & Wellness, Inc., 1434 Kelly Johnson Blvd. Colorado Springs, CO 80920, (719) 375-1413. The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read your entire contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information on franchising. 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 7, 2023**

## How to Use This Franchise Disclosure Document

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

| QUESTION | WHERE TO FIND INFORMATION |
|---|---|
| **How much can I earn?** | Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit F. |
| **How much will I need to invest?** | Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use. |
| **Does the franchisor have the financial ability to provide support to my business?** | Item 21 or Exhibit D 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 Prime IV Hydration & Wellness® 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 Prime IV Hydration & Wellness® franchisee?** | Item 20 or Exhibit F lists current and former franchisees. You can contact them to ask about their experiences. |
| **What else should I know?** | These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents. |

## What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

## Some States Require Registration

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

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

## Special Risks to Consider About *This* Franchise

1. **Out-of-State Dispute Resolution.** The Franchise Agreement requires you to resolve disputes with the franchise by mediation, arbitration, and/or litigation only in Colorado. Out-of-state mediation, arbitration, and/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 Colorado than in your own state.

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

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

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

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

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.

## REQUIRED BY THE STATE OF MICHIGAN

**The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.**

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

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

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

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

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

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

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

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

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

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

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

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

franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

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

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

Any questions regarding this notice should be directed to the Attorney General's Department for the State of Michigan, Consumer Protection Division, Franchise Section, 670 Law Building, 525 W. Ottawa Street, Lansing, Michigan 48913, (517) 373-7117.

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EXHIBITS TO DISCLOSURE DOCUMENT:


A. STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS
B. FRANCHISE AGREEMENT FOR UNIT FRANCHISES
C. OPERATIONS MANUAL: TABLE OF CONTENTS
D. FINANCIAL STATEMENTS OF FRANCHISOR
E. NON-DISCLOSURE AGREEMENT, CONFIDENTIALITY AGREEMENT AND BRAND PROTECTION AGREEMENT
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## Item 1

## THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES

Prime I.V. Hydration & Wellness, Inc., a Wyoming corporation, is offering prospective Franchisees the opportunity to own and operate a Unit Franchise in accordance with the terms described in this Disclosure Document. To simplify the language in this Disclosure Document, the terms, "We," "Us," or "the Company") mean Prime I.V. Hydration & Wellness, Inc., the franchisor (but not the Company's officers, directors, agents or employees). "You" or "Franchisee" means the person who buys a franchise from us. The term "Unit Franchise" or "Unit Franchises", mean one or several Prime IV Hydration & Wellness® single-unit franchises. The owner(s) or operator(s) of a Unit Franchise(s) is referred to as a "Unit Franchisee(s)" or simply as a "Franchisee(s)". If you are a corporation, partnership, limited liability company, or other entity, your principal shareholders, partners or members will be referred to as "Owners". Unless otherwise indicated, the term "Franchised Business" means a Unit Franchise.

### The Franchisor, and any Parents Predecessor and Affiliates.

We are a Wyoming corporation, created on August 28, 2019 under the name "Revivology Franchising, Inc. On February 19, 2020, we changed our corporate name to "Prime I.V. Hydration & Wellness, Inc." We have never offered franchises in any other line of business, and have never engaged in any other business activities. We have no parents or predecessors. We intend to do business under the name "Prime IV Hydration & Wellness®" and such other trademarks we authorize ("Marks").

Our principal business and mailing address is 1434 Kelly Johnson Blvd., Colorado Springs, CO 80920. Our telephone number is (719) 375-1413. Our agent for service of process is disclosed in **Exhibit A**.

Our affiliate, Unified Health Solutions LLC DBA Prime IV Hydration & Wellness®, located at 9475 Briar Village Point, Colorado Springs, CO 80920, operates a business substantially similar to a Prime IV Hydration & Wellness® Unit Franchise. Unified Health Solutions LLC DBA Prime IV Hydration & Wellness® is owned by our CEO. We have no affiliates that offer franchises in any lines of business or that offer goods or services to our franchisees.

Our affiliate, Prime Digital Marketing, located at 1434 Kelly Johnson Blvd Colorado Springs CO 80920, will be our required vendor for digital marketing for Prime IV Unit Franchises in the near future. Prime Digital Marketing is owned by our CEO, and does not offer franchises in any lines of business.

### Our Business.

We currently offer two types of businesses: 1) Unit Franchises; and 2) Area Representative Businesses ("Area Representative(s)"). We began offering both types of franchise in January 2020. Area Representative Businesses are offered under a separate disclosure document ("FDD for Area Representative Businesses"). We are not currently engaged in any other lines of business.

We offer Unit Franchises to persons or legal entities that meet our qualifications, and are willing to undertake the investment and effort to own and operate Franchised Businesses that will own, operate and/or manage Prime IV Hydration & Wellness® IV centers ("Center(s)") that provide customized nutrient IV hydration therapy and cryotherapy to the general public. You may purchase your franchise as a new, start-up Center (a "New Center or Franchise"), or you may begin utilizing the Prime IV Hydration & Wellness® franchise system at an existing medical or healthcare center (referred to as an "Add-On Center or Franchise"). If you are an unlicensed person, you may own and operate a Center only if it is permissible under applicable law, otherwise, you may only manage a Center for a licensed person or entity that is authorized to own and operate a Center. For purposes of this Disclosure Document, the term "licensed person" means a person that has a medical or other similar license from a state which authorizes them to treat or supervise the treatment of patients or clients. Depending on where you reside, your state may require

that the services rendered at your Center must be supervised by a licensed person." You must consult independent legal counsel in your state to ensure the legality of your ownership or management.

Area Representatives Businesses have a continuing right to solicit potential purchasers for our Unit Franchises in a defined territory. Area Representatives also provide development and ongoing franchise support services to the Unit Franchises within a defined territory. Depending on your area, you may have an existing Area Representative that assists us with your Unit Franchise. If your Unit Franchise is located in an area where we have an Area Representative, the Area Representative will provide, on our behalf, certain franchise sales and support services to you.

Professional Corporation/Management Company Structure

Except where unlicensed ownership and operation of a Center is allowed by applicable law, each Center must be owned and operated by one or more licensed medical or healthcare professionals that will provide medical and healthcare services in the state in which the Center is located. In those states that require a Professional Corporation ("P.C.") (or similar entity, such as a professional limited liability company structure) to own and/or operate a Center, you as a potential franchisee will, in those circumstances, supply management and general business services to the P.C. who will in turn, own and operate the Center. We expect that these licensed medical or healthcare professionals will form a "P.C.", and will operate the P.C. with or as permitted under local and state laws.

To operate a Unit Franchise, you must enter into a Franchise Agreement with us (attached as **Exhibit B** of this Disclosure Document). You must operate your Unit Franchise at a site we approve. You will operate your Unit Franchise in complete accordance with the standards and procedures designated by the Company (the "System"), and according to our operations manual for Unit Franchises ("Manual"), as it may be changed from time to time.

If you are a not a licensed medical or healthcare professional, in addition to signing the Franchise Agreement with us, before you begin operating the Franchised Business, you must enter into a management agreement ("Management Agreement") with a P.C. A copy of our form of Management Agreement is available in our Manual. Under a Management Agreement, an unlicensed Unit Franchisee will provide a P.C. with management, administrative services and general business and operational support consistent with the System and generally supports the P.C.'s Center and its delivery of medical or healthcare services and related products to clients at a Center; consistent and in compliance with all applicable laws and regulations. Subject to changes that may be required by laws of the state where you will operate your Unit Franchise, you must use our applicable standard form of Management Agreement. While we provide you a generic form of Management Agreement, you are responsible for ensuring that it complies with the laws and regulations of your state. If needed, you may negotiate the monetary terms and certain other discretionary business terms of your relationship as a management company for the P.C. who owns and operates the Center and who delivers medical or healthcare services for your Unit Franchise. You must obtain our written approval of the final Management Agreement prior to signing it with a P.C. Prior to entering into any agreement with a P.C., you must also submit information about the P.C. and its licensed professionals, and their credentials, for our approval. You must maintain a current, conforming and compliant Management Agreement with a valid and approved P.C. who is in regulatory good standing at all times during the operation of the Franchised Business.

The P.C. is responsible to employ and control medical or healthcare professionals and staff of the Center who provide actual medical or healthcare services to be delivered at the Center where you operate your Franchised Business. An unlicensed Franchisee may NOT provide nor direct the administering of any actual medical or healthcare services, nor supervise, direct, control or suggest to the P.C. or its licensed medical or healthcare professionals the manner in which the P.C. provides or administers actual medical or healthcare services to its clients (except as described below under "Waiver of Management Agreement."). Due to various federal and state laws regarding the practice of medicine, and the ownership and operation of Centers and health care businesses that provide medical or healthcare services, it is critical that any unlicensed Franchisees do not engage in practices that are, or may appear to be, the practice of medicine. The P.C. is responsible for, and must offer all medical or healthcare services in accordance with all applicable laws and regulations, and a conforming Management Agreement and the System.

You must also ensure that your relationship with the P.C. for which you manage the Center complies with all laws and regulations. The P.C. who owns the Center must comply with all laws and regulations and secure and maintain in force all required licenses, permits and certificates relating to the operation of a Center. Franchisees may assist the P.C. in its effort to comply with such laws and regulations, but must do so under the direction of the P.C. Each state has medical, nursing, physician assistant, naturopathic, and other boards that determine rules and regulations regarding their respective members and the scope of services that may legally be offered by their members. The laws and regulations generally include requirements for the medical providers to hold required state licenses and registrations to work as medical professionals or healthcare providers in the state where the Center is located, and to hold required certifications by, or registrations in, any applicable professional association or registry. If a state or jurisdiction has such laws or regulations, these laws and regulations are likely to vary from state to state, and these may change from time to time.

Ownership and Operations of Centers By Licensed Medical or Healthcare Professionals

Depending on the laws of your state, if you are a licensed medical or healthcare professional and/or have your own P.C., you may not be required to execute a Management Agreement in order to operate a Unit Franchise. However, you must agree that you will ensure that will you operate your Center in compliance with all applicable federal and state requirements and will only offer those products and services that are permitted under your medical or healthcare license. You may purchase and operate your Franchise as a new, start-up (a "Start-up Unit Franchise"), or may convert an existing medical or healthcare practice (a "Conversion Unit Franchise").

Ownership and Operation of Centers By Unlicensed Persons Without a P.C.

In certain states, it may be permissible under the existing laws that may be applicable to medical or healthcare professionals and/or practices, such as Centers, for an unlicensed person to both own and operate a Center and a Unit Franchise, including hiring medical or healthcare professionals and personnel and to provide medical or healthcare services to clients at the Center. If you determine that the laws that would apply to a Center in your state would permit you to do so, you may request that we waive some of the requirements of the Franchise Agreement related to separating the operation of the medical or healthcare aspects of the Center from the management aspects. In particular, you (i) may not need to enter into a Management Agreement with a P.C. that, as a separate entity, would otherwise operate the Center and provide all medical or healthcare services, and (ii) you would not be restricted from hiring and supervising medical or healthcare professionals. Any waiver, or any modification of our standards, would be subject to compliance with all applicable laws and regulations. If we agree to do a waiver, you must enter into an Amendment to Waive Management Agreement ("Waiver Agreement") (**Exhibit H** of this Disclosure Document). Under the Waiver Agreement, you agree that, instead of entering into the Management Agreement with a separate P.C., you will (a) operate the Center, including performing all responsibilities and obligations of the "P.C." under the Management Agreement, and (b) manage the Center as required in the Franchise Agreement and by performing all the responsibilities and obligations of the "Company" under the Management Agreement in conformity and compliant with all applicable laws and regulations.

You are responsible for operating in full compliance with all laws that apply to a Unit Franchise and Center, and you must make your own determination as to your legal compliance obligations. Additionally, the laws applicable to your Center may change, and if there are any medical or healthcare regulations or other laws that would render your operation of the Center through a single entity (or otherwise) in violation of any medical or healthcare regulation or law, you must immediately advise us of such change and of the your proposed corrective action to comply with medical or healthcare regulations and law, including (if applicable) entering into a Management Agreement with a P.C. Similarly, if we discover any such laws, upon providing you notice of such laws, you agree to make such changes as are necessary to comply with medical regulations, including (if applicable) entering into a Management Agreement with a P.C.

Regardless of whether you are licensed or an unlicensed person or entity, if we grant you the right to operate a Franchised Business, neither we nor you are engaging in the practice of medicine, nursing or any other profession that requires specialized training or certification, and you, as Franchisee, must not engage in the practice of medicine, nursing or any other profession that requires specialized training or certification, unless you are properly licensed to

do so. The Franchise Agreement and Management Agreement will not interfere with, affect or limit the independent exercise of medical judgment by the P.C. and its professional medical or healthcare staff. It will be your responsibility for researching all applicable laws, and we strongly advise that you consult with an attorney and/or contact local, state and federal agencies before signing a Franchise Agreement with us, or a Management Agreement with a P.C., or any other agreements, to determine your legal obligations and evaluate the possible effects on your costs and operations.

Under our Franchise Agreement, the Company gives you the right to establish and operate a Unit Franchise at a site approved by the Company. The Franchise Agreement gives you the right to operate a Unit Franchise under the trademark "Prime IV Hydration & Wellness®" and other marks designated by the Company from time to time (all referred to as the "Marks"). Under the Agreement, unless prohibited by law, you must offer all products and services that we may specify and may not offer any products or services we have not authorized.

It is anticipated that most Centers associated with Franchised Businesses will be located where traditional medical practices are located. However, in the future we may offer the right to operate a Franchised Business in a "Non-Traditional Site." For purposes of this Disclosure Document, a "Non-Traditional Site" means any site or channel that generates customer traffic flow that is independent from the general customer traffic flow of the surrounding area (i.e. stadiums and airports).

**Market and Competition.**

The market for Unit Franchises is well-established and highly competitive and includes all individuals who desire medical or healthcare services. If you open a Franchise Business, the competition for the Center associated with your Franchised Business will include other businesses or professionals offering similar products and services to individuals. These competitors may include other medical or healthcare clinics and other medical facilities and franchises. Your Franchised Business may also face competition from businesses or professionals who operate multi-disciplinary medical and/or health practices, which offer medical and health services to their clients.

**Laws and Regulations.**

You are responsible for operating in full compliance with all laws that apply to your Franchised Business and any Centers that you own, operate and/or manage. Specifically, you must ensure that you are in compliant with United States Pharmacopeia (USP) 797 Guidelines during the time that you are operating your Unit Franchise. The medical industry is heavily regulated. These laws may include federal, state and local regulations relating to: the practice of medicine, nursing, or other professional services, and the operation and licensing of medical or healthcare professionals or facilities; the relationship of providers and suppliers of health care services, including anti-kickback laws (including the Federal Medicare Anti-Kickback Statute and similar state laws); restrictions or prohibition on fee splitting; physician self-referral restrictions (including the federal "Stark Law" and similar state laws); payment systems for medical benefits available to individuals through insurance and government resources (including Medicare and Medicaid); privacy of client records, including the Health Insurance Portability and Accountability Act of 1996(HIPAA); use of medical devices; and advertising of medical services. While not all of these laws and regulations will be applicable to all Centers, depending on location and services provided, it is important to be aware of and compliant with the regulatory framework. You should ensure that all employees that will work with clients in your Franchised Business undergo a background check. Each Center is considered a "covered entity" for purposes of HIPAA. Centers will not be required to enroll in state or federal reimbursement programs, such as Medicare or Medicaid, and therefore may not accept Medicare patients.

You must secure and maintain in force all required licenses, permits and certificates relating to the operation of the Franchised Business and the other licenses applicable to Centers. You must not employ any person in a position that requires a license unless that person is currently licensed by all applicable authorities and a copy of the license or permit is in your business files and displayed as may be required. You must comply with all state and local laws and regulations regarding the management of any Center.

You must also ensure that your relationship with any P.C. for which you manage Centers complies with all laws and regulations, and that the P.C. complies with all laws and regulations and secures and maintains in force all required licenses, permits and certificates relating to the operation of a Center. Each state has medical, nursing, physician assistant, naturopathic and other boards that determine rules and regulations regarding their respective members and the scope of services that may legally be offered by their members. The laws and regulations generally include requirements for the medical providers to hold required state licenses and registrations to work as medical or healthcare providers in the state where the Center is located, and to hold required certifications by, or registrations in, any applicable professional association or registry. If a state or jurisdiction has such a law or regulation, these laws and regulations are likely to vary from state to state, and these may change from time to time.

It is your obligation to consult with a local attorney to determine whether you will be required to work with a P.C. in order to operate a Franchised Business. You understand that it is your responsibility to operate your Unit Franchise in compliance with the laws and regulations of your state. This may mean that you may have to alter the structure of your franchise and begin working with a P.C., if the state you operate in does not allow, or decides to no longer allow, an unlicensed person from owning and/or operating a Center.

Some states may permit an unlicensed person from owning and operating a Center, but require you to first obtain a license or permit. You understand that it is your responsibility to obtain all necessary licenses or permits to operate your Unit Franchise.

In addition, you must operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations, including, without limitation, government regulations relating to occupational hazards, health, HIPAA, EEOC, OSHA, discrimination, employment, sexual harassment, worker's compensation and unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales and service taxes. You agree to execute all documents, including documents with us, our agents, affiliates, etc., or others, to ensure compliance with any applicable laws, whether such laws are applicable now or in the future. You should consult with your attorney concerning those and other local laws and ordinances that may affect the operation of your Franchised Business.

## Item 2

## BUSINESS EXPERIENCE

**Amy Neary- Chief Executive Officer**

Ms. Neary has been our Chief Executive Officer since August 2019. Ms. Neary has been the Owner of Unified Health Solutions LLC dba Prime IV Hydration & Wellness® from Sept. 2017 to the present. From November 2011 to the July 2022, Ms. Neary was the Owner of Mullins Family, Inc. dba Any Lab Test Now, located in Colorado Springs, CO. From August 2008 to July 2022, Ms. Neary was the Owner of Modamola, Inc. dba Any Lab Test Now located in Colorado Springs, CO.

**Janessa Retzer – Sr. Director of Operations**

Ms. Retzer has been our Sr. Director of Operations since January 2023. From March 2022 to January 2023, Ms. Retzer was the Director of Store Operations at Restore Hyper Wellness and Cryotherapy – HQ, located in Austin, TX. From June 2020 to March 2022, Ms. Retzer was the Regional Manager for BioHax, LLC, dba Restore Hyper Wellness and Cryotherapy, located in Austin, TX. From April 2018 to June 2020, Ms. Retzer was the manager of Operations at Modern Acupuncture, located in Scottsdale, AZ. Ms. Retzer was the Customer Experience Manager at the Joint Chiropractic from November 2015 to April 2018, located in Scottsdale, AZ.

**April Hicks – Vice President of Marketing**

Ms. Hicks has been our Vice President of Marketing since April 2023. From July 2020 to April 2023, Ms. Hicks was the Sr. Director of Brand Strategy at Wellbiz Brands Inc., located in Denver, CO. From January 2016 to April 2020, Ms. Hicks was the Brand Manager at Red Robin Gourmet Burgers Inc., located in Englewood, CO.

**Steve Shideler – Vice President of Digital Strategy**

Mr. Shideler has been the Vice President of Digital Strategy since April of 2023. From August 2022 to March 2023, Mr. Shideler was the VP of Marketing. From April 2019 to the present Mr. Shideler has been the owner of Shideler Consulting Group LLC, located in Colorado Springs, CO. From May 2015 to present Mr. Shideler has been the owner of Grey Ventures LLC located in Colorado Springs, CO. From October 2010 to present, Mr Shideler has been the owner of Shideler Retail, Inc. dba Once Upon A Child located in Colorado Springs, CO.

## Item 3

## LITIGATION

No litigation is required to be disclosed in this Item.

## Item 4

## BANKRUPTCY

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

## Item 5

## INITIAL FEES

**Initial Franchise Fees.**

You must pay to us an initial fee ("Initial Franchise Fee") of $49,000 upon signing your Franchise Agreement for each new franchise you purchase. You must pay to us an Initial Franchise Fee of $34,000 upon signing your Franchise Agreement if you purchase an Add-On Franchise that is being converted from an existing medical or healthcare practice to a Prime IV Hydration & Wellness® Unit Franchise.

**Discount for Purchase of Multiple Unit Franchises**

If you purchase multiple Unit Franchises from us at the same time, the Initial Franchise Fee will be as follows for each Unit Franchise you purchase from us:

| | |
|---|---|
| First Unit Franchise | $49,000 (no discount) |
| Each Additional Unit Franchise | $39,000 ($10,000 discount) |
| | |
| For Add-On Franchise | $34,000 |
| Each Additional Add-On Franchise | $29,000 |

Note that to qualify for the multiple Unit Franchise discount, you must sign a separate Franchise Agreement for each Unit Franchise and pay us the total Initial Franchise Fee due for all Unit Franchises your purchase at the same time.

**Payment of Fees.**

The Initial Franchise Fees are fully earned and non-refundable. There is no financing available from us for the payment of the Initial Franchise Fee. We reserve the right to modify the Initial Franchise Fees in the future to reflect the changing costs of doing business and changes in the value of a Unit Franchise.

## Item 6

## OTHER FEES

| Fee (1), (2) | Amount | Due Date | Remarks |
|---|---|---|---|
| Royalty Fee | 7% of Gross Revenues (3) | Collected Monthly | Based on your Gross Revenues (3). |
| Contribution to the Company's Branding Fund | Currently 1% of Gross Revenues, but may increase up to 2% | Collected Monthly | Based on Gross Revenues (3). |
| Minimum Local Advertising Requirement | Minimum of $2,500 per monthly, or 5% of Gross Revenues, whichever is greater | Collected Monthly | This is payable to us our required vendor for digital marketing services. |
| Local or Regional Advertising Cooperatives | Varies without limitation; based on a vote of the cooperative | As required by the cooperative | The amounts contributed to the Advertising Cooperative may not be applied towards the Local Market Advertising requirement. The monthly contributions to all cooperative will not be more than $2,000. |
| Interest | Lesser of (i) the highest commercial contract interest rate permitted by state law, and (ii) the rate of eighteen percent (18%) per annum. | From the date payments are due, and continues until outstanding balance and accrued interest are paid in full | Charged on any late payments of Royalty Fees, contributions to the Company's advertising fund, amounts due for product purchases, or any other amounts due our affiliates or us. |
| Audit Expenses | Cost of audit and inspection, plus any reasonable accounting and legal expenses | On demand | Payable if you fail to timely input financial data in the POS System or fail to submit required reports. |

| Fee (1), (2) | Amount | Due Date | Remarks |
|---|---|---|---|
| Fee for Sale of Prohibited Products or Services | $100 per day administrative fee plus the associated royalty fees due and any costs incurred by us | As incurred | Payable if you use, sell or distribute non-authorized products or services in your Unit Franchise. |
| Technology Fee | $249/month (but may increase up to $299/month) | Monthly | Payable to cover the monthly cost of using our proprietary management software and other software required to operate your franchise. |
| POS System | $359/month (but may increase up to $499/month) | Monthly | Payable to cover the monthly cost of the POS system for your franchise. |
| EMR Software (Medical History Form/Informed Consent) | $75/month (but may increase up to $199/month) | Monthly | Payable to cover the monthly cost of the electronic medical records system used to operate your Unit Franchise. |
| Credit Card Processing Fees | Vary based on volume and usage | Monthly and as incurred | Payable to vendor for credit card processing. |
| Product and Service Purchases (4) | Vary depending on the product and service. | As incurred | Payable for products and services you purchase from us. |
| Supplier Evaluation Fee | Cost of inspection, if applicable, and actual cost of test. | When billed. | Before approving a supplier, we may require you to pay the cost of testing the supplier's products and inspecting its facilities (including our administrative expenses). |
| Insurance (5) | Amount of unpaid premiums and related costs, administrative fees and late charges | On demand | Payable if you fail to maintain required insurance coverage and we obtain coverage for you. |
| Cancellation Fee | $1,000 | On demand | Payable if we have scheduled to have a trainer at the soft opening of your Unit Franchise and you cancel because you are not ready to open. |

| Fee (1), (2) | Amount | Due Date | Remarks |
|---|---|---|---|
| Non-Compliance Fee | $100 per day | On demand | Payable if you fail to comply with the standards set forth in Franchise Agreement or Manual, and you fail to cure your non-compliance within 30 days of written notice from us. |
| Additional Training Fees | $250 per day per person | As incurred | Payable to us if you or your designated employees fail to satisfactorily complete the initial training and must be retrained, or for any future training courses, meetings or the annual national conventions. If you fail to attend any of these required courses or meetings, we may charge you a non-attendance fee of $250 per day. |
| Renewal Fee | 25% of the then current Initial Franchise Fee | Upon renewal | Payable upon renewal of the Franchise Agreement. |
| Remodeling, expansion, redecorating or refurnishing costs | At least $10,000 every 4 years | As incurred | Payable directly to vendors when you remodel, expand, redecorate or refurnish your Unit Franchise. |
| Transfer Fee (6) | 30% of the then-existing Initial Franchise Fee | Before transfer completed | Applies to any transfer of the Franchise Agreement, the franchise, or a controlling interest in the franchise. |
| Relocation Fee (7) | An amount set by us, currently $5,000 | Before relocation is completed | Applies to any relocation of the Unit Franchise in the same market and as approved by us. |
| Legal Costs and Attorney's Fees | All legal costs and attorneys' fees incurred by us | As incurred | Payable if we must enforce the Franchise Agreement, or defend our actions related to, or against your breach of, the Franchise Agreement. |
| Indemnification | All amounts (including attorneys' fees) incurred by us or otherwise required to be paid | As incurred | Payable to indemnify us, our affiliates, and our and their respective owners, officers, directors, employees, agents, successors, and assigns against all claims, liabilities, costs, and expenses related to your ownership and operation of your franchise. |
| De-Identification | All amounts incurred by us | As incurred | Payable if we de-identify the franchise upon its termination, relocation, or expiration. |

| Fee (1), (2) | Amount | Due Date | Remarks |
|---|---|---|---|
| Termination Fee (8) | One-half of then-current Initial Franchise Fee, plus our attorneys' fees and costs | On demand | If you or we terminate your franchise before your franchise term expires. |

The tables above and accompanying notes describe the nature and amount of all other fees that you must pay to us or our affiliates, or that we or our affiliates impose or collect in whole or in part for a third party, whether on a regular periodic basis or as infrequent anticipated expenses, in carrying on your Unit Franchise.

**Explanatory Notes**

(1) Except for some product and service purchases and advertising cooperative payments, all fees are uniform, and are imposed by, collected by, and payable to us. We have in the past, and may in the future, waive or defer some of the fees set forth in the table. However, we will not do so unless we determine in our sole and absolute discretion that it is in the best interest of the franchise system as a whole. All fees are non-refundable.

(2) You must pay all amounts due to us by automatic electronic funds transfer (EFT). After you sign the documents we require to debit your business checking account automatically for the amounts due, we will debit your bank account for the Royalty Fee, Branding Fund Fee, and other amounts you owe us, including administrative fees. You must make funds available for withdrawal from your account before each due date. Our form EFT is attached as an exhibit to the Franchise Agreement.

If you do not report accurately your Unit Franchise's gross revenues, then we may debit your account for one hundred twenty percent (120%) of the Royalty Fee and Branding Fund Fee amounts that we debited during the previous day. If the Royalty Fee and Branding Fund Fee amounts we debit are less than the Royalty Fee and Branding Fund Fee amounts you actually owe us (once we determine the franchise's actual gross revenues for the day), then we will debit your account for the balance on the day we specify. If the Royalty Fee and Branding Fund Fee amount we debit is greater than the Royalty Fee and Branding Fund Fee amount you actually owe us, then we will credit the excess amount, without interest, against the amount we otherwise would debit from your account during the following day.

(3) "Gross Revenues" means the total of all revenue and receipts derived from the operation of the franchise, including all amounts received at or away from the Unit Franchise, or through the business the Unit Franchise conducts (such as fees for medical or healthcare services, fees for the sale of any service or product, gift certificate sales, and revenue derived from products sales, whether in cash or by check, credit card, debit card, barter or exchange, or other credit transactions); and excludes only sales taxes collected from customers and paid to the appropriate taxing authority, and all customer refunds and credits the franchise actually makes. For Franchisees that operate as the management company for a P.C. and any of its centers under a Management Agreement, "gross revenues" includes all revenues and receipts of the P.C. and any of its centers, even if those revenues are not recognized on the books of the Franchisee.

(4) In addition to products and services that you are required to purchase from us, we may offer you products and services to assist you in connection with the operation of your franchise. We may charge you a fee if you choose to use us in connection with any such products or services.

(5) If you fail to pay the premiums for insurance required to operate your franchise, including but not limited to, general or professional liability insurance, or to include us and the area developer for your area as an additional insured on such insurance, we may obtain such insurance coverage for you, and you will be required to reimburse us within ten (10) days of receipt of a demand for reimbursement from us, together

with a $250 administrative fee per event, and any other fees, including attorneys' fees, incurred by us. We will have the right to debit your account the amounts owed to us for such premiums and fees if you fail to pay us within ten (10) days of our request for reimbursement.

(6) You must reimburse us for reasonable expenses incurred by us in investigating and processing any proposed transfer to a new owner where the transfer is not finalized for any reason, and you will be responsible for all expenses we incur including but not limited to attorneys' fees we incur. If you are in default of your Franchise Agreement, or any other agreement with us, we may deny you the right to transfer the Franchise and/or in addition to the Transfer Fee, should we permit the transfer, we may require you to pay any amounts we deem necessary, in our sole discretion, to cure the default(s), provided that the default(s) is/are curable. For transfers of an ownership interest of less than five percent (5%) or transfers of any ownership interest to a spouse, child, sibling, or parent, or a trust or similar entity, which do not result in creation of a controlling ownership stake, you must pay an administrative fee of $2,500.

(7) Any Unit Franchise relocation site needs to be approved by the Company in the same manner as the approval of the Unit Franchise's initial site and must be within the same trading areas as the previous Unit Franchise location, as same is determined by us in our sole and absolute discretion. The relocation fee is due to the Company within a week after the site approval by the Company.

(8) You must pay the termination fee, plus any costs and attorneys' fees incurred by us, if you improperly attempt to terminate or close your Unit Franchise or Franchise Agreement before your term expires, or we terminate your Franchise Agreement for any reason set forth in the Franchise Agreement. We may also recover from you any damages suffered by us (e.g., lost future revenues) resulting from your improper or wrongful termination of the franchise. Termination fees may be unenforceable in certain states.

## Item 7

## ESTIMATED INITIAL INVESTMENT

**(New Unit Franchise)**

| YOUR ESTIMATED INITIAL INVESTMENT* | | | | | |
|---|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | | **Method Of Payment** | **When Due** | **To Whom Payment is to be Made** |
| | **Low** | **High** | | | |
| Initial Franchise Fee (1) | $49,000 | $49,000 | Lump sum | When you sign the Franchise Agreement | Us |
| Security Deposits (2) | $5,000 | $8,000 | As agreed | Before opening | Landlord and /or utility companies |
| Lease Expenses (3 months) (3) | $6,000 | $30,000 | As agreed | As agreed | Landlord |
| Leasehold Improvements (4) | $23,000 | $320,000 | As agreed | Before opening | Landlord or construction contractors |
| Architecture and Design | $500 | $5,000 | As Agreed | Before opening | Vendors |
| Signage and Displays (5) | $3,300 | $6,000 | As agreed | Before opening | Vendors |

| YOUR ESTIMATED INITIAL INVESTMENT* | | | | | |
|---|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | | **Method Of Payment** | **When Due** | **To Whom Payment is to be Made** |
| | **Low** | **High** | | | |
| Office Equipment, including furniture and fixtures (6) | $15,000 | $25,000 | As agreed | Before opening | Vendors |
| Other Required Spa Equipment (6) | $1,137 | $4,426 | As agreed | As incurred | Required Vendors |
| Medical Equipment (7) | $1,000 | $50,000 | As Agreed | Before opening | Vendors |
| Supplies (Blood pressure cuff, temporal scanner, Pulse/OX, Office or Medical) | $500 | $500 | As agreed | As incurred | Vendors |
| Inventory (8) | $5,000 | $10,000 | As agreed | As incurred | Vendors |
| Medical or Clinical Director Salary (3 months) (9) | $0 | $3,600 | As agreed | As incurred | Third-Parties |
| Medical Support Salaries (3 months) (10) | $9,000 | $18,000 | As agreed | As incurred | Third-Parties |
| Training Expenses, including salaries and travel (11) | $2,500 | $3,500 | As agreed | Before opening | Us or our designated trainers and to third-parties |
| Security System (12) (set up plus 3-months) | $500 | $2,500 | As agreed | Before opening | Vendors |
| Telephone System (13) | $300 | $300 | As agreed | Before opening | Vendors |
| Business Licenses and Permits (14) | $700 | $5,000 | As required | Before opening | Governmental agencies |
| Professional Fees (15) | $1,000 | $10,000 | As agreed | Before opening | Attorneys, accountants, and other professionals |
| Computer System (16) | $1,000 | $3,000 | As incurred | Before opening | Vendors |
| Technology Fee (set up plus 3-months) ($249/month) (17) | $747 | $747 | As incurred | Before and after opening | Us or Vendors |

| YOUR ESTIMATED INITIAL INVESTMENT* | | | | | |
|---|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | | **Method Of Payment** | **When Due** | **To Whom Payment is to be Made** |
| | **Low** | **High** | | | |
| POS System ($359/month) (17) | $1,077 | $1,077 | As incurred | Before and after opening | Us or Vendors |
| EMR System (set up plus 3 months) ($75 to $125/month) (17) | $225 | $375 | As incurred | Before and after opening | Us or Vendors |
| Accounting Software (17) | $147 | $147 | As incurred | Before and after opening | Vendors |
| Insurance Deposits and Premiums (18) | $3,500 | $5,000 | As agreed | As incurred | Insurance companies |
| Pre-opening Operations (19) | $2,500 | $7,000 | As agreed | Before opening | Us or Vendors |
| Grand Opening and Initial Marketing (20) | $17,000 | $17,000 | As agreed | Before opening | Us or Required Vendors |
| Additional Funds (3 months) (21) | $15,000 | $15,000 | As agreed | As incurred | Third-Parties |
| TOTAL ESTIMATED INITIAL INVESTMENT (22) | $164,633 | $599,722 | | | |

**ESTIMATED INITIAL INVESTMENT**

**(Add-On Unit Franchise)**

| YOUR ESTIMATED INITIAL INVESTMENT* | | | | | |
|---|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | | **Method Of Payment** | **When Due** | **To Whom Payment is to be Made** |
| | **Low** | **High** | | | |
| Initial Franchise Fee (1) | $34,000 | $34,000 | Lump sum | When you sign the Franchise Agreement | Us |
| Security Deposits (2) | $0 | $0 | As agreed | Before opening | Landlord and /or utility companies |
| Lease Expenses (3 months) (3) | $0 | $0 | As agreed | As agreed | Landlord |
| Leasehold Improvements (4) | $5,000 | $123,000 | As agreed | Before opening | Landlord or construction contractors |

| YOUR ESTIMATED INITIAL INVESTMENT* | | | | | |
|---|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | | **Method Of Payment** | **When Due** | **To Whom Payment is to be Made** |
| | **Low** | **High** | | | |
| Architecture and Design | $0 | $3,000 | As Agreed | Before opening | Vendors |
| Signage and Displays (5) | $3,300 | $3,300 | As agreed | Before opening | Vendors |
| Office Equipment, including furniture and fixtures (6) | $0 | $19,000 | As agreed | Before opening | Vendors |
| Other Required Spa Equipment (6) | $1,137 | $4,426 | As agreed | As incurred | Required Vendors |
| Medical Equipment (7) | $1,000 | $50,000 | As Agreed | Before opening | Vendors |
| Supplies (Blood pressure cuff, temporal scanner, Pulse/OX, Office or Medical) | $0 | $500 | As agreed | As incurred | Vendors |
| Inventory (8) | $5,000 | $10,000 | As agreed | As incurred | Vendors |
| Medical or Clinical Director Salary (3 months) (9) | $0 | $3,600 | As agreed | As incurred | Third-Parties |
| Medical Support Salaries (3 months) (10) | $3,000 | $30,000 | As agreed | As incurred | Third-Parties |
| Training Expenses, including salaries and travel (11) | $2,500 | $3,500 | As agreed | Before opening | Us or our designated trainers and to third-parties |
| Security System (12) (set up plus 3-months) | $0 | $2,500 | As agreed | Before opening | Vendors |
| Telephone System (13) | $0 | $300 | As agreed | Before opening | Vendors |
| Business Licenses and Permits (14) | $0 | $700 | As required | Before opening | Governmental agencies |
| Professional Fees (15) | $1,000 | $10,000 | As agreed | Before opening | Attorneys, accountants, and other professionals |
| Computer System (16) | $1,000 | $3,000 | As incurred | Before opening | Vendors |

| YOUR ESTIMATED INITIAL INVESTMENT* | | | | | |
|---|---|---|---|---|---|
| **Type of Expenditure** | **Amount** | | **Method Of Payment** | **When Due** | **To Whom Payment is to be Made** |
| | **Low** | **High** | | | |
| Technology Fee (set up plus 3-months) ($249/month) (17) | $747 | $747 | As incurred | Before and after opening | Us or Vendors |
| POS System($359/month) (17) | $1,077 | $1,077 | As incurred | Before and after opening | Us or Vendors |
| EMR System (set up plus 3 months) ($75 to $125/month) (17) | $225 | $375 | As incurred | Before and after opening | Us or Vendors |
| Accounting Software (17) | $147 | $147 | As incurred | Before and after opening | Vendors |
| Insurance Deposits and Premiums (18) | $0 | $3,500 | As agreed | As incurred | Insurance companies |
| Pre-opening Operations (19) | $0 | $2,500 | As agreed | Before opening | Us or Vendors |
| Grand Opening and Initial Marketing (20) | $17,000 | $17,000 | As agreed | Before opening | Us or Required Vendors |
| Additional Funds (3 months) (21) | $0 | $15,000 | As agreed | As incurred | Third Parties |
| TOTAL ESTIMATED INITIAL INVESTMENT (22) | $75,608 | $440,722 | | | |

Explanatory Notes:

** None of the fees or costs paid to us listed in the table above are refundable.

(1) This is the Initial Franchise Fee for one new Unit Franchise (first table) or converting one Add-On Franchise (second table). If you purchase or convert more than one franchise, the fee will be lower for the second and any subsequent franchises.

(2) This estimate includes security deposits commonly required by the landlord and utility companies. If you are an existing practice, you may not have any additional security deposits.

(3) Your actual lease payments may vary, depending upon your location, its size, and your market's retail lease rates and negotiated terms. We recommend that you lease a space of no less than 1,200 square feet with access to bathrooms, and provisions for telecommunication equipment and office furniture. Note: If you purchase instead of lease the Premises for your Unit Franchise, then the purchase price, down payment, interest rates, and other financing terms will determine the amount of your monthly mortgage payments. If you are an Add-on Franchise, you may have no additional cost if you are using previously unused or allocated portions of your existing facility to your Prime IV Hydration & Wellness® franchise.

(4) This estimate does not include any construction or tenant improvement allowances or enhanced delivery conditions that may be offered by your landlord or presume a specific delivery condition. Building and construction costs will vary depending upon the condition of the Premises for the Unit Franchise, the size of the Premises, and local construction costs. You may not have to make any modifications to your site to become an Add-On Franchise.

(5) These estimates assume you will purchase your signage. The type and size of the signage you actually install will be based upon the zoning and property use requirements and restrictions. There could be an occasion where signage is not permitted because of zoning or use restrictions.

(6) You will need to purchase office furniture for the operation of your Unit Franchise, including workstations and chairs, file cabinets, shelving, and an initial inventory of forms, stationary and other items. If you are an Add-On Franchise, you may already haves most of the furniture necessary to operate. In addition, you will be required to purchase other required equipment for use in your spa, such as air freshener, sound and other related equipment. The startup costs for our scent vendor is approximately $112 to $700, with a monthly charge between $59-$149. The startup cost for our media vendor is approximately $149 to $2,000, with a monthly charge of $33.

(7) You will be required to purchase certain medical equipment for your Unit Franchise, including: Laminar Flow Hood and equipment. If you are an Add-On Franchise, you may already have some or all of the medical equipment we required. If you choose to offer cryotherapy services as part of your Unit Franchise, you will be required to purchase additional equipment. The cost for the equipment necessary to offer cryotherapy is $47,500.

(8) You must purchase certain inventory to operate your franchise. The figures in the tables are our estimate of the inventory you need for the first 3 months of your operations.

(9) The low end assumes that the franchisee is medical professional and will act as the medical or center director for the new Unit or Add-On Franchise. The high-end assumes that you are in a state where you need a medical director and/or need to work with a PC.

(10) You will be required to have at least one medical professional that is licensed by the state where your franchise will operate. If you are an Add-On Franchise, you may already have the medical professional to assist with providing Prime IV Hydration & Wellness® products and services to clients.

(11) We estimate that your expenses for initial training will be $2,500 to $3,500. The Franchisee is required to pay his/her transportation to and from our training site and pay for his/her living arrangements and food during the time of training. The Company estimates costs of $250 per day, per person, for lodging, food and other miscellaneous expenses, plus travel expenses to and from Franchisee's personal residence.

(12) You must have a full security system installed and operating at the Center with monitoring in all areas.

(13) You are required to have a telephone system. If you are an Add-On Franchise, you may be able to use your existing telephone system.

(14) You may be required to obtain business licenses from the local government agency to operate your Franchised Business and/or enter into a Management Agreement with a P.C. in those states that require a P.C. to own the medical or healthcare practice. The estimates in the tables are just for business licenses and may vary depending upon the jurisdiction.

(15) You may incur legal fees, accounting fees, and other professional fees in order to incorporate your business, set up a P.C., form a relationship with a P.C. using a Management Agreement, review agreements relating to the operation of the franchise, to perform background checks and personality profiles of potential employees

and medical professionals, and to perform all necessary tax filings and to set up a small business or a P.C., including a general ledger, tax reports, payroll deposits, etc. Preparing a Management agreement and establishing affiliations with a P.C. and any associated legal and/or accounting or set-up fees are variable depending upon state laws and regulations and the negotiated arrangement with the P.C. The high end assumes that your state laws require you to use a P.C. in connection with your Unit Franchise.

(16) Computer System. You must purchase for each Unit Franchise a computer system and operating software that we specify from time to time. We estimate the initial cost for this equipment will be between $1,000 and 3,000.

(17) You will be required to pay a monthly Technology Fee of $249 for the continuing use of our proprietary management software. We reserve the right to increase this fee up to $299 after giving you thirty (30) days prior written notice. In addition, you must use our POS Software. Currently, the POS Software is $359 a month, however, we reserve the right to increase this fee up to $499 after giving you thirty (30) days prior written notice. You must also use our required EMR Software. Currently, the EMR Software is between $75 and $125 a month, however, we reserve the right to increase this fee up to $299/month after giving you thirty (30) days prior written notice.

(18) We estimate that your annual cost of insurance will range from $3,500 to $5,000 for a new Unit Franchise, and $0 to $5,000 for an Add-On Franchise. You must purchase all insurance necessary to operate your franchise, including but not limited to, professional liability insurance for all medical and healthcare providers who work in or supervise each Center, as outlined in our Manual. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, changing economic conditions, or other relevant changes in circumstances. All insurance policies you purchase must name us and any affiliate we designate as additional insureds, and provide for thirty (30) days' prior written notice to us of a policy's material modification or cancellation. If you fail to obtain or maintain the insurance we specify, we may (but need not) obtain the insurance for you and the Unit Franchise on your behalf. The cost of your premiums will depend on the insurance carrier's charges, terms of payment, and your insurance and payment histories. Our insurance requirements are in set forth in Item 8, and may be updated from time to time by way of updates to our Manual or other written communications.

(19) We estimate that you will incur up to $5,000 for the pre-opening operations necessary to operate your Franchise. Our specifications for the pre-opening operations are contained in our Manual.

(20) We estimate that your marketing costs prior to opening and for the first three months after opening will be approximately $17,000. This amount includes the amount necessary to conduct a grand opening, and includes your required local advertising (digital marketing) for the first 3 months after you open for business to the public. You will be required to use our required vendor for your digital marketing. This amount is currently $2,500 per month, or 5% of your Gross Revenues, whichever is greater. This amount is payable to us or our required vendor for digital marketing services. You are not required to do any other local marketing.

(21) The estimate of additional funds is based on an owner-operated business and does not include any allowance for an owner's draw or account for charges for their applied labor. The estimate of up to $15,000 is for a period of three (3) months. The Company estimates that, in general, you should expect to put additional cash into the business until you achieve sales and incur operating expenses that allow you to achieve monthly operating break-even at your Unit Franchise. Those rates and dollar amounts will vary depending upon your circumstances and performance. We have based this estimate on the experience gained from our affiliate Center in Colorado.

(22) We have relied on our experience in this industry in compiling these estimates. You should review these figures carefully with a business advisor, lawyer and/or accountant and financial advisor before making any decision to purchase this franchise opportunity. You may be required to obtain business licenses from the

local government agency to operate your Franchised Business and/or enter into a Management Agreement with a P.C. in those states that require a P.C. to own the medical or healthcare practice.

## Item 8

## RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

**Required Purchases of Goods and Services**

You must purchase certain products, supplies, insurance, inventory, signage, fixtures, furniture, equipment, décor software and other specified items under specifications and standards that we periodically establish in our Manual or other notices we send to you from time to time. These specifications are established to provide standards for performance, durability, design and appearance and support the System. You must purchase such products, supplies, insurance, etc. required for the operation of your Franchised Business solely from suppliers (including distributors, manufacturers, and other sources) who have been approved in writing by the Company, as set forth in the Manual. You are not allowed to purchase any item from an unapproved supplier. When selecting suppliers, we consider all relevant factors, including the quality of goods and services, service history, years in business, capacity of supplier, financial condition, terms and other requirements consistent with other supplier relationships. We maintain written lists of approved items of equipment, fixtures, inventory, and supplies (by brand name and/or by standards and specifications) and lists of approved suppliers for those items. All such suppliers and approved vendors will be listed in the Manual, which must always be followed, even as modified and updated by the Company. We will notify you whenever we establish or revise any of our standards or specifications, or if we designate approved suppliers for products, equipment or services.

We, or our designated vendor, will be the required vendor for massage chairs, Kuwa reeds, reception signs, digital marketing, and the franchise management software and social media and webpage marketing that we require our Franchisees to use as part of their Unit Franchises. Our CEO, Amy Neary, owns an interest in our required vendor for digital marketing. Our affiliate, Prime Digital Marketing, is currently our required vendor for all digital marketing for our Unit Franchises. Neither we nor any of our affiliates is an approved supplier of any other products or services, but this may change in the future.

Note that the corporate practice of medicine doctrine restricts layperson-franchisees from determining the medical equipment and supplies to be used in the operation of the Franchised Business.

**Approval of Alternative Suppliers**

The Company does not currently have any specific written criteria for alternative supplier selection but intends to do so in the future. Therefore, the Company will not furnish its criteria for supplier approval to Franchisees. If you would like to purchase any items from any unapproved supplier, then you must submit to us a written request for approval of the proposed supplier on a form approved by us. Any proposed vendor will be required to sign our then-current form of non-disclosure form. After receipt of this form, we will approve or disapprove an alternative supplier within 30 days of your request. We have the right to inspect the proposed supplier's facilities, and require that product samples from the proposed supplier be delivered, at our option, either directly to us, or to any independent, certified laboratory that we may designate, for testing. We may charge you a supplier evaluation fee (not to exceed the reasonable cost of the inspection and the actual cost of the test, or $1,000, whichever is less) to make the evaluation. You may not work with any suppliers that we have not approved and determined meet our standards. We reserve the right to periodically re-inspect the facilities and products of any approved supplier, and revoke our approval if the supplier does not continue to meet any of our criteria.

**Revenue from Franchisee Purchases**

In the year ending December 31, 2022, revenues from sale of required products and services to Franchisees was $691,673.84, or approximately 19.8% of our total revenues of $3,492,597. The cost of purchasing required

products and services to our specifications will represent approximately 5-9% of your total purchases in establishing your franchise and approximately 13% of your total purchases during the operation of your franchise.

Copies of any required vendor agreements are attached in **Exhibit J**. The exact form of these agreements may change from time to time.

We may receive revenue or other consideration from any other suppliers for goods and services that we require or advise you to purchase. In the event we enter agreements with any such suppliers, we anticipate that any revenue or other consideration received will include certain promotional allowances, rebates, volume discounts, and other payments, that may range from zero to ten percent (0 -10%) of the amount of the goods or services you purchase from the supplier. We expect that at least some of these arrangements will generally allow us to obtain discounts from standard pricing, and that it may facilitate our ability to pass along a portion of the savings to you.

**Negotiated Prices, Cooperatives and Material Benefits**

We negotiate price terms and other purchase arrangements with suppliers for you for some items that we require you to lease or purchase in developing and operating your Unit Franchise. There currently are no purchasing and distribution cooperatives. We do not provide any material benefits to you if you buy from sources we approve.

**Advertising Specifications**

You must obtain our approval before you use any advertising and promotional materials, signs, forms and stationery unless we have prepared or approved them prior to their proposed use. You must purchase certain advertising and promotional materials, brochures, fliers, forms, business cards and letterhead from approved vendors only. Further, you must not engage in any advertising of your Franchised Business unless we have previously approved the medium, content and method.

**Records**

All of your bookkeeping and accounting records, financial statements, and all reports you submit to us must conform to our requirements. All reports must be submitted in a timely manner in accordance with the dates we set from time to time.

**Computer-Related Equipment and Software**

You must purchase for each Unit Franchise a computer system and operating software that we specify from time to time. You will also be required to purchase from our approved supplier our proprietary management software and other required software necessary for the operation of your franchise. You will also be required to pay a monthly Technology Fee of $249 for the continuing use of our proprietary management software and other required software. You will be required to purchase and use the Accounting Software we designate for bookkeeping, which we anticipate will have a cost of approximately $49/month. You will also be required to have access to a broadband Internet connection at all times. In addition, you must use our POS Software, and EMR Software. Currently, the POS Software is $359 a month. Currently, the EMR Software is $75 a month, however, we reserve the right to increase this fee up to $299/month after giving you thirty (30) days prior written notice. However, we reserve the right to increase the cost of each software after providing you thirty (30) days prior written notice. You are responsible for the cost to purchase and maintain any other software licenses or programs that we may require you to use in connection with your franchise.

**Insurance Requirements**

Before you open the Franchise and during any Term of this Agreement, you must maintain in force, under policies of insurance written on an occurrence basis issued by carriers with an A.M. Best rating of A-VIII or better approved by us, and in such amounts as we may determine from time to time: (1) comprehensive public, sexual harassment, professional, product, medical malpractice and motor vehicle liability insurance against claims for bodily

and personal injury, death and property damage caused by or occurring in conjunction with the operation of the Franchise or otherwise in conjunction with your conduct of the Franchise Business pursuant to this Agreement, under one or more policies of insurance containing minimum liability coverage amounts as set forth in the Manual; (2) general casualty insurance, including theft, cash theft, fire and extended coverage, vandalism and malicious mischief insurance, for the replacement value of the Franchise and its contents, and any other assets of the Franchise; (3) worker's compensation and employer's liability insurance as required by law, with limits equal to or in excess of those required by statute; (4) business interruption insurance for a period adequate to reestablish normal business operations, but in any event not less than six (6) months; (5) any other insurance required by applicable law, rule, regulation, ordinance or licensing requirements; and (6) umbrella liability coverage with limits of not less than $1,000,000/$3,000,000 or such other amounts that we may establish. We may periodically increase or decrease the amounts of coverage required under these insurance policies, and/or require different or additional kinds of insurance, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances.

## Item 9

## FRANCHISEE'S OBLIGATIONS

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

| Obligations | Section in Franchise Agreement | Disclosure Document Item |
|---|---|---|
| **a. Site selection and acquisition/lease** | Sections 2.5 and 3.1 | Items 7 and 11 |
| **b. Pre-opening purchases/leases** | Sections 3.1, 3.2, 3.3, 3.4 and 3.5 | Item 7 |
| **c. Site development and other pre-opening requirements** | Sections 2.5 and 3. | Items 7 and 11 |
| **d. Initial and ongoing training** | Sections 4 and 5.1 | Item 11 |
| **e. Opening** | Sections 3.1, 3.3 and 3.6; Exhibit 1 of Franchise Agreement | Items 7 and 11 |
| **f. Fees** | Sections 2.6, 3.4, 4.2, 5.1, 5.2, 6, 10.1, 10.3, 10.8, 11.1, 11.2, 11.3, 12, 13.2, 14.5, 15, 16.1, 16.6, and 16.8 | Items 5, 6, 7, 8 and 11 |
| **g. Compliance with standards and policies/operating manual** | Sections 2.3, 2.4, 3, 5.2, 5.3 and 10 | Items 8, 11, and 12 |
| **h. Trademarks and proprietary information** | Sections 7 and 9 | Items 13 and 14 |

| Obligations | Section in Franchise Agreement | Disclosure Document Item |
|---|---|---|
| **i. Restrictions on products/services offered** | Section 10.2 and 10.3 | Item 16 |
| **j. Warranty and customer service requirements** | Sections 10.6 and 10.7 | None |
| **k. Territorial development and sales quotas** | Sections 2.5 and 3 | Item 12 |
| **l. On-going product/service purchases** | Section 3.4, 3.5, 5.1, 10.2, 10.3, 10.8, 10.9 and 11 | Items 7, 8 and 11 |
| **m. Maintenance, appearance, and remodeling requirements** | Sections 10.1 and 10.5 | Items 7, 8 and 11 |
| **n. Insurance** | Section 10.8 | Items 6, 7 and 8 |
| **o. Advertising** | Sections 6.3, 6.4, 6.5 and 11 | Items 6, 7, and 11 |
| **p. Indemnification** | Section 8.3 | Items 6 and 13 |
| **q. Owner's participation/ management and staffing** | Sections 4.1 and 10.7 | Items 11 and 15 |
| **r. Records/reports** | Sections 12, 13.2 | Item 6 |
| **s. Inspections/audits** | Section 13 | Item 6 |
| **t. Transfer** | Section 14 | Items 6 and 17 |
| **u. Renewal** | Section 2.4 | Items 6 and 17 |
| **v. Post-termination obligations** | Section 16 | Item 17 |
| **w. Non-competition covenants** | Section 9.3 | Item 17 |
| **x. Dispute resolution** | Section 17.11, 17.12 and 17.13 | Item 17 |

| Obligations | Section in Franchise Agreement | Disclosure Document Item |
|---|---|---|
| **y. Owners/ Shareholders/ Spousal Guarantee** | Section 2.7; Exhibit 2 of Franchise Agreement | Item 15 |
| **z. Other** | None | None |

## Item 10

## FINANCING

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

## Item 11

## FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

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

**Pre-Opening Obligations:**

Before you open your Unit Franchise for business, we or our designee will:

1. Review and approve or disapprove the proposed site for your Unit Franchise ("Premises"). You must locate and obtain our approval of the Premises from which you will operate your Unit Franchise no later than within 120 days before the Opening Deadline. The Premises must be located within the Site Selection Area identified in Exhibit 1 of your Franchise Agreement (the "Site Selection Area") and must meet the minimum site selection criteria in our Manual. You must send us a complete site approval package (containing the demographic, commercial and other information, photographs and video tapes that we require in our Manual) for your proposed site. We have the right to accept or reject all proposed sites. We will approve or disapprove a proposed site within fifteen (15) business days after we receive all of the requisite materials. Your site is deemed disapproved if we fail to issue our written approval within the 15-day period. Our approval will be indicated on our then-current Site Approval Form, which is contained in our Manual. If we approve a site for your Unit Franchise, and you refuse to move forward with that site by executing a Lease, we will have the right to terminate your Franchise Agreement. Your failure to submit a completed site approval package and request and secure our approval of a proposed site in a timely manner shall not be reason for extending the date for opening set forth in your Franchise Agreement and is grounds for termination of your Franchise Agreement. (Franchise Agreement – Sections 3.1)

2. You must obtain lawful possession of the Premises at least ninety (90) days before your Opening Deadline by executing a lease for the Premises ("the Lease") after our approval of the Premises associated with the site submittal package and approved site. Typically, we do not own the Premises that are leased by franchisees. The Lease for the Premises must include the form of Addendum to Lease, attached as Exhibit 3 to the Franchise Agreement. Before executing a lease, you must submit it to us for our approval. We will approve or disapprove the lease for your Premises within fifteen (15) days of receipt of your request for approval. If you fail to execute a Lease for the Premises ninety (90) days of your Opening Deadline, we will have the right to terminate your Agreement. (Franchise Agreement – Sections 3.1)

3. Identify the products, materials, supplies, and services you must use to develop and operate your Unit Franchise, the minimum standards and specifications that you must satisfy in developing and operating the franchise, and the designated and approved suppliers from whom you must or may buy or lease these items (which might be limited to or include us and/or our affiliates). (Franchise Agreement – Section 3.1).

4. Grant you access to our primary operations manual for Unit Franchises along with other materials which contain our mandatory and suggested specifications, standards and procedures for operating your Unit Franchise (collective referred to as our "Manual"). (Franchise Agreement – Section 5.1-5.2). **Exhibit C** to this Disclosure Document sets forth the Table of Contents for our Manual, which consists of approximately 112 pages. However, the Manual is subject to change over time and the number of pages in the Manual may vary. Our Manual contains our System Standards and information about your other obligations under the Franchise Agreement. This manual and other digital training systems/programs are located in our Learning Management System (LMS).

We may modify the contents of the Manual periodically to reflect changes in System Standards, or send out other electronic communications to you about changes or updates to the System, the Manual, and our policies and procedures. You are required to be in compliance with the most current version of our Manual, as well as our most current policies and procedures. The Manual is confidential, and you may not copy, duplicate, record or otherwise reproduce any part of it. You may ask to view our Manual at our corporate headquarters before purchasing your Unit Franchise, but must first sign our Non-Disclosure Agreement (**Exhibit E** of this Disclosure Document) promising not to reveal any of the information contained in the Manual without our permission.

5. Provide you with specifications for the computer system for your Unit Franchise (Franchise Agreement – Section 3.4). See below for additional information about these specifications.

6. No later than fourteen (14) days before your Unit Franchise opens for business, we will provide to you, other members of your management team, including your lead medical professional, and any agents you employ our initial training program for Unit Franchises (Franchise Agreement – Section 5.1). You (if you are an individual) or at least one of your Owners as defined in your Franchise Agreement (if you are a legal entity), your general manager (if we agree for you to have a general manager), any licensed medical or healthcare professional practicing at the Unit Franchise (to the extent permitted by applicable law), and other members of your management team that we designate must complete this initial training program to our satisfaction. The training program includes classroom instruction at our headquarters in Colorado Springs, CO, and on-the-job training at either a training facility or a location we designate. There will be no tuition charge for these training programs for any persons who attend, but you must pay any wages or compensation owed to, and all travel, lodging, meal, and transportation expenses incurred by, all of your personnel who attend the training programs. All persons who attend our initial training program must complete it to our satisfaction.

7. Provide at the Company's expense an opening supervisor to assist you with the Unit Franchise's operational efficiency, staff training, Unit Franchise setup and opening for two (2) days during your soft opening for your first Unit Franchise (Franchise Agreement – Section 3.6). If we have schedule to have a trainer at the soft opening of your Unit Franchise and you cancel because you are not ready to open, you will be required to pay us a cancellation fee of $1,000. If you request us to spend more time, it will be done at your expense.

**Time to Open:**

We will agree on the time you must open your Unit Franchise for business when you sign your Franchise Agreement, but we typically will require you to open no more than one hundred and eighty (180) days after you sign your Franchise Agreement. Factors affecting this length of time before you open include locating a site for the Premises and signing a lease, construction or remodeling of the site (if required), completion of required training, financing arrangements, local ordinance and building code compliance, delivery and installation of equipment, and hiring and training of your staff, securing of all manner of permits and operational licenses and approvals.

If you are delayed from opening your Unit Franchise by the opening deadline in your Franchise Agreement, you must provide us with a written request to extend the deadline, which we may grant or deny in our sole discretion. The request must state: (1) that a delay is anticipated; (2) the reasons which caused the delay; (3) the efforts that you are making to proceed with the opening; and (4) an anticipated opening date. In considering the request, we will not unreasonably withhold our consent to a delay if you have been diligently pursuing the opening.

Unless we agree to extend the opening deadline, if you do not open your Franchise for business by the opening deadline, you will be considered in default of your Franchise Agreement. Upon receipt of written notice from us of your default, you must cure your default by opening your Franchise for business no more than ninety (90) days after receipt of notice of the default. If you fail to cure your default, we have the right to terminate your Franchise. (Franchise Agreement – Section 3.1 and 15).

**Post-Opening Obligations:**

After your Unit Franchise opens for business, we or our designee will:

1. Provide you with guidance and assistance in the following areas: (a) the products and services authorized for sale by the Unit Franchise, and specifications, standards, and operating procedures used by Unit Franchises; (b) development and implementation of local advertising and promotional programs; (c) administrative, and general operating and management procedures; (d) establishing and conducting employee training programs; (e) changes in any of the above that occur from time to time; and (f) specify any approved brands, types and/or models of equipment, furniture, fixtures, and signs (Franchise Agreement – Section 5.1).

2. Continue lending to you a copy of our Manual (Franchise Agreement – Sections 5.1-5.2).

3. Allow you to use our Marks and confidential information in operating your Unit Franchise (Franchise Agreement – Sections 7 and 9). You must use the Marks and confidential information only as authorized in the Franchise Agreement and our Manual.

4. Indemnify you against damages for which you are held liable in any proceeding arising out of your use of our Marks in compliance with the Franchise Agreement, and reimburse you for costs you incur in defending against any such claim (Franchise Agreement – Section 7.5).

5. As we deem appropriate, provide you with supplemental training programs (Franchise Agreement – Section 4.2). We may hold training programs for you and your staff regarding new techniques, services or products, and other appropriate subjects. We may decide to hold these training programs at our own initiative, or in response to your request for additional or special training. We will determine the location, frequency, and instructors of these training programs. We may, but do not currently, charge you a daily attendance fee in an amount to be set by us for each owner, officer, director, manager, or employee of yours who attends any mandatory or optional training program. You must pay this fee to us in a lump sum before the training program begins. You must pay for all travel, lodging, meals, and personal expenses related to your attendance and the attendance of your personnel.

6. Review and approve or disapprove your advertising, marketing, and promotional materials (Franchise Agreement – Section 11.2).

7. As we deem advisable, conduct inspections and/or audits of your Unit Franchise, including evaluations of its training methods, techniques, and equipment; its staff; and the services rendered to its customers (Franchise Agreement – Section 13.1). We may provide you with additional guidance and may require additional training based on the results of these inspections and/or audits.

8. If requested by you, we may provide you with a Company's employee or agent to assist you with the operation of your Unit Franchise ("Center Assistance"). You will be responsible to pay to the Company a daily fee (currently set at $300) - the Company reserves the right to adjust this fee as it deems appropriate) in addition to the actual costs (including but not limited to travel, meals, lodging, car rental, etc.) for the Store Assistance (Franchise Agreement – Section 5.1).

**Advertising and Marketing:**

**Advertising by You**

In addition to contributions to the Branding Fund, you must spend Two Thousand Five Hundred and No/100 Dollars ($2,500.00), or 5% of your Gross Revenues, whichever is greater, each month during the term of your Franchise Agreement (the "Minimum Local Advertising Requirement").

In addition, you may only use advertising material that is approved by us. We have the right to require you to use one or more required suppliers for your local advertising. You are currently required to use our required vendor for your local digital marketing. We may require you to spend all or a portion of the Minimum Local Advertising Requirement with such required suppliers. We will collect such amounts directly from you via EFT. If requested, you must provide us (in a form we approve or designate) evidence of your required local advertising, marketing and promotional expenditures by the thirtieth (30th) day of each month, for the preceding calendar month, along with a year-to-date report of the total amount spent on local advertising. Any advertising or marketing material that you intend to use must receive prior written approval from us. If you do not receive our written disapproval within fifteen (15) days from the date the materials are delivered to us, then the materials will be deemed approved. The approval of the marketing or advertising material is valid for one year (Franchise Agreement – Section 11.2).

You are required to join and participate in any Advertising Cooperative ("Co-op") covering your Unit Franchise that may be established and duly formed. A Co-op is an association of all Franchisees whose Franchised Businesses are located within a Designated Market Area ("DMA"). A DMA is a geographic area around a city in which the radio and television stations based in that city account for a greater proportion of the listening/viewing public than those based in the neighboring cities. One function of the Co-op is to establish a local advertising pool, of which the funds must be used for Unit Franchise's advertising only and for the mutual benefit of each Co-op member. We have the right to specify the manner in which any Co-ops are organized and governed, and require any and all Co-ops to be legal entities of the state where they are located. Co-ops must operate according to written bylaws which have been approved by us. Co-ops must provide us a copy of their organizational documents and bylaws prior to commencing any marketing or other activities. Currently, each Franchisee must contribute to a Co-op according to the Co-op's rules and regulations, and bylaws, as determined by its members. Amounts contributed to Co-ops may not be considered as spent for local advertising. However, the total monthly amount that you are required to contribute to all cooperatives for your Unit Franchise will not exceed $2,000 (Franchise Agreement – Section 11.3).

**Grand Opening Advertising**

You must participate in a grand opening promotion and all advertising and sales promotion programs that we may authorize or develop for Prime IV Hydration & Wellness® Unit Franchises. You must spend at least $17,000 on grand opening marketing during the period beginning no later than 30 days before the opening of your Prime IV Hydration & Wellness® Unit Franchise to the public and ending 90 days after such opening date (the "Grand Opening Period"). This amount includes your required local advertising (digital marketing) for the first 3 months after you open for business to the public. (Franchise Agreement – Section 6.5).

**Advertising by Us**

We may create one or several national and/or regional advertising funds (the "Branding Fund (s)") for our Unit Franchises (both Franchisee-owned and Company-owned) to accomplish those advertising and promotional programs we deem necessary or appropriate for the Unit Franchises (Franchise Agreement – Section 11.1). Currently, we use one Branding Fund to meet the needs of regional, multi-regional, and national advertising and promotional programs. Each Unit Franchise must contribute to the Branding Funds for their area such amounts that we periodically require. The current contribution amount is one percent (1%) of your Gross Revenues. The maximum contribution to the Branding Funds we may require from you is two percent (2%) of your Gross Revenues. Any Unit Franchise owned by us will contribute to the Branding Fund on the same basis as you.

We will direct all marketing programs financed by the Branding Fund, and will have sole discretion over the creative concepts, materials and endorsements used by the Branding Fund, and the geographic, market, and media placement and allocation of the Branding Funds. We have the sole discretion to use the Branding Funds to pay the costs of administering regional, multi-regional, and/or national advertising programs, including purchasing direct mail and other media advertising; employing advertising agencies and supporting public relations, market research, and other advertising and marketing firms; and paying for advertising and marketing activities that we deem appropriate, including the costs of participating in any national or regional trade shows. We may in our discretion use Branding Fund to engage in advertising and promotional programs that benefit only one or several regionals, and not necessarily all Unit Franchises. We will not use the Branding Fund for advertising that is principally a solicitation for the sale of franchises.

The Branding Funds will be accounted for separately from our other funds, and will not be used to pay any of our general operating expenses, except for salaries, administrative costs, and overhead that we incur in activities reasonably related to the administration of the Branding Funds and their marketing programs, including preparing advertising and marketing materials, and collecting and accounting for contributions to the Branding Funds. We may spend in any fiscal year an amount greater or less than the aggregate contributions to the Branding Fund in that year, and the Branding Funds may borrow from us or other lenders to cover the Branding Funds' deficits, or invest any surplus for future use by the Branding Funds. We will prepare an annual statement of monies collected and costs incurred by each Branding Fund, and will provide it to you upon written request. We do not intend to audit our Branding Fund.

During our fiscal year ending December 31, 2022, disbursements from the Branding Fund were spent as follows: 29% for production of advertisements and other promotional materials, 54% for website development, 15% for advertising media, 3% for public relations, and 0% for general and administrative expenses.

We may cause any Branding Fund to be incorporated or operated through an entity separate from us when we deem appropriate, and the entity will have the same rights and duties as we do under the Franchise Agreement. If established, the Branding Funds will be intended to enhance recognition of the Marks and to enhance the franchise opportunities available through our franchises. Although we will endeavor to use the Branding Funds to develop advertising and marketing materials and programs and place advertising that will benefit all Unit Franchises, we do not have to ensure that the Branding Funds' expenditures in or affecting any geographic area are proportionate or equivalent to the contributions made by Unit Franchises in that geographic area, or that any Unit Franchise will benefit from the development of advertising and marketing materials or the placement of advertising by the Branding Funds directly or in proportion to the Unit Franchise's contribution to the Branding Funds. We assume no direct or indirect liability or obligation to you or any other Unit Franchise in connection with the establishment of an Branding Fund, or the collection, administration, or disbursement of monies paid into any Branding Fund.

We may suspend contributions to, and the operations of, any Branding Fund for any period we deem appropriate, and may terminate the Branding Fund upon thirty (30) days' written notice to you. All unspent monies held by the Branding Fund on the date of termination will be distributed to us, our affiliates, and you and our other Franchisees in proportion to each party's respective contributions to the Branding Fund during the preceding twelve (12) month period. We may reinstate a terminated Branding Fund upon the same terms and conditions set forth in the Franchise Agreement upon thirty (30) days' advance written notice to you.

As of December 31, 2022, we had no Co-ops. Each Advertising Co-op must be operated according to their respective bylaws. We have the right to specify the manner in which all Co-ops are organized and governed, and may require all Co-ops to be legal entities of the state where they are located.

As of December 31, 2022, we had no advertising councils. We may, in our sole discretion, change or dissolve any advertising councils or similar organization which we have formed or organized.

As of the date of December 31, 2022, we had one Franchise Advisory Council. We may, in our sole discretion, change or dissolve any advisory councils or similar organization which we have formed or organized.

We, or our designated supplier, may become the required supplier of some or all digital marketing, print collateral, and advertising services. If we do, you will be required to discontinue using any of your current suppliers for this service upon expiration of any existing contracts for these services, or within thirty (30) days after receiving notice from us that we will be providing these services, whichever occurs first. Any amounts paid to us as the required supplier of digital marketing, print collateral, and advertising services may be applied towards the Minimum Local Advertising Requirement.

**Computer System:**

You must use the computer hardware and software (collectively, "Computer System") that we periodically designate to operate your Unit Franchise (Franchise Agreement – Sections 3.4 and 6.6). You must obtain the Computer System, software licenses, maintenance and support services, and other related services from the suppliers we specify (which may include or be limited to us and/or our affiliates). You are responsible for all costs and monthly fees associated with any such software licenses or programs, including any updates. We may periodically modify the specifications for, and components of, the Computer System. These modifications and/or other technological developments or events may require you to purchase, lease, and/or obtain by license new or modified computer hardware and/or software, and obtain service and support for the Computer System. The Franchise Agreement does not limit the frequency or cost of these changes, upgrades, or updates. We have no obligation to reimburse you for any Computer System costs. Within sixty (60) days after you receive notice from us, you must obtain the components of the Computer System that we designate and ensure that your Computer System, as modified, is functioning properly.

We may charge you a reasonable fee for installing, providing, supporting, modifying, and enhancing any proprietary software or hardware that we develop and license to you; and (ii) other Computer System-related maintenance and support services that we or our affiliates provide to you. If we or our affiliates license any proprietary software to you or otherwise allow you to use similar technology that we develop or maintain, then you must sign any software license agreement or similar instrument that we or our affiliates may require.

You will have sole responsibility for: (1) the acquisition, operation, maintenance, and upgrading of your Computer System; (2) the manner in which your Computer System interfaces with our computer system and those of other third parties; and (3) any and all consequences that may arise if your Computer System is not properly operated, maintained and upgraded.

Your Computer System must be capable of supporting our required software, with Internet capability, and accessible by us remotely. You may also be required to purchase certain customer contact software and financial software, and to pay monthly charges associated with your Computer System. The specification regarding the required hardware and software for your Computer System are contained in the Manual.

We estimate the cost of purchasing the computer hardware will range from $1,000 to $3,000. You will also be required to purchase from our approved supplier our proprietary software and other required software necessary for the operation of your franchise. You will also be required to pay a monthly fee of $249 for the continuing use of our proprietary software. In addition, you must use our POS Software and EMR Software. Currently, the POS Software is $359 a month. Currently, the EMR Software is between $75 and $125 a month. You also must us the Accounting Software we designate, which is approximately $49 a month. However, we reserve the right to increase the cost of each software after providing you thirty (30) days prior written notice. You are responsible for the cost to purchase and maintain any other software licenses or programs that we may require you to use in connection with your franchise.

We will have independent access to any and all information that will be generated and stored on your Computer and Software Systems. There are no limitations on when or how we may access such information.

Any client health related data will be handled in accordance with HIPAA. Business associate agreements and/or other related agreements will be utilized to ensure the privacy of health related data and to protect the privacy of clients.

**Table of Contents of the Operating Manual:**

The Table of Contents of our Manual is attached to this Franchise Disclosure Documents as **Exhibit C**. You will be given the opportunity to view our Manual before buying a franchise and after you execute a confidentiality agreement.

**Training Program (Franchise Agreement – Section 4.2**

Our initial training program currently includes the following:

| TRAINING PROGRAM | | | |
|---|---|---|---|
| **Subject** | **Hours of Classroom Training** | **Hours of On-the-Job Training** | **Location** |
| Introduction to Prime IV Hydration & Wellness® | .25 | 0 | Colorado Springs, CO, or other designated location |
| System Protocols | 3 | 2 | Colorado Springs, CO, or other designated location |
| Compliance Systems | 1 | 3 | Colorado Springs, CO, or other designated location |
| SMO/PC awareness | .75 | 0 | Colorado Springs, CO, or other designated location |
| Real Estate/ Site Location | 1 | 1 | Colorado Springs, CO, or other designated location |
| Center Construction | .5 | 0 | Colorado Springs, CO, or other designated location |
| Vendor Introductions | 1.5 | | Colorado Springs, CO, or other designated location |
| Human Resources & Leadership Development | .5 | .5 | Colorado Springs, CO, or other designated location |
| Patient Acquisition/Marketing | 4 | 1 | Colorado Springs, CO, or other designated location |
| CryoXcel | .5 | 1 | Colorado Springs, CO, or other designated location |
| Center Operations/Customer Service | 12 | 8 | Colorado Springs, CO, or other designated location |
| POS Software | 2 | 4 | Colorado Springs, CO, or other designated location |

| TRAINING PROGRAM | | | |
|---|---|---|---|
| **Subject** | **Hours of Classroom Training** | **Hours of On-the-Job Training** | **Location** |
| Technology (Helpdesk) | 2 | 0 | Colorado Springs, CO, or other designated location |
| Financial Management & Business Analytics | 1 | 1 | Colorado Springs, CO, or other designated location |
| Quizzes and Exams | 1 | 0 | Colorado Springs, CO, or other designated location |
| **Total** | **31** | **15.5** | |

Explanatory Notes:

(1) Most of these subjects are integrated throughout the training program (comprised of 20 hours of classroom/online training and 11 hours of initial on-the-job training). The training program must be completed to our satisfaction before the opening of the Unit Franchise. On-the-job training will occur at a certified training center after completion of classroom training. You will also receive training at your Unit Franchise site within a few days before or during the opening of your Unit Franchise. We anticipate holding the initial training once a month, but may hold initial training more or less often based as needed.

(2) The Company also may offer additional or refresher training courses from time to time. Some of these courses may be mandatory, and some may be optional. These courses may be conducted at the Company's headquarters or at any other locations selected by the Company.

(3) You will be responsible for all out-of-pocket expenses in connection with all training programs, including the transportation, lodging, meals, wages and employee benefits costs you incur for your training, and the training of management and employees that you have attend the training. The Company reserves the right to impose reasonable charges for training classes and materials in connection with such training courses. The Company will notify you of any additional charges before you or your designated employees enroll in a course. While there is no cost to take such training, we require you and your management staff to pass our training program to our satisfaction before you may begin operating your Unit Franchise.

(4) All classes are scheduled by advance written notice to all Franchisees. The Company's class cancellation policies will be included in the written notice of class schedules.

(5) The instruction materials for our training programs include handouts, our Manual, on-line programs, and lectures.

(6) Although the individual instructors of the training program may vary, all of our instructors have significant experience in their fields. Currently, our primary trainers are Amy Neary, our CEO, and Devi Walton, our Clinical Director. Ms. Neary has been with us since our inception, and will cover various aspects of the training including the introduction to the Prime IV system, and other aspects of franchise and each center's operations. Ms. Neary has more than 15 years of experience in all the areas that she will be training. Ms. Walton has been with us since our inception, and will cover the clinical aspects of each center's operations, including software, customer experience, and protocols. Ms. Walton has more than 12 years of experience in the areas that she will cover in the training. Others may assist in training from time to time, and will have at least 2 years of experience in the areas they will cover in training.

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

**Price Restrictions**

To the extent permitted by applicable law, we may periodically establish maximum and/or minimum prices for services and products that Franchise locations offer, including without limitation, prices for promotions in which all or certain Unit Franchises participate. If we establish such prices for any services or products, you cannot exceed or reduce that price, but will charge the price for the service or product that we establish. You will apply any pricing matrix or schedule established by us. However, in states where you must enter a Management Agreement this provision will be modified, to the extent legally permissible, to conform to the laws of the state where your Franchise location will be located.

## Item 12

## TERRITORY

You must operate your Unit Franchise from a site we approve. We will grant you a protected territory ("the Protected Territory"). We will define the Protected Territory in an addendum to the Franchise Agreement after you select and we approve the site for your Unit Franchise. Your Protected Territory will be defined by the natural traffic and trade patterns of your approved site. We will describe the Protected Territory using either longitude and latitude coordinates or a map that will show in general terms the fixed geographical boundaries (such as rivers, streets or highways). The geographic size of the Protected Territory will vary based upon population density and a variety of demographic factors. In dense urban areas, the Protected Territory may encompass a city block or less, and at Non-Traditional Sites, we might limit your Protected Territory to the site of your Unit Franchise. In less dense suburban areas, the Protected Territory could include an entire municipality. For purposes of this Agreement, a "Non-Traditional Site" means any site or channel that generates customer traffic flow that is independent from the general customer traffic flow of the surrounding area (i.e., airports and stadiums). We would expect to grant franchises for Non-Traditional Sites in self-contained locations such as college or university campuses, airports, or sports arenas. We will not modify your Protected Territory during the franchise term. If you intend to renew or transfer the franchise, and your Protected Territory is larger than our then-current standard size for territories or the then-current demographics of your Protected Territory have changed, then we may reduce the size of your Protected Territory on renewal or require your transferee to operate the Unit Franchise in a smaller territory. If we reduce the Protected Territory, we will give you or your transferee the option (as applicable) to develop the remaining territory.

We must approve the relocation of your franchised business. We will apply the same criteria for the relocation of a franchised business as we apply when determining the location of a new franchise.

The Franchise Agreement does not grant you any options, rights of first refusal, or similar rights to acquire additional franchises.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, from other channels of distribution or competitive brands that we control.

If you are in full compliance with the Franchise Agreement, then during the Franchise Agreement's term, neither we nor our affiliates will operate or grant a franchise for the operation of another Prime IV Hydration & Wellness® Unit Franchise or Company-owned Prime IV Hydration & Wellness® franchise within your Protected Territory (except for Prime IV Hydration & Wellness® Unit Franchises at Non-Traditional Sites) that offers the same or similar goods or services under the same or similar trademarks as long as you meet the following minimum performance standards by the end of the periods set forth below:

a. Twelve (12) months from opening your franchise you must have no less than $200,000 in annual Gross Sales.

b. Twenty-four (24) months from opening your franchise you must have no less than $300,000 in annual Gross Sales.

c. Thirty-six (36) months from opening your franchise you must have no less than $400,000 in annual Gross Sales.

d. Forty-eight (48) months from opening your franchise you must have no less than $500,000 in annual Gross Sales.

e. Sixty (60) months from opening your franchise, and the end of each year thereafter (calculated from your opening date), you must have no less than $600,000 in annual Gross Sales.

Failure to meet the performance requirements may result in loss of your Protected Territory and/or the termination of your Franchise Agreement.

You may not solicit or accept orders from consumers outside the Protected Territory through any channels of distribution (including the Internet, , telemarketing and other direct marketing sales). We will not be required to compensate you for soliciting or accepting orders from customers within your Protected Area through any channels of distribution.

**Other Company Reserved Rights**

We and our affiliates reserve the right to engage in any activities we deem appropriate that your Franchise Agreement does not expressly prohibit, whenever and wherever we desire, including the right to (1) own, acquire, site build, or operate, for our own account, or grant to others the right to operate, Unit Franchise on terms and conditions and at locations we deem appropriate outside of your Protected Territory; (2) to grant an Area Representative franchise in your area that will support you on our behalf; (3) provide or grant other persons the right to provide goods that are similar to and/or competitive with those provided by Unit Franchises through any distribution channel, including, but not limited to, sales via toll-free telephone numbers and electronic means, including the Internet under the Marks or trademarks and services marks other than the Marks; (4) acquire the assets or ownership interest of businesses providing products and services similar to those provided at Unit Franchises, and franchising, licensing, or creating similar arrangements with respect to those acquired businesses, wherever those businesses or their Franchisees or licensees are located; and (5) being acquired (regardless of the form of transaction) by a business providing products and services similar to those provided at Unit Franchises or another business. Neither we nor any of our affiliates will be required to compensate you for soliciting or conducting business through alternative distribution channels.

## Item 13

## TRADEMARKS

You may use our word mark "Prime IV Hydration & Wellness®" and such other Marks as are designated in writing by the Company in connection with your Franchised Business. You may use them only in the manner authorized and permitted by the Company and you may not directly or indirectly contest the Company's ownership of or rights in the Marks.

We have registered the following Marks with the U.S. Patent and Trademark Office ("USPTO") on the Principal Register. At the appropriate times, we intend to renew the registrations and to file all appropriate affidavits.

| Mark | Serial Number | Application Date | Registration Number | Registration Date | Register |
|---|---|---|---|---|---|
| Prime IV Hydration & Wellness® | 88810503 | February 25, 2020 | 6223628 | December 15, 2020 | Principal |
| | 97270367 | February 16, 2022 | 7010691 | March 28, 2023 | Principal |

There are no agreements currently in effect that significantly limit the Company's right to use or license the use of the Marks in a manner material to the franchise. The logo is part of the Company's Marks. With respect to the Marks, there are currently no effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court, or any pending infringement, opposition, or cancellation proceeding.

The Company will indemnify against or reimburse for expenses you incur in defending claims of infringement or unfair competition arising out of your use of the Marks. You are required to notify the Company immediately when you become aware of the use, or claim of right to, a Mark identical or confusingly similar to our Marks. If litigation involving the Marks is instituted or threatened against you, you must notify the Company promptly and cooperate fully with the Company in defending or settling the litigation. The Company, at its option, may defend and control the defense of any proceeding relating to any Marks.

If it becomes advisable at any time in the Company's sole judgment to modify or discontinue the use of any Mark, or use one or more additional or substitute trade or service marks, including the Marks used as the name of the Franchise, then you agree, at your sole expense, to comply with our directions to modify or otherwise discontinue the use of the Mark, or use one or more additional or substitute trade or service marks, within a reasonable time after our notice to you.

The Company has no actual knowledge of either superior prior rights or infringing uses that could materially affect a Franchisee's use of the Marks in any state. There is no pending material federal or state court litigation regarding the Company's use or ownership rights in any trademark.

## Item 14

## PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

**Patents Rights.**

The Company owns no rights in or to any patents that are material to the franchise.

**Copyrights.**

The Company claims a copyright and treats the information in the Manual as confidential trade secrets, but you are permitted to use the material as part of the franchise. The Company does not own rights to, or licenses in, any copyright that is material to the franchise system.

**Confidential Operations Manual.**

Under the Franchise Agreement, you must operate the Franchised Business in accordance with the standards, methods, policies, and procedures specified in the Manual. You will be loaned a copy of the Manual for the term of

the Franchise Agreement, when you have completed the initial training program to our satisfaction. You must operate your Unit Franchise strictly in accordance with the Manual, as it may be revised by the Company from time to time.

You must at all times, treat the Manual and the information in it, as well as any other materials created for or approved by use for the operation of your Franchised Business, as confidential, as required by the Franchise Agreement. You must use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record or otherwise make them available to any unauthorized person. The Manual will remain our sole property and must be returned in the event that you cease to be a Unit Franchise Owner.

We may from time to time revise the contents of the Manual, and you must comply with each new or changed provision. You must ensure that the Manual is kept current at all times. In the event of any dispute as to the contents of the Manual, the terms of the master copies maintained by us at Company's home office will be controlling.

**Confidential Information.**

The Franchise Agreement requires you to maintain all Confidential Information of the Company as confidential both during and after the term of the Agreement. "Confidential Information" includes all information, data, techniques, formulas, and know-how designated or treated by the Company as confidential and includes the Manual. You may not at any time disclose, copy or use any Confidential Information except as specifically authorized by the Company. We own all data gathered or collected by you in operating your Franchise. At termination, such information will remain our property.

## Item 15

## OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Franchisees are expected to participate in the direct operation of their franchise on a full-time basis. If they cannot, then they are obligated to have a fully trained Manager operate the franchise. We believe that a person with an equity interest can best ensure that our standards of quality and competence are maintained. However, neither your Manager nor any other on-site supervisor is required to possess an equity interest in the Franchise. The Franchise Agreement requires that you, or a designated Manager, be directly involved in the day-to-day operations and utilize your best efforts to promote and enhance the performance of the Franchised Business. While in most cases Franchisees will seek additional assistance for the labor-intensive portions of the business, we have built our reputation on Franchisee participation and believe it is crucial for continued success. In any case, when making decisions relating to the operation of the Unit Franchise, the Franchisees should keep in mind that at least one licensed medical or healthcare professional must be present in the Unit Franchise at all times, during the hours of business of the Unit Franchise.

Neither you nor any employee of the Franchisee may interfere with the professional judgment of any licensed person who is providing services at any Center. In a state where the Center must be owned and operated by a P.C., the Franchisee must be sure to follow the terms and conditions of the Management Agreement with the P.C. The Management Agreement sets forth the duties and responsibilities of the Management Company (Franchisee) and the P.C. You must ensure that you, and any of your employees and/or agents comply with the terms of the Management Agreement.

Any Manager you employ at the launching of your franchise operations must complete the initial management-training course required by the Company. All subsequent Managers must be trained fully according to our standards by either the Franchisee or the Company. However, the Company may charge a fee for this additional training.

Each Principal Owner who holds an interest in the Franchisee must personally guarantee all of the obligations of the Franchisee under the Franchise Agreement. (See Exhibit 2 to the Franchise Agreement for the form of Guaranty and Assumption of Obligations.) The Guaranty and Assumption of Obligations must be executed by the spouse(s)

of the Franchisee, and all its owners, partners, etc. You must submit your operating agreement and statement of legal formation if you are an LLC and the appropriate corporate documents if you are incorporated. You are obligated to maintain them in good standing and submit copies of the by-laws and resolutions as may be required.

Any persons who have or may have an operating interest in the Franchisee or the franchise must execute our Confidentiality Agreement (See **Exhibit E**). You must have each Manager or any other person who receive or has access to training and other Confidential Information under the System, including employees, sign our Brand Protection Agreement (**See Exhibit E**). The covenants must be in a form satisfactory to us, and must provide that we are a third-party beneficiary of, and have the independent right to enforce the covenants. You may not transfer any interest in the Franchise, the franchise agreement, or the lease for the Premises of the Franchise, without our prior written consent.

## Item 16

## RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must operate the Franchised Business in strict conformity with all prescribed methods, procedures, policies, standards, and specifications of the System, as set forth in the Manual and in other writings by the Company from time to time. You must use the Premises only for the operation of your Franchised Business and may not operate any other business at or from the Premises without the express prior written consent of the Company.

The Company requires you to offer and sell only those goods and services that the Company has approved. The Company maintains a written list of approved goods and services in its Manual, which the Company may change from time to time. If you sell unapproved goods or services or fail to report them, we have the right to charge you fees, and if you continue to do so after written notice is given to you, the Company may terminate your franchise.

You must offer all goods and services that the Company designates as required for all franchises. In addition, the Company may require you to comply with other requirements (such as state or local licenses, training, marketing, insurance) before the Company will allow you to offer certain services.

We reserve the right to designate additional required or optional goods and services in the future and to withdraw any of our previous approvals. In that case, you must comply with the new requirements. There are no express limitations on our right to designate additional or operational goods and services; however, such goods and services will be reasonably related to our franchise system or model.

We do not currently have any restrictions or conditions that limit access to customers to whom the Franchisee may sell goods or services. However, customers who have medical contraindications will be screened appropriately.

**Franchised Business Exclusivity Obligations**

You, the Franchisee, are specifically prohibited and not authorized to offer products of services identical or similar to the products or services offered by us through any means or through any other entity in which you may have an interest, other than your franchise, unless prohibited by applicable law.

## 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 | Ten (10) Years |
| b. Renewal or extension | Section 2.4 | Your renewal rights permit you to remain a Franchisee after the initial term of your Franchise Agreement expires. If you wish to do so, and you satisfy the required pre-conditions to renewal, we will offer you the right to one (1) renewal term of ten (10) years. |
| c. Requirements for franchisee to renew or extend | Section 2.4 | You must: have substantially complied with your Franchise Agreement; given notice to us of your intent to renew between twelve (12) and twenty-four (24) months before the expiration of the initial term of the franchise; sign a new Franchise Agreement in our then current form which may include terms and conditions materially different from those in the original Franchise Agreement; sign general release of claims (in a form substantially similar to that attached in **Exhibit K**) against us and related parties; pay the applicable renewal fee; cure any defaults; and pay all amounts owed to us. |
| d. Termination by franchisee | None | None |
| e. Termination by franchisor without cause | None | None |
| f. Termination by franchise with cause | Section 15 | Various breaches of Franchise Agreement. |
| g. "Cause" defined – curable defaults | Section 15 | 1) you fail to maintain a valid license to practice and/or fail to comply with any state and federal regulations, other than those covered by subsection Section 15(f), and do not cure the failure within twenty (20) days after written notice is given to you; or 2) you do not pay when due any monies |

| Provision | Section in Franchise or Other Agreement | Summary |
|---|---|---|
| | | owed to us or our affiliates, and do not make payment within ten (10) days after written notice is given to you; or 3) you fail to procure or maintain any and all insurance coverage that we require, or otherwise fail to name us and the area developer for your area as an additional insured on any required insurance policies and failure to do so within ten (10) days after written notice is given to you; 4) you or any of your Principal Owners fail to comply with any other provision of this Agreement or any mandatory specification, requirement, standard, or operating procedure, including those in our Manual, and you fail to make the required changes or to comply with such provision, specification, requirement, standard or operating procedure, within thirty (30) days after written notice of your failure to comply is given to you. |
| h. "Cause" defined – non-curable defaults | Section 15 | 1) you fail to open your Franchise for business by the Opening Deadline, subject to the extension set forth in Section 3.1(c); or 2) you abandon, surrender, transfer control of, lose the right to occupy the Premises of, or do not actively operate, the Franchise, or your lease for or purchase of the location of the Franchise is terminated for any reason; or 3) you or your Principal Owners assign or Transfer this Agreement, any Interest, the Franchise, or assets of the Franchise without complying with the provisions of Section 14; or 4) You make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debt generally as they become due; your consent to the appointment of a receiver, trustee or liquidator of all or the substantial part of your property; your Unit Franchise is attached, seized, subjected to a writ of distress, warrant, or levied upon; 5) you use, sell, distribute or give away any unauthorized services or products on three or more occasions within any consecutive (12) month period; or 6) you fail to maintain any licenses or permits necessary for the operation of the Franchise and/or fail to comply with any state and federal regulations which is reasonably likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Marks; or 7) you or any of your Principal Owners are convicted of or plead no contest to a felony or are convicted or plead no contest to any crime or offense, which is reasonably likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the |

| Provision | Section in Franchise or Other Agreement | Summary |
|---|---|---|
| | | Marks; or 8) you are involved in any action or activity, including but not limited to dishonest, unethical, or illegal actions or activities, which is reasonably likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Marks; or 9) You (or any of your owners) have made or knowingly make a material false or incomplete statement in any report submitted to us; 10) We discover that you knowingly made a material false or incomplete statement to us to obtain the Franchise; 11) You (or any of your owners) participate in in-term competition contrary to Section 9.3; 12) you fail to timely notify of any event, action or other action identified in Section 10.6, which is reasonably likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Marks; or 13) you or any of your employees violate any health or safety law, ordinance or regulation, or operate the Franchise in a manner that presents a health or safety threat, hazard or danger to your customers or the public, which hazard, threat or danger you acknowledge is determined by our commercial business judgment; or 14) you or any of your Principal Owners receive three (3) or more written notices of default from us, within any period of twelve (12) consecutive months, concerning any material breach by you, whether or not such breaches shall have been cured. |
| i. Franchisee's obligations on termination/non-renewal | Section 16 | Includes payment of money owed to us, return of printed copies of the Manual, cancellation of assumed names and transfer of phone numbers, cease using Marks, cease operating Franchised Business, no confusion with Marks, our option to purchase your inventory and equipment, your modification of the premises and our option to purchase your Franchised Business. |
| j. Assignment of contract by franchisor | Section 14.3 | No restriction on right to transfer. |
| k. "Transfer" by franchisee – defined | Section 14 | Includes assignment of Franchise Agreement, sale or merger of business entities, transfer of corporate stock, death of Franchisee, or majority owner of Franchisee. |
| l. Our approval of transfer by you | Section 14.4 | You need the Company's approval to transfer Unit Franchise ownership or any fractional ownership interest. |

| Provision | Section in Franchise or Other Agreement | Summary |
|---|---|---|
| m. Conditions for our approval of transfer by you | Section 14.5 | New owner must have sufficient business experience, aptitude and financial resources to operate the franchise; you must pay all amounts due us or our affiliates; new owner and its director must successfully complete our initial training program; the new Franchisee and its owners and spouses must execute a guaranty in our favor; your landlord must consent to transfer of the lease, if any; you must pay us the applicable transfer fee; you and your Principal Owners must sign a general release in favor of us, our affiliates, and our and their officers, directors, employees and agents; if applicable, the new owner must agree to remodel to bring the franchise to current standards; new owner must assume all obligations under your Franchise Agreement or, at our option, sign a new Franchise Agreement using our then-current form; the new Franchisee and its owners and spouses must execute a guaranty in our favor; you and your Principal Owners must sign a non-competition agreement agreeing not to engage in a competitive business for twenty-four (24) months within fifty (50) miles of your Unit Franchise or any other Unit Franchise, along with an agreement not to solicit our employees or franchisees. We also have a right of first refusal and may approve or disapprove the material terms of the transfer, and require that you subordinate any installment payments to the new owners' obligation to pay us. You and the new Franchisee, and all your and its owners and spouses, must execute a transfer agreement in a form substantially similar to that attached as **Exhibit K**. |
| n. Our right of first refusal to acquire your business | Section 14.6 | We have the option to match any offer for your Franchised Business. |
| o. Our option to purchase your business | Section 16.6 | We have the option to purchase your Franchised Business upon termination or non-renewal. |
| p. Death or disability of you | Section 14.7 | Franchise must be assigned by estate to approved buyer within forty-five (45) days. |
| q. Non-compete covenants during the term of the franchise | Section 9.3 | You cannot be involved in a competitive business during the term of the Agreement. |
| r. Non-compete covenants after the franchise is terminated or expires | Section 9.3 | No involvement in competing business for twenty-four (24) months within a fifty (50) mile radius of any Unit Franchise. |
| s. Modification of the agreement | Section 20 | Must be in writing by both sides. |

| Provision | Section in Franchise or Other Agreement | Summary |
|---|---|---|
| t. Integration/merger clause | Section 20 | Only the terms of the Franchise Agreement are binding. Any other promises are unenforceable. Notwithstanding the foregoing. nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments. |
| u. Dispute resolution by arbitration or mediation | Section 17.9 | Except for certain claims, we and you must litigate all disputes in El Paso County, Colorado, subject to state law. |
| v. Choice of forum | Section 17.11 | El Paso County, Colorado, subject to state law. |
| w. Choice of law | Section 17.11 | Colorado law governs, except for matters regulated by the United States Trademark Act (subject to state law). |

Additional Information

Applicable state law might require additional disclosures or requirements related to the information contained in this Disclosure Document. These additional disclosures, if any, appear in **Exhibit I** of this Disclosure Document.

## Item 18

## PUBLIC FIGURES

The Company does not use any public figure to promote its 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 following information is provided for the purpose of helping you evaluate the potential earnings capability of a Prime IV Hydration & Wellness® Unit Franchise. Please carefully read all information in this Item 19, including the notes following the tables, which explain the information provided in the tables and the limitations on this and the other information contained in this Item 19.

Table 1 below is an historic financial performance representation reflecting the actual Gross Sales of our affiliate Prime IV Hydration & Wellness® Center in Colorado Spring, CO, for the period 2019, 2020, 2021, 2022. For purposes of the above information, Gross Sales means the total sales of the affiliate Center, less taxes, discounts, rebates, and returns. In computing these figures, we took the actual sales of each Center.

| Table 1<br>Gross Sales of Affiliate Center<br>2019-2022 | |
|---|---|
| **Calendar Year** | **Gross Sales** |
| 2019 | $441,270 |
| 2020 | $558,236 |
| 2021 | $790,980 |
| 2022 | $832,190 |

Table 2 below is an historic financial performance representation reflecting the Gross Sales of our Unit Franchisees that were open at least 7 months in 2020, 2021 and 2022. We had no other franchisees open for more than 7 months during any of these years.

| Table 2<br>Gross Sales of Franchisees in 2020, 2021 and 2022<br>(Open At Least 7 Months During Year) | | | | |
|---|---|---|---|---|
| **Franchised Center** | **Gross Sales in 2020** | **Gross Sales in 2021** | **Gross Sales in 2022** | **Months Open in 2022** |
| St. George, UT* | $465,876 | $1,084,817 | $1,333,179 | 12 |
| New Smyrna Beach, FL* | $275,071 | $650,226 | $755,539 | 12 |
| Scottsdale, AZ** | N/A | $298,612 | $583,232 | 12 |
| Delray Beach, FL** | N/A | $336,234 | $855,809 | 12 |
| Lehi, UT** | N/A | $765,206 | $1,086,929 | 12 |
| Winter Park, FL** | N/A | $282,657 | $392,297 | 12 |
| Virginia Beach, VA** | N/A | $312,224 | $599,742 | 12 |
| Springboro, OH** | N/A | $319,810 | $673,404 | 12 |
| Provo, UT** | N/A | $273,753 | $497,651 | 12 |
| South Jordan, UT** | N/A | $213,300 | $584,088 | 12 |
| Henderson, NV | N/A | N/A | $861,567 | 12 |
| Knoxville, TN | N/A | N/A | $1.022,310 | 12 |
| Ormond Beach, FL | N/A | N/A | $749,459 | 12 |
| Idaho Falls, ID | N/A | N/A | $642,702 | 12 |
| Overland Park, KS | N/A | N/A | $549,506 | 12 |
| Dr. Phillips, FL | N/A | N/A | $531,434 | 12 |
| Colorado Springs Powers, CO | N/A | N/A | $476,957 | 12 |
| Castle Rock CO | N/A | N/A | $523,724 | 12 |
| Apex, NC | N/A | N/A | $514,710 | 11 |
| Murry, UT | N/A | N/A | $263,108 | 9 |
| Bethesda, MD | N/A | N/A | $337,179 | 7.5 |
| Sandy, UT | N/A | N/A | $274,939 | 7 |
| Addison, TX | N/A | N/A | $189,671 | 7 |
| Chesapeake, VA | N/A | N/A | $253,173 | 7 |
| Norfolk, VA | N/A | N/A | $155,899 | 7 |

*In 2020, St. George, UT was open for 10 months and New Smyrna Beach, FL was open 8 months in 2020.

**In 2021, Lehi, UT and Winter Park, FL were both open for 11.5 months, Virginia Beach, VA was open for 9.5 months, Springboro, OH was open for 8.5 months, Provo, UT was open for 7.5 months, and South Jordan, UT was open for 7 months.

Table 3 is an historic financial performance representation reflecting the low, high, median and average of the Gross Sales by year for the of the ten (10) Prime IV Hydration & Wellness® Unit Franchises that were open at least 7 full months in 2021, and the twenty-five (25). Prime IV Hydration & Wellness® Unit Franchises that were open at least 7 full months in 2022.

**Table 5**
**PRIME IV HYDRATION & WELLNESS® Franchisees**
**2021 and 2022 Annual Gross Sales Comparisons**

| Year | Low | High | Median | Average |
|---|---|---|---|---|
| 2021 | $213,301* | $1,084,817 | $316,017 | $453,684 |
| 2022 | $155,899* | $1,333,179 | $549,506 | $588,328 |

*In 2021 and 2022, the Prime IV Unit franchises representing the low figure were in operation for only 7 months of the year.

(1) For purposes of the above information, Gross Sales means the total sales of each affiliate or franchisee, less taxes, discounts, rebates, and returns. In computing these figures, we took the actual sales of each Center.

(2) In 2021, we had 11 Prime IV Unit Franchisees open. We have only included information for the 10 Unit Franchises that were open at least 7 full months during 2021. In 2022, we had 48 Prime IV Unit Franchisees open. We have only included information for the 25 Unit Franchises that were open at least 7 full months during 2022.

(3) The affiliate Prime IV Hydration & Wellness® Center is owned and operated by our CEO and is located at 9475 Briar Village Point, Colorado Springs, CO 80920. It offers substantially the same products and services as Prime IV Hydration & Wellness® Centers will offer to their clients. The affiliate Center is approximately 1,200 which is similar to what is anticipated for a new franchised Prime IV Hydration & Wellness® Center.

(4) There is no assurance that the Gross Sales in the Tables above will reflect or indicate the sales that you or any other franchised Center may achieve or will achieve.

(5) The Gross Sales in the Tables above do not reflect the actual potential net income of a Prime IV Hydration & Wellness® Unit Franchise and should not be relied upon in calculating profitability. There are a number of fixed and variable costs associated with a Prime IV Hydration & Wellness® Center that are not reflected in the table above and that vary among individual Prime IV Hydration & Wellness® Unit Franchises. These costs include costs described in Items 6 and 7 of this Disclosure Document, inventory costs, equipment costs, labor costs, rent and other occupancy costs, taxes, utilities, insurance, royalty fees, advertising, supplies, bad debt, warranty expenses, charge card expenses, equipment rental, taxes, debt service, depreciation on equipment and property, legal and accounting fees, regulatory compliance, management costs, general administrative expenses, preopening organization costs, employee benefits and repairs and maintenance. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business.

(6) The information in the chart was compiled based on actual reported sales by our affiliate Center and franchisees based on sales reports submitted to us by the affiliate or franchisee. We do not know if the figures reported to us by the affiliate Centers or franchisees were audited. We have not independently audited or verified the accuracy of these numbers, and we do not know if these numbers have been verified or audited.

(7) A particular Prime IV Hydration & Wellness® Unit Franchise's financial performance may be affected by numerous factors that may vary due to the individual characteristics of the Prime IV Hydration & Wellness® Unit Franchise. These factors include: competition from other medical providers, appreciation and acceptance of the services and products the Prime IV Hydration & Wellness® Unit Franchise offers in its community, a franchisee's experience, business development and managerial skills, advertising programs, personnel and cost controls, geographic and socioeconomic conditions in the franchisee's area, business cycles and performance of the economy locally, nationally and world-wide.

Written substantiation for the financial performance representations made in this Item 19 will be made available to the prospective franchisee upon reasonable request.

We encourage you to consult with your financial advisors in reviewing the information in this Item 19, in particular, in estimating the categories and amount of additional expenses that may be incurred in establishing and operating a Prime Iv Hydration & Wellness®.

**Some outlets have sold this amount. Your individual results may differ. There is no assurance you'll sell as much.**

Other than the preceding financial performance representation, we do 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 contacting Amy Neary, Chief Executive Officer, 1434 Kelly Johnson Blvd., Colorado Springs, CO 80920, (719) 375-1413, Email: Franchising@PrimeIVHydration.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

## Item 20

## OUTLETS AND FRANCHISEE INFORMATION

**Table No. 1**
**Systemwide Outlet Summary**
**For Years 2020 to 2022**

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|---|---|---|---|---|
| Franchisee | 2020 | 0 | 0 | 0 |
| | 2021 | 4 | 19 | +15 |
| | 2022 | 19 | 47 | +28 |
| Company-Owned | 2020 | 1 | 1 | 0 |
| | 2021 | 1 | 1 | 0 |
| | 2022 | 1 | 1 | 0 |
| Total Outlets | 2020 | 1 | 5 | +4 |
| | 2021 | 5 | 20 | +15 |
| | 2022 | 20 | 48 | +28 |

**Table No. 2**
**Transfers of Outlets from Franchises to New Owners**
**(Other than the Franchisor)**
**For Years 2020 to 2022**

| State | Year | Number of Transfers |
|---|---|---|
| All States | 2020 | 0 |
| | 2021 | 0 |
| | 2022 | 0 |
| Total | 2020 | 0 |
| | 2021 | 0 |
| | 2022 | 0 |

**Table No. 3**
**Status of Franchised Outlets***
**For Years 2020 to 2022**

| State | Year | Outlets at Start of Year | Outlets Opened | Termin-ations | Non-Renewals | Reacquired by Franchisor | Ceased Operations Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| AZ | 2020 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2021 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 2 | 0 | 0 | 0 | 0 | 3 |
| CO | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 3 | 0 | 0 | 0 | 0 | 3 |
| | 2022 | 3 | 1 | 0 | 0 | 0 | 0 | 4 |
| FL | 2020 | 0 | 2 | 0 | 0 | 0 | 0 | 2 |
| | 2021 | 2 | 3 | 0 | 0 | 0 | 0 | 5 |
| | 2022 | 5 | 4 | 0 | 0 | 0 | 0 | 9 |
| ID | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| KS | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| MD | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| MI | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 2 | 0 | 0 | 0 | 0 | 2 |
| MN | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |

| State | Year | Outlets at Start of Year | Outlets Opened | Termin-ations | Non-Renewals | Reacquired by Franchisor | Ceased Operations Other Reasons | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|---|
| NC | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| ND | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| NV | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| OH | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 1 | 0 | 0 | 0 | 0 | 2 |
| OR | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| TN | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| TX | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 2 | 0 | 0 | 0 | 0 | 2 |
| UT | 2020 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2021 | 1 | 3 | 0 | 0 | 0 | 0 | 4 |
| | 2022 | 4 | 6 | 0 | 0 | 0 | 0 | 10 |
| VA | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| | 2022 | 1 | 2 | 0 | 0 | 0 | 0 | 3 |
| WA | 2020 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2021 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 2022 | 0 | 1 | 0 | 0 | 0 | 0 | 1 |
| Total | 2020 | 0 | 4 | 0 | 0 | 0 | 0 | 4 |
| | 2021 | 4 | 15 | 0 | 0 | 0 | 0 | 19 |
| | 2022 | 19 | 28 | 0 | 0 | 0 | 0 | 47 |

**Table No. 4**
**Status of Company-Owned Outlets**
**For Years 2020 to 2022**

| State | Year | Outlets at Start of Year | Outlets Opened | Outlets Re-Acquired from Franchisees | Outlets Closed | Outlets Sold to Franchisees | Outlets at End of the Year |
|---|---|---|---|---|---|---|---|
| All States | 2020 | 1 | 1 | 1 | 1 | 1 | 1 |
| | 2021 | 1 | 1 | 1 | 1 | 1 | 1 |
| | 2022 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total | 2020 | 1 | 1 | 1 | 1 | 1 | 1 |
| | 2021 | 1 | 1 | 1 | 1 | 1 | 1 |
| | 2022 | 1 | 1 | 1 | 1 | 1 | 1 |

**Table No. 5**
**Projected Openings as of December 31, 2022**

| State | Franchise Agreements Signed but Outlet Not Open | Projected New Franchised Outlets in the Next Fiscal Year | Projected New Company-Owned Outlets in the Next Fiscal Year |
|---|---|---|---|
| AL | 0 | 0 | 0 |
| AK | 0 | 0 | 0 |
| AR | 0 | 0 | 0 |
| AZ | 7 | 4 | 0 |
| CA | 1 | 10 | 0 |
| CO | 8 | 6 | 0 |
| CT | 0 | 0 | 0 |
| DE | 0 | 0 | 0 |
| FL | 17 | 14 | 0 |
| GA | 3 | 4 | 0 |
| HI | 1 | 1 | 0 |
| ID | 5 | 4 | 0 |
| IL | 2 | 4 | 0 |
| IN | 3 | 3 | 0 |
| IA | 0 | 0 | 0 |
| KS | 1 | 1 | 0 |
| KY | 3 | 3 | 0 |
| LA | 0 | 0 | 0 |
| MA | 6 | 3 | 0 |
| MD | 1 | 3 | 0 |
| ME | 0 | 0 | 0 |
| MI | 0 | 0 | 0 |
| MN | 0 | 1 | 0 |

| State | Franchise Agreements Signed but Outlet Not Open | Projected New Franchised Outlets in the Next Fiscal Year | Projected New Company-Owned Outlets in the Next Fiscal Year |
|---|---|---|---|
| MO | 0 | 0 | 0 |
| MS | 0 | 0 | 0 |
| MT | 0 | 0 | 0 |
| NE | 0 | 0 | 0 |
| NV | 7 | 4 | 0 |
| NH | 1 | 0 | 0 |
| NJ | 2 | 2 | 0 |
| NM | 1 | 1 | 0 |
| NY | 0 | 0 | 0 |
| NC | 1 | 2 | 0 |
| ND | 2 | 1 | 0 |
| OH | 5 | 5 | 0 |
| OK | 0 | 0 | 0 |
| OR | 1 | 1 | 0 |
| PA | 0 | 0 | 0 |
| RI | 0 | 0 | 0 |
| SC | 1 | 1 | 0 |
| SD | 0 | 0 | 0 |
| TN | 4 | 2 | 0 |
| TX | 6 | 4 | 0 |
| UT | 6 | 7 | 0 |
| VT | 0 | 0 | 0 |
| VA | 1 | 5 | 0 |
| WA | 1 | 0 | 0 |
| WV | 0 | 0 | 0 |
| WI | 1 | 2 | 0 |
| WY | 0 | 0 | 0 |
| Total | 98 | 98 | 0 |

**Exhibit F** lists the names of all of our operating franchisees and their addresses and telephone numbers as of December 31, 2022. **Exhibit F** lists the franchisees who have signed Franchise Agreements for outlets which were not yet operational as of December 31, 2022, and also lists the name, city and state, and business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

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

We have no advisory councils or other independent franchisee organizations that have asked to be included in this Disclosure Document.

## Item 21

## FINANCIAL STATEMENTS

Attached to this Disclosure Document as **Exhibit D** are our audited financials for the years ending December 31, 2022, 2021 and 2020.

## Item 22

## CONTRACTS

Attached are copies of the following agreements relating to the offer of the franchise:

| | |
|---|---|
| **Exhibit B** | Franchise Agreement with the following exhibits:<br><br>Exhibit 1 - Franchise Agreement Opening Deadline/ Expiration Date<br>Exhibit 2 - Owner's Guaranty and Assumption of Obligations<br>Exhibit 3 - Addendum to Lease Agreement<br>Exhibit 4 - Ownership Interests in Franchisee<br>Exhibit 5 – Franchisee Compliance Questionnaire<br>Exhibit 6 – Electronic Funds Transfer Form<br>Exhibit 7 - State-Specific Addenda |
| **Exhibit E** | Non-Disclosure Agreement<br>Confidentiality Agreement<br>Brand Protection Agreement |
| **Exhibit G** | Form UCC-1 Financing Statement |
| **Exhibit J** | Required Vendor Agreements |
| **Exhibit K** | Form of Transfer Agreement and General Release Agreement |

## Item 23

## RECEIPT

Two copies of an acknowledgement of your receipt of this Disclosure Document appear at the end of this Disclosure Document. The Receipts are detachable and one copy must be signed by you and given to us. The other copy may be retained by you for your records. If this page or any other pages or exhibits are missing from your copy, please contact the Company at this address or phone number:

Prime I.V. Hydration & Wellness, Inc.
Attention: Amy Neary, CEO
1434 Kelly Johnson Blvd.
Colorado Springs, CO
Telephone: (719) 375-1413

# EXHIBIT A

## STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

## STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

Following is information about our agents for service of process, as well as state agencies and administrators whom you may wish to contact with questions about Prime I.V. Hydration & Wellness, Inc.

Our agent for service of process in the State of Wyoming is:

Wyoming EZ Corp.
2232 Dell Range Blvd., Ste. 245
Cheyenne, WY 82009

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

| State | State Agency | Agent for Service of Process |
|---|---|---|
| CALIFORNIA | Commissioner Department of Financial Protection & Innovation<br>Suite 750<br>320 West 4th Street<br>Los Angeles, CA 90013<br>(866) 275-2677 | Commissioner Department of Financial Protection & Innovation<br>Suite 750<br>320 West 4th Street<br>Los Angeles, CA 90013 |
| CONNECTICUT | Connecticut Department of Banking Securities and Business Investments Division<br>260 Constitution Plaza<br>Hartford, CT 06103-1800<br>(860) 240-8230 | The Banking Commissioner, The Department of Banking, Securities and Business Investment Division<br>260 Constitution Plaza<br>Hartford, CT 06103-1800<br>(860) 240-8299 |
| HAWAII | Business Registration Division<br>Department of Commerce and Consumer Affairs<br>335 Merchant Street, Room 203<br>Honolulu, HI 96812<br>(808) 586-2727 | Commissioner of Securities of the Department of Commerce and Consumer Affairs<br>335 Merchant Street, Room 203<br>Honolulu, HI 96812 |
| ILLINOIS | Office of Attorney General<br>Franchise Division<br>500 South Second Street<br>Springfield, IL 62706<br>(217) 782-4465 | Illinois Attorney General<br>Franchise Division<br>500 South Second Street<br>Springfield, IL 62706 |
| INDIANA | Indiana Secretary of State Securities Division<br>Room E-1 11<br>302 West Washington Street Indianapolis, IN 46204<br>(317) 232-6681 | Indiana Secretary of State<br>State Securities Division<br>Room E-1 11<br>302 West Washington Street<br>Indianapolis, IN 46204 |
| MARYLAND | Office of the Attorney General Division of Securities<br>200 St. Paul Place<br>Baltimore, MD 21202-2020<br>(410) 576-6360 | Maryland Securities Commissioner<br>200 St. Paul Place<br>Baltimore, MD 21202-2020 |

| | | |
|---|---|---|
| MICHIGAN | Michigan Department of Attorney General<br>Consumer Protection Division Franchise Section<br>G. Mennen Williams Building 1st floor<br>525 W. Ottawa St.<br>Lansing, MI 48933<br>517-335-7567 | Michigan Department of Commerce,<br>Corporations and Securities Bureau<br>Antitrust and Franchise Unit<br>670 Law Building<br>Lansing, MI 48913 |
| MINNESOTA | Minnesota Department of Commerce<br>85 7th Place East, Suite 280<br>St. Paul, MN 55101-2198<br>(651) 539-1500 | Minnesota Commissioner of Commerce<br>85 7th Place East<br>Suite 280<br>St. Paul, MN 55101-2198 |
| NEW YORK | NYS Department of Law<br>Investor Protection Bureau<br>28 Liberty St. 21st FL<br>New York, NY 10005<br>(212) 416-8285 | Secretary of State<br>State of New York<br>99 Washington Avenue<br>Albany, New York 12231 |
| NORTH DAKOTA | Office of Securities Commissioner<br>Fifth Floor<br>600 East Boulevard<br>Bismarck, ND 58505-0510<br>(701) 328-4712 | North Dakota Securities Commissioner<br>Fifth Floor<br>600 East Boulevard<br>Bismarck, ND 58505-0510 |
| RHODE ISLAND | Department of Business Regulation Division of Securities<br>1511 Pontiac Avenue<br>Cranston, RI 02920<br>(401) 462-9527 | Director of Rhode Island Department of Business Regulation Floor<br>Division of Securities<br>1511 Pontiac Avenue<br>Cranston, RI 02920 |
| SOUTH DAKOTA | Division of Insurance<br>Securities Regulation<br>1Division of Securities<br>124 South Euclid Suite 104<br>Pierre, SD 57501<br>(605) 773-4823 | Division of Insurance<br>Securities Regulation<br>Division of Securities<br>124 South Euclid Suite 104<br>Pierre, SD 57502<br>(605) 773-4823 |
| VIRGINIA | State Corporation Commission<br>Division of Securities and Retail Franchising<br>1300 East Main Street, 9th Floor<br>Richmond, VA 23219<br>(804) 371-9051 | Clerk of State Corporation Commission<br>1300 East Main Street, 1st Floor<br>Richmond, VA 23219<br>And United Corporate Services, Inc.<br>700 East Main Street, Suite 1700<br>Richmond, VA 23218 |
| WASHINGTON | Department of Financial Institutions<br>Securities Division<br>P.O. Box 9033<br>Olympia, Washington 98507<br>(360) 902-8760 | Director of Washington Financial Institutions<br>Securities Division<br>150 Israel Road<br>Tumwater, Washington 98501<br>(360) 902-8760 |
| WISCONSIN | Wisconsin Securities Commissioner<br>Securities and Franchise Registration<br>345 W. Washington Avenue<br>Madison, WI 53703<br>(608) 266-8559 | Commissioner of Securities of Wisconsin<br>Securities and Franchise Registration<br>345 W. Washington Avenue<br>Madison, WI 53703<br>(608) 266-8559 |

**EXHIBIT B**

**FRANCHISE AGREEMENT**

**PRIME I.V. HYDRATION & WELLNESS, INC.**

**FRANCHISE AGREEMENT**

_____

_____

Date of Agreement

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Exhibit 1 - Franchise Agreement Opening Deadline/ Expiration Date
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Exhibit 6 – Electronic Funds Transfer form
Exhibit 7 - State-Specific Addenda

# PRIME I.V. HYDRATION & WELLNESS, INC.

# FRANCHISE AGREEMENT

This Franchise Agreement (this or the "Agreement") is being entered into effective as of the _____ day of _____, 20___ (the "Agreement Date"). The parties to this Agreement are Prime I.V. Hydration & Wellness, Inc., a Wyoming corporation ("we," "us," or the "Company,"); _____, ("you" or "Franchisee"), and, if you are a partnership, corporation, or limited liability company, your " Owners" (defined below).

1. INTRODUCTION.

This Agreement has been written in an informal style in order to make it more easily readable and to be sure that you become thoroughly familiar with all of the important rights and obligations the Agreement covers before you sign it. This Agreement includes several exhibits, all of which are legally binding and are an integral part of the complete Franchise Agreement. If you are a corporation, partnership or limited liability company, you will notice certain provisions that are applicable to those principal shareholders, partners or members on whose business skill, financial capability and personal character we are relying in entering into this Agreement. Those individuals will be referred to in this Agreement as "Owners."

Through the expenditure of considerable time, effort and money, we and our affiliates have devised a system for the establishment and operation of a Prime IV Hydration & Wellness® franchise business model, at a location that offers medical or health care services to the public. It is our mission to provide proprietary medical treatments and therapies focused on cellular regeneration and preventative health to improve the health and overall quality of life for our clients. The center environment is intended to be a professional medical environment of the highest caliber with a comfortable, accessible feel for all clients.(all of these characteristics, amongst others, are referred to in this Agreement as the "System"). This business model includes a unit model that offers all of our franchised services and products (individually, a "Unit Franchise" and collectively, "Unit Franchises"). We refer to the owner(s) of Unit Franchise(s) generally as a "franchisee(s)". We identify the System by the use of certain trademarks, service marks and other commercial symbols, including the marks "Prime IV Hydration & Wellness®" and certain associated designs, artwork and logos, which we may change or add to from time to time (the "Marks").

From time to time we grant to persons who meet our qualifications, franchises to own and operate a Unit Franchise business that will operate and/or manage centers as Prime IV Hydration & Wellness® (as allowed by applicable law) that specialize in providing customized nutrient IV hydration therapy and cryotherapy services to the general public through licensed medical and healthcare professionals (referred

to as "Center(s)"). This Agreement is being presented to you because of the desire you have expressed to obtain the right to develop, own, and be franchised to operate a Unit Franchise or Center (we will refer to your Unit Franchise as the "Franchise" or the "Franchised Business"). You may purchase your franchise as a new, start-up Center (a "New Center or Franchise"), or you may begin utilizing the Prime IV Hydration & Wellness® franchise system at an existing medical or healthcare center (referred to as an "Add-On Center or Franchise"). In signing this Agreement, you acknowledge that you have conducted an independent investigation of the Prime IV Hydration & Wellness® franchise business model, and recognize and acknowledge that, like any other business, the nature of it may evolve and change over time, AND that an investment in a Prime IV Hydration & Wellness® franchise involves business risks, and that the success of this business venture is primarily dependent on YOUR business abilities and efforts.

We expressly disclaim making, and you acknowledge that you have not received nor have you relied on, nor consider any of the information supplied to be, any guarantee, express or implied, as to your potential revenues, profits, performance or likelihood of success of Prime IV Hydration & Wellness® franchise business venture contemplated by this Agreement. You acknowledge that there have been no representations by us or our affiliates or our or their respective officers, directors, members, employees, or agents that are inconsistent with the statements made in our current Franchise Disclosure Document concerning the Franchised Business, or the provisions of this Agreement. You further represent to us, that as an inducement of our entering into this Agreement with you, there have been no misrepresentations to us in your application for the rights granted by this Agreement, or in the financial information provided by you and your Owners.

## 2. GRANT OF FRANCHISE.

### 2.1 Term; Reference to Exhibit 1.

You have applied for a franchise to own and operate a Unit Franchise, and we have approved your application in reliance on all of the representations you made in that application. As a result, and subject to the provisions of this Agreement, we grant to you a Franchise to operate a Unit Franchise that offers the products, services, and proprietary programs of ours, all to be used in accordance with all elements, rules and regulations of the System, that we may require for Unit Franchises and in accordance with all manner of law and applicable regulations as relate to the medical or healthcare profession.

You must operate the Franchise at a mutually agreeable site (the "Premises") that is approved by the Company and which is to be identified and secured by you after the signing of this Agreement, and to thereafter use the System and the Marks in the operation of that Franchise, for a term of 10 years (the "Initial Term") in strict accordance with its terms. The Initial Term will begin on the Agreement Date. (For convenience, the expiration date of the Initial Term is listed on **Exhibit 1**.) Termination or expiration of

this Agreement will constitute a termination or expiration of your Franchise. (All references to the "term" of this Agreement refer to the period from the Agreement Date to the date on which this Agreement actually terminates or expires.)

2.2 Full Term Performance.

You specifically agree to be obligated to operate the Franchise, perform the obligations of this Agreement, and continuously exert your best efforts to promote and enhance the business of the Franchise for the full term of this Agreement.

2.3 Management Agreement with Professional Corporation – Non-Licensed Franchisees.

Where required by state law, if you are not a licensed medical or healthcare professional, prior to commencing operations of the Franchised Business, you must enter into a management agreement ("Management Agreement") with a duly formed and licensed professional corporation (or a professional limited liability company, if permitted in the state in which the Center is located), (a "P.C."), whereby you will provide to the P.C., non- medical or healthcare directive management and administrative services and support, consistent with the System and the lawful operation of a P.C., all of which shall at all times be in compliance with all applicable laws and regulations as relates to the practice of medicine. A form of Management Agreement is included as an Exhibit to our Disclosure Document.

The P.C. shall employ and control the medical or healthcare professionals and other related personnel that will provide the actual medical or healthcare services required to be delivered at and through the Center. You shall not provide any actual medical or healthcare services, nor shall you, direct, control or suggest to the P.C. or its medical or healthcare professionals or employees the manner in which the P.C. provides or may provide actual medical or healthcare services to its clients or market to the public that anyone other than the P.C. is the owner/operator of the medical or healthcare practice to whom you provide management and business services.

Due to various federal and state laws regarding the practice of medicine, and the ownership and operation of medical practices and health care businesses that provide medical or healthcare services, you understand and acknowledge that you, as an unlicensed Franchisee, shall not engage in any practice that is, or may appear to be, the practice of medicine. You acknowledge that the P.C. must offer all medical or healthcare services in accordance with all manner of law and regulation and that the Management Agreement and your relationship with the P.C. shall also be in accordance with all law and regulation and the System.

It is your responsibility to, promptly and timely, source a duly formed and licensed P.C. for your Unit Franchise and enter into an approved Management Agreement with that P.C. Failure to do so will result in your inability to open your Unit Franchise. You must submit the duly formed P.C. and the

credentials of the medical or healthcare professional or other authorized healthcare professionals of the licensed P.C. for our review and approval. You must enter into a management agreement with the P.C. for your Unit Franchise using our standard form of Management Agreement. While you must use our standard form of Management Agreement with the P.C., you may negotiate the monetary terms, and with our written consent, certain other terms of the agreement with the P.C. We will not unreasonably withhold our approval to request changes in the Management Agreement if such changes are consistent with applicable law and regulation and the System. You must obtain our written approval of the final Management Agreement prior to your execution. You shall ensure that the P.C. offers all medical or healthcare services in accordance with the Management Agreement and the System and is compliant with all manner of law and regulation. You must have a Management Agreement in effect with a P.C. at all times during the operation of the Franchised Business and during the Initial Term of this Agreement.

If you are a licensed medical or healthcare professional, or part of a P.C. owned by licensed medical or healthcare professional, depending on the laws of your state, you may not be required to execute a Management Agreement in order to own and operate a Unit Franchise. However, you are still responsible for compliance with all manner of law and regulation applicable to the operation of a Center and your Unit Franchise, and agree only to offer those Prime IV Hydration & Wellness® products and services that are permitted under your medical or healthcare license.

2.4 Waiver of Management Agreement.

In certain states, it may be permissible under existing law applicable to medical or healthcare professionals and/or practices or Centers, for an unlicensed person to both own and operate a Center and a Unit Franchise. Certain of those laws may also allow an unlicensed person or non-P.C. to hire medical or healthcare professionals and other professional personnel to provide medical or healthcare services to clients at the Center in accordance with applicable laws and regulations. If you determine that the laws that would apply to a Center in your state would permit you to do so, you may request that we waive certain of the requirements of the Franchise Agreement related to the separating of the ownership and/or operation of the medical or healthcare aspects of the Center from the general business management aspects. In particular, you, under those circumstances (i) would not enter into a Management Agreement with a P.C. that, as a separate entity, would otherwise operate the Center and provide all medical or healthcare services, and (ii) you would not be restricted from hiring and supervising medical or healthcare professionals in accordance with that state's regulation. Please be advised that any waiver, or modification of any of the other referenced requirements, will remain subject to compliance with all applicable laws and regulations. In such an event, and if we agree that such a waiver is appropriate, you must enter into an Amendment to Waive Management Agreement ("Waiver Agreement"), a copy of which is attached as an exhibit to our Disclosure Document. Under the Waiver Agreement, you will agree that, in lieu of entering into the Management Agreement with

a P.C., you will (a) cause the Center to operate in accordance with all manner of law and regulation as relates to the practice of medical and the standards for operating a medical or healthcare Center, and (b) manage the Center as required in this Agreement, the System, and by performing all the responsibilities and obligations of the "Company" under the Management Agreement.

You are responsible for operating in full and complete compliance with all laws that apply to operating/managing a Center in the state of your Unit Franchise. You must conduct your own diligence and make your own determination as to the required regulatory standards to be legally compliant to own or manage or operate a Center at your Unit Franchise. Please be advised, the laws applicable to your Center may change. If there are any medical or healthcare regulations or other laws that would render your operation of the Center through a single entity (or otherwise) in violation of any applicable medical or healthcare regulation, you must immediately advise us of such change and of your proposed corrective action to comply with current medical or healthcare regulations, including (if applicable), but not limited to, entering into a Management Agreement with a P.C. Similarly, if we discover a change in any such law or regulation applicable to your Center, upon providing you notice of such law or regulation, you agree to immediately make such changes as are necessary to comply with the applicable medical or healthcare regulation, including (if applicable), but not limited to, entering into a Management Agreement with a P.C.

2.5 Selection of Premises; Protected Territory; Reservation of Rights.

You and we will mutually select the location of the Premises upon or after the signing of this Agreement. You acknowledge that the Franchise granted by this Agreement gives you the right to operate your Franchise only at the Premises. We will grant you a protected territory ("the Protected Territory"). The Protected Territory is set forth in Exhibit 1 to this Agreement. Typically, the Protected Territory will include any area of at least 28 square miles surrounding your approved site. We will describe the Protected Territory using either longitude and latitude coordinates or a map that will show in general terms the fixed geographical boundaries (such as rivers, streets or highways). The geographic size of the Protected Territory will vary based upon population density and a variety of demographic factors. In dense urban areas, the Protected Territory may encompass a city block or less, and at Non-Traditional Sites, we might limit your Protected Territory to the site of your Unit Franchise. In less dense suburban areas, the Protected Territory could include an entire municipality. For purposes of this Agreement, a "Non-Traditional Site" means any site or channel that generates customer traffic flow that is independent from the general customer traffic flow of the surrounding area, including on or within airports and stadiums. We would expect to grant franchises for Non-Traditional Sites in self-contained locations such as college or university campuses airports, or similar venues.

We will not modify your Protected Territory during the franchise term. If you intend to renew or transfer the franchise, and your Protected Territory is larger than our then-current standard size for territories or the then-current demographics of your Protected Territory have changed, then we may reduce the size of your Protected Territory on renewal or require your transferee to operate the Unit Franchise in a smaller territory. If we reduce the Protected Territory, we will give you or your transferee the option (as applicable) to develop the remaining territory.

If you are in full compliance with the Franchise Agreement, then during the Franchise Agreement's term, neither we nor our affiliates will operate or grant a franchise for the operation of another Unit Franchise or Company-owned Unit within your Protected Territory that offers the same or similar goods or services under the same or similar trademarks as long as you meet the minimum performance requirements set forth in Exhibit 1 of this Agreement. If you fail to meet the minimum performances standards, we may grant others a protected territory that encompasses your Protected Territory without having to compensate you. Because we retain the ability to operate or grant others the right to operate Unit Franchises at Non-Traditional Sites in your Protected Territory, you will not receive an exclusive territory. You may face competition from other Franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. You may also face competition from affiliates that offer similar products and services within your Protected Territory.

We and our affiliates reserve the right to engage in any activities we deem appropriate that your Franchise Agreement does not expressly prohibit, whenever and wherever we desire, including the right to (1) own, acquire, site build, or operate, for our own account, or grant to others the right to operate Unit Franchises on terms and conditions and at locations we deem appropriate outside of your Protected Territory; (2) to grant an Area Representative franchises in your area that will support you on our behalf; (3) provide or grant other persons the right to provide goods that are similar to and/or competitive with those provided by Unit Franchises through any distribution channel, including, but not limited to, sales via toll-free telephone numbers and electronic means, including the Internet under the Marks or trademarks and services marks other than the Marks; (4) acquire the assets or ownership interest of businesses providing products and services similar to those provided at Unit Franchises, and franchising, licensing, or creating similar arrangements with respect to those acquired businesses, wherever those businesses or their Franchisees or licensees are located; and (5) being acquired (regardless of the form of transaction) by a business providing products and services similar to those provided at Unit Franchises or another business.

2.6 Renewal of Franchise.

(a) Franchisee's Right to Renew. Subject to the provisions of subparagraph 2.6(b) below, and provided you are not in default of any material terms of this Agreement or any other agreement(s) you may

have with us, and if you have substantially complied with all provisions of this Agreement and all other agreements between us, then upon the expiration of the Initial Term, you will have the right to renew the Franchise for one (1) additional term of ten (10) years (the "Renewal Term"). Notwithstanding the foregoing, such right of renewal is expressly conditioned upon your having refreshed and refurbished the Premises, including the replacement of fixtures, furnishings, wall decor, furniture, equipment, and signs and otherwise modify the Franchise to be in compliance with current specifications and standards then applicable for Unit Franchises within thirty (30) days prior to the commencement of the Renewal Term.

(b) Notice of Deficiencies and Other Requirements. At least one (1) year before the expiration of the Initial Term, we agree to give you written notice of any deficiencies in your operation or in the historical performance, marketing and revenue generation of the Franchise that could cause us not to renew the Franchise. Such notice will state what actions, if any, you must take to correct the deficiencies in your operation of the Franchise or of the Premises, and will specify the time period in which those deficiencies must be corrected or other requirements satisfied so that we may grant a renewal. Renewal of the Franchise will be conditioned upon your correction of the cited deficiencies and on your compliance with all the terms and conditions of this Agreement up to the date of expiration. If you are in default of any provisions of the Agreement or related agreements, you will not be granted a right to renew your Franchise. If we send a notice of non-renewal, it will state the reasons for our refusal to renew.

(c) Renewal Agreement**.** Should you choose to seek to renew the Franchise, you must provide us with written notice of that intent no earlier than two (2) years and no later than one (1) year before the expiration of the Initial Term. Should you be granted a right to renew the Franchise as set forth above, the Company, you and your Owners must execute the then current form of Franchise Agreement and any ancillary agreements with appropriate modification memorializing that a renewal fee will be due and payable and not the current, initial franchise fee. Said renewal fee shall equal 25% of the then-current initial franchise fee for a Unit Franchise.

2.7 Personal Guaranty by Owners; Reference to Exhibit 2**.**

Each of the Owners and their spouses (where applicable), will be required to execute a personal guaranty (the "Guaranty"), guaranteeing the Franchise's liabilities and obligations to the Company. A copy of the Guaranty and Assumption of Obligations is incorporated herein as **Exhibit 2**.

## 3. DEVELOPMENT AND OPENING OF THE FRANCHISE

### 3.1 Site Selection and Approval; Lease or Purchase of Premises; Opening Timeline; Reference to Exhibit 3.

(a) You agree to locate and obtain our approval of the Premises from which you will operate your Unit Franchise no later than within 120 days before the Opening Deadline. The Premises must be located within the Site Selection Area identified in **Exhibit 1** (the "Site Selection Area") and must conform to our minimum site selection criteria. You must send us a complete site approval package (containing the demographic, commercial and other information, photographs and video tapes that we may reasonably require) for your proposed site. We have the right to accept or reject all proposed sites in our commercially reasonable judgment. We will use our best efforts to approve or disapprove a proposed site within ten (10) business days after we receive all of the requisite materials. Your site is deemed disapproved if we fail to issue our written approval within the 15-day period. You understand that our approval of a site does not constitute a representation or warranty of any kind, express or implied, of the suitability of the site for a Unit Franchise. Our approval of the site indicates only that we believe the site meets our minimum criteria. Our approval will be indicated on our then-current Site Approval Form, which is contained in our Manual. Your failure to submit a completed site approval package with the required information and/or failure to secure approval from us for a proposed Site for the Premises in a timely manner shall NOT be reason for extending the Opening Deadline set forth in this Agreement, and is grounds for termination of this Agreement.

(b) Following our approval of your site submittal package, you must obtain lawful possession of the Premises by executing a lease for the Premises ("the Lease") at least ninety (90) days before your Opening Deadline. Prior to your executing the Lease, and as a condition of our approval, be advised that the Lease for the Premises MUST include the form of Addendum to Lease, attached as Exhibit 3 to the Franchise Agreement, and which provides us amongst other things, requisite notice from the Landlord to the Franchisor for any defaults under your lease, and expressly permits us to take possession of the Premises under certain conditions and/or if this Agreement is terminated or if you violate the terms of the Lease. Before executing a lease, you must submit it to us for our approval. You agree that you will not execute a lease without our advance written approval of the lease terms which must specifically include the designated form of Franchisor rider or additional required lease language. We will approve or disapprove the lease for your Premises within fifteen (15) days of receipt of your request for approval. If we do not approve or disapprove the Lease for your Premises within fifteen (15 days) or receipt of your request to review the Lease, the Lease will be deemed approved. If you fail to execute a Lease for the Premises at least ninety (90) days of your Opening Deadline, we will have the right to terminate your Agreement.

(c) Unless we agree otherwise, you must open your franchise for business no later than the Opening Deadline set forth in Exhibit 1 to this Agreement. If no Opening Deadline is set forth in Exhibit 1, then the Opening Deadline shall be deemed to be one-hundred and eighty (180) days from the Agreement Date. If you are delayed from opening your Unit Franchise by the Opening Deadline, you must immediately provide us with a written request to extend the deadline, which we may grant or deny in our sole discretion. The request must state: (1) that a delay is anticipated; (2) the reasons which caused the delay; (3) the efforts that you are making to proceed with the opening; and (4) an anticipated opening date. In considering the request, we will not unreasonably withhold our consent to a delay if you have been diligently pursuing the opening.

Unless we agree to extend the Opening Deadline, if you do not open your Franchise for business by the Opening Deadline, you will be considered in default of your Franchise Agreement. Upon receipt of written notice from us of such default, you must cure such default by opening your Franchise for business no more than ninety (90) days after receipt of such notice. If you fail to cure your default, we have the right to immediately terminate your Franchise.

3.2 Prototype and Construction Plans and Specifications.

We will furnish to you prototypical, generic schematic plan together with a set of specifications for your Unit Franchise, reflecting our requirements for design, decoration, furnishings, furniture, layout, equipment, fixtures and signs for Unit Franchises. You will be responsible for retaining a licensed architect designated or approved by us, who will then prepare architectural and/or mechanical and engineering plans and specifications, as may be required by, and which comply with, all applicable ordinances, building codes, permit, and lease requirements applicable to the Premises. You must submit final construction plans and specifications to us for our approval before you begin construction at the Premises, and must construct the Unit Franchise and secure all manner of construction and operational approvals in accordance with those approved plans and specifications.

3.3 Development of the Franchise.

You agree at your own expense to do the following by the Opening Deadline defined in Exhibit 1: (1) secure all financing required operating and development capital to fully develop, fund and operate the Franchise in accordance with this Agreement and the System; (2) obtain all required building, utility, sign, health, sanitation and business permits and licenses and any other required permits and licenses necessary to operate a Center at the location; (3) construct the Unit Franchise according to the approved construction plans and specifications; (4) decorate the Unit Franchise in compliance with the approved plans and specifications; (5) purchase and install all required equipment, furniture, furnishings and signs; (6) cause

the training requirements of Section 4 to be completed; (7) purchase an opening inventory of products and other supplies and materials; (8) provide proof, in a form satisfactory to us, that your operation of the Franchise at the Unit Franchise does not violate any applicable state or local zoning or land use laws, ordinances, or regulations, or any restrictive covenants that apply to such location; (9) provide proof, in a form satisfactory to us, that you (and/or your General Manager, as defined in Section 4.1, if any) are legally authorized and have all licenses necessary to perform all of the services to be offered by your Franchise, and that your organizational structure is consistent with all legal requirements, including but not limited to any required affiliation with a P.C. and/or management company; (10) provide proof, in a format satisfactory to us, that you have obtained all required insurance policies, and have named us, as an additional insurance under all such policies; (11) submit to us a completed copy of the grand opening checklist we provide to you; (12) do any other acts necessary to open the Franchise for business; (13) obtain our approval to open the Franchise for business; (13) engage all necessary staff, including but not limited to medical directors and/or other medical professionals, required by law to legally operate your franchise; and (14) open the Franchise for business.

3.4 Computer System.

(a) General Requirements. You agree to exclusively use in the development and operation of the Franchise the computer terminals/billing systems and operating software ("Computer System") that we specify from time to time. You acknowledge that we may modify such specifications and the components of the Computer System from time to time. As part of the Computer System, we may require you to obtain specified computer hardware and/or software, including without limitation a license to use proprietary software developed by us or others. Our modification of such specifications for the components of the Computer System may require you to incur costs to purchase, lease and/or obtain by license new or modified computer hardware and/or software, and to obtain service and support for the Computer System during the term of this Agreement. You acknowledge that we cannot estimate the future costs of the Computer System (or additions or modifications thereto), and that the cost to you of obtaining the Computer System (or additions or modifications thereto), including software, may not be fully amortizable over the remaining term of this Agreement. Nonetheless, you agree to incur such costs in connection with obtaining the computer hardware and software comprising the Computer System (or additions or modifications thereto). Within sixty (60) days after you receive notice from us, you agree to obtain the components of the Computer System that we designate and require. You further acknowledge and agree that we and our affiliates have the right to charge a reasonable systems fee for software or systems installation services; modifications and enhancements specifically made for us or our affiliates that are licensed to you; and other maintenance and support Computer System-related services that we or our

affiliates furnish to you. You will have sole responsibility for: (1) the acquisition, operation, maintenance, and upgrading of your Computer System; (2) the manner in which your Computer System interfaces with our computer system and those of third parties; and (3) any and all consequences that may arise if your Computer System is not properly operated, maintained, and upgraded).

(b) Software. We will provide to you access to our proprietary management software (the "Software"), which you will be required to install onto the Computer System and use in the daily operation of the Franchise. In addition, we may, at any time and from time to time, contract with one or more software providers, business service providers, or other third parties (individually, a "Service Provider") to develop, license, or otherwise provide to or for the use and benefit of you and other Unit Franchises, certain software, software applications, and software maintenance and support services related to the Computer System that you must or may use in accordance with our instructions with respect to your Computer System. At this time, you will be expected to use the point of sale, scheduling, and electronic medical records software that we specify in our Operations Manual.

3.5 Equipment, Furniture, Fixtures, Furnishings and Signs.

You agree to use in the development and operation of the Franchise only those brands, types, and/or models of equipment, furniture, fixtures, furnishings, and signs we have approved.

3.6 Franchise Opening.

You agree not to open the Franchise for business until: (1) all of your obligations under Paragraphs 3.1 through 3.4 of this Section have been fulfilled; (2) we determine that the Franchise has been constructed, decorated, furnished, equipped, and stocked with materials and supplies in accordance with plans and specifications we have provided or approved; (3) you and any of your Franchise's employees whom we require complete our pre-opening Initial Training (as defined herein) to our satisfaction; (4) the Initial Franchise Fee (as defined herein) and all other amounts due to us have been paid; (5) you have furnished us with copies of all insurance policies required by Paragraph 10.8 of this Agreement, or have provided us with appropriate alternative evidence of insurance coverage and payment of premiums as we have requested; (6) You have, if required, entered into a management agreement relationship with a duly formed and licensed P.C. and (7) we have approved any marketing, advertising, and promotional materials you desire to use, as provided in Paragraph 11.2 of this Agreement.

The Company will provide, at the Company's expense, an opening supervisor to assist you with the Unit Franchise's operational efficiency, staff training, Unit Franchise setup and opening for two (2) days during your soft opening for your first Unit Franchise (Franchise Agreement – Section 3.6). If we have scheduled to have a trainer at the soft opening of your Unit Franchise and you cancel because you are

not ready to open, you will be required to pay us a cancellation fee of $1,000. If you request us to spend more time, it will be done at your expense.

4. TRAINING.

4.1 General Manager.

At your request, we may, but are not obligated to, agree for you to employ a general manager to operate the Franchise ("General Manager"). The term "General Manager" means an individual with primary day-to-day responsibility for the Franchise's operations, and may or may not be you (if you are an individual) or an Owner, officer, director, or employee of yours (if you are other than an individual). We may or may not require that the General Manager have an equity interest in the Franchise. The General Manager will be obligated to devote his or her full time, best efforts, and constant personal attention to the Franchise's operations, and must have full authority from you to implement the System at the Franchise. You must not hire any General Manager or successor General Manager without first receiving our written approval of such General Manager's qualifications. Each General Manager and successor General Manager must attend and complete our Initial Training (as defined herein). No General Manager may have any interest in or business relationship with any business competitor of your franchise. Each General Manager must sign a Brand Protection Agreement, in a form approved by us, to maintain confidential our Confidential Information described in Paragraph 9.1, and to abide by the covenants not to compete described in Paragraph 9.3. You must forward to us a copy of each such signed agreement. If we determine, in our sole discretion, during or following completion of the Initial Training program, that your General Manager (if any) is not qualified to act as General Manager of the Franchise, then we have the right to require you to choose (and obtain our approval of) a new individual for that position.

4.2 Training.

You acknowledge that it is very important to the operation of the Franchise that you and your employees receive appropriate training. To that end, you agree as follows:

(a) No later than fourteen (14) days before the Franchise opens for business, you and your lead medical professional must attend our initial training program for your Franchise (the "Initial Training") at the time and place we designate. You (if you are an individual) or at least one of your Owners (if you are a legal entity) must complete the Initial Training to our satisfaction. If you employ a General Manager other than yourself or one of your Owners, that General Manager must also complete the Initial Training to our satisfaction. Other employees may complete the Initial Training at your sole discretion and expense, provided you first obtain our approval and subject to availability of facilities and materials. The Initial Training may include classroom instruction and Unit Franchise operation training, and will be

furnished at our training facility in Colorado Springs, CO, your Unit Franchise, and/or at another certified training location we designate. Our Initial Training programs may be different for each employee depending on their responsibilities at the Franchise. There will be no tuition charge for the persons whom we require to attend any Initial Training program or for any additional personnel of your choosing. All persons who attend our Initial Training must attend and complete the Initial Training to our satisfaction. If we, in our sole discretion, determine that any General Manager or employee who attends any Initial Training program is unable to satisfactorily complete such program, then you must not allow that person to work at your Unit Franchise, and must identify a substitute General Manager or employee who must enroll in the Initial Training program within fifteen (15) days thereafter, and complete the Initial Training to our satisfaction.

(b) You agree to attend, or to have your General Manager (if applicable) and/or other employees who you have had attend our Initial Training, complete such additional training programs at places and times as we may request from time to time during the term of this Agreement.

(c) In addition to providing the Initial Training described above, we reserve the right to offer and hold such additional ongoing training programs and Franchisee meetings regarding such topics and at such times and locations as we may deem necessary or appropriate. We also reserve the right to make any of these training programs mandatory for you and/or designated owners, and/or representatives of yours, including your General Manager (if any). We reserve the right to charge you a daily attendance fee in an amount to be set by us for each attendee of yours who attends any mandatory or optional training program or owners meeting. If we offer any such mandatory training programs, then you or your designated personnel must attend a minimum of seventy-five percent (75%) of the programs offered on an annual basis.

(d) You agree to pay all wages and compensation owed to, and travel, lodging, meal, transportation, and personal expenses incurred by, all of your personnel who attend our Initial Training and/or any mandatory or optional training we provide.

(e) We may require your employees to periodically and on an ongoing basis take and pass an online computer training course and/or exam. While there is no cost to take such training, we may require all employees and staff to pass such training to our satisfaction before they may begin working at your Unit Franchise.

(f) The Franchise's General Manager (if any) and other employees shall obtain all certifications and licenses required by law in order to perform their responsibilities and duties for the Franchise.

## 5. GUIDANCE; OPERATIONS MANUAL.

### 5.1 Guidance and Assistance.

During the term of this Agreement, we may from time to time furnish you guidance and assistance with respect to: (1) specifications, standards, and operating procedures used by Unit Franchises; (2) purchasing approved equipment, furniture, furnishings, signs, materials and supplies; (3) development and implementation of local advertising and promotional programs; (4) general operating and management procedures; (5) establishing and conducting employee training programs for your Franchise; and (6) changes in any of the above that occur from time to time. This guidance and assistance may, in our discretion, be furnished in the form of bulletins, written reports and recommendations, operations manuals and other written materials (the "Operations Manual" or "Manual"), and/or telephone consultations and/or personal consultations at our offices or your Franchise. If you request—and if we agree to provide—any additional, special on-premises training of your personnel or other assistance in operating your Franchise, then you agree to pay a daily training fee in an amount to be set by us, and all expenses we incur in providing such training or assistance, including any wages or compensation owed to, and travel, lodging, transportation, and living expenses incurred by, our Company personnel.

### 5.2 Operations Manual.

The Operations Manual we lend to you will contain mandatory and suggested specifications, standards, and operating procedures that we prescribe from time to time for your Franchise, as well as information relative to other obligations you have in the operation of the Franchise. The Operations Manual may be composed of or include audio recordings, video recordings, or any other format, and/or other written or intangible materials. We may make all or part of the Operations Manual available to you through various means, including the Internet. A previously delivered Operations Manual may be superseded from time to time with replacement materials to reflect changes in the specifications, standards, operating procedures and other obligations in operating the Franchise, you must keep your copy of the Operations Manual current. If you and we have a dispute over the contents of the Operations Manual, then our master copy of the Operations Manual will control. You agree that you will not at any time copy any part of the Operations Manual, permit it to be copied, disclose it to anyone not having a need to know its contents for purposes of operating your Franchise, or remove it from the Unit Franchise without our permission. You will be liable to us for any damages arising out of you allowing the manual to fall into the hands of any unauthorized persons, including any attorneys' fees or cost we incur as a result of have to address such issues. If your copy of the Operations Manual is lost, destroyed, or significantly damaged, then you must obtain a replacement copy for us at our then-applicable charge.

5.3 Modifications to System.

We will continually be reviewing and analyzing developments in the healthcare, and medical industries, as well as developments in fields related to small-business management, and based upon our evaluation of this information, may make changes in the System, including but not limited to, adding new components to services offered and equipment used by Unit Franchises. Moreover, changes in laws regulating the services offered by Unit Franchises may (a) require us to restructure our franchise program, (b) require your General Manager (if any) and employees to obtain additional licenses or certifications, (c) require you to retain or establish relationships with additional professionals and specialists in the medical and/or healthcare industries, and/or (d) require you to modify your ownership or organizational structure. You agree, at our request, to modify the operation of the Franchise to comply with all such changes, and to be solely responsible for all related costs.

5.4 Advisory Councils.

You agree to participate in, and, if required, become a member of any advisory councils or similar organizations we form or organize for Unit Franchises. We may, in our sole discretion, change or dissolve any advisory councils or similar organization we have formed or organized.

6. FEES AND COSTS.

6.1 Initial Franchise Fee.

You agree to pay us the initial franchise fee of Forty-Nine Thousand Dollars ($49,000.00) (the "Initial Franchise Fee") when you sign this Agreement. In recognition of the expenses we incur in furnishing assistance and services to you, you agree that we will have fully earned the Initial Franchise Fee, and that is due and non-refundable when you sign this Agreement.

6.2 Royalty Fee.

You agree to pay us a continuing franchise royalty fee ("Royalty Fee") in the amount of seven percent (7%) of the gross revenues of the Franchise for all periods. This fee will be payable monthly based on the Franchise's gross revenues. The terms "gross revenues" shall, for purposes of this Agreement, mean the total of all revenues and receipts derived from the operation of the Franchise, including all amounts received at or away from the site of the Franchise, or through the business the Franchise conducts (such as fees for medical or medical and healthcare care, fees for the sale of any service or product, gift certificate sales, and revenue derived from products sales, whether in cash or by check, credit card, debit card, barter or exchange, or other credit transactions); and excludes only sales taxes collected from customers and paid to the appropriate taxing authority, and all customer refunds and credits the Franchise actually makes. For

the avoidance of doubt, you specifically acknowledge that "gross revenues" includes the gross revenues of any P.C. or any of P.C.'s centers that are managed by you pursuant to a Management Agreement, even if those revenues are not recognized on your books, and that you are responsible for determining those revenues and paying the Royalty Fee as if those revenues were recognized on your books. You and we acknowledge and agree that the Royalty Fee represents compensation paid by you to us for the guidance and assistance we provide and for the use of our Marks, Confidential Information (as defined herein), know-how, and other intellectual property we allow you to use under the terms of this Agreement. The Royalty Fee does not represent payment for the referral of customers to you, and you acknowledge and agree that the services we offer to you and our other Prime IV Hydration & Wellness® franchisees does not include the referral of customers/clients.

6.3 Regional and National Branding Fund Fee.

Recognizing the value of advertising to the goodwill and public image of Unit Franchises, we may, in our sole discretion, establish, maintain and administer one or more regional and/or national advertising funds (the "Branding Fund(s)") for such advertising, as we may deem necessary or appropriate in our sole discretion. However, we may choose to use only one Branding Fund to meet the needs of regional, multi-regional, and national advertising and promotional programs. You agree to contribute to the Branding Fund a percentage of gross revenues of the Franchise in an amount we designate, up to a maximum of two percent (2%) of the gross revenues of the Franchise. As of the date of this Agreement, the current required contribution to the Branding Fund is one percent (1%) of the gross revenues of the Franchise. These Branding Fund fees ("Branding Fund Fees") will be payable with and at the same time as your Royalty Fees payable under Paragraph 6.2 above. A further description of the Branding Fund and your obligations with respect to advertising and promoting the Franchise is found in Section 11 of this Agreement.

6.4 Local Advertising.

(a) By Franchisee. In addition to contributions to the Branding Fund Fees set forth in 6.3, you must spend Two Thousand Five Hundred and No/100 Dollars ($2,500.00), or 5% of your Gross Revenues, whichever is greater, each month during the term of your Franchise Agreement (the "Minimum Local Advertising Requirement"). In addition, you may only use advertising material that is approved by us. We have the right to require you to use one or more required suppliers for your local advertising. You are currently required to use our required vendor for your local digital marketing. We may require you to spend all or a portion of the Minimum Local Advertising Requirement with such required suppliers. We will collect such amounts directly from you via EFT. If requested, you must provide us (in a form we approve or designate) evidence of your required local advertising, marketing and promotional expenditures by the thirtieth (30th) day of each month, for the preceding calendar month, along with a year-to-date report of the

total amount spent on local advertising. Any advertising or marketing material that you intend to use must receive prior written approval from us. If you do not receive our written disapproval within fifteen (15) days from the date the materials are delivered to us, then the materials will be deemed approved. The approval of the marketing or advertising material is valid for one year (Franchise Agreement – Section 11.2).

(b) Local and Regional Advertising Cooperative. In the event that more than one Unit Franchise is located in a Designated Market Area ("DMA"), we reserve the right to form, or require you and the other Prime IV Hydration & Wellness® franchisees in the DMA to form, a local or regional advertising cooperative (the "Ad Co-op"). A DMA is a geographic area around a city in which the radio and television stations based in that city account for a greater proportion of the listening/viewing public than those based in the neighboring cities. We may require you to join any Ad Co-op and contribute to its funding. The amount you pay to your Ad Co-op is determined by the Co-op members. Amounts contributed to any Ad Co-op may not be applied towards your Minimum Local Advertising Requirement set forth in Paragraphs 6.4(a) and 11.2.

6.5 Grand Opening Advertising.

You must participate in a grand opening promotion and all advertising and sales promotion programs that we may authorize or develop for Prime IV Hydration & Wellness® Unit Franchises. You must spend at least $17,000 on grand opening marketing during the period beginning no later than 30 days before the opening of your Prime IV Hydration & Wellness® Unit Franchise to the public and ending 90 days after such opening date (the "Grand Opening Period"). Your grand opening promotion costs includes your Minimum Local Advertising Requirement for your first 3 months of operations.

6.6 Software. You will be responsible for the cost of purchasing and installing certain software for your Franchised Business. We may require you to pay these fees to us, or directly to the vendors for such software. Our required software will be set forth in our Operations Manual. Currently, you will be required to use the following software at your Center:

(a) Prime IV Hydration & Wellness® Software. You are responsible for all costs associated with the purchase and installation of our proprietary software. For each month during the term of this Agreement, the on-going license fee ("Technology Fee") for our proprietary software will be debited from the Account on the fifth ($5^{th}$) day of each month for the preceding month (or such other day we specified in the Operations Manual), unless we require you to pay the vendor directly. We reserve the right to increase the Technology Fee. We will give you thirty (30) days prior written notice prior to increasing the cost of Technology Fee, after which time, the new amount will be automatically debited from your account.

(b) Point of Sale (POS) Software. You are responsible for all costs associated with the purchase and installation of the point of sale software ("POS Software") we designate. For each month during the term of this Agreement, the on-going fee for the POS Software will be debited from the Account on the fifth ($5^{th}$) day of each month for the preceding month (or such other day we specified in the Operations Manual), unless we require you to pay the vendor directly. We reserve the right to increase the POS Software Fee. We will give you thirty (30) days prior written notice prior to increasing the cost of POS Software Fee, after which time, the new amount will be automatically debited from your account.

(c) Electronic Medical Records (EMR) Software. You are responsible for all costs associated with the purchase and installation of the electronic medical records software ("EMR Software") we designate. For each month during the term of this Agreement, the on-going fee for the EMR Software will be debited from the Account on the fifth ($5^{th}$) day of each month for the preceding month (or such other day we specified in the Operations Manual), unless we require you to pay the vendor directly. We reserve the right to increase the EMR Software Fee. We will give you thirty (30) days prior written notice prior to increasing the cost of EMR Software Fee, after which time, the new amount will be automatically debited from your account. You are responsible for the cost to purchase and maintain any other software licenses or programs that we may require you to use in connection with your franchise.

6.7 Relocation Fee.

If you must relocate the Premises of your Unit Franchise for any reason, you must pay to us a Franchise Relocation Fee (the "Relocation Fee") of Five Thousand and No/100 Dollars ($5,000.00). The Relocation Fee will help the Company defray the costs of approving a new location, reviewing and approving plans for the new location, and updating Company records and marketing materials to reflect the new location.

6.8 Late Payments.

All Royalty Fees, Branding Fund Fees, amounts due from you for purchases from us or our affiliates, and other amounts which you owe us or our affiliates (unless otherwise provided for in a separate agreement between us or our affiliates) will begin to accrue interest after their respective due dates at the lesser of (i) the highest commercial contract interest rate permitted by state law, and (ii) the rate of eighteen percent (18%) per annum. Payments due us or our affiliates will not be deemed received until such time as funds from the deposit of any check by us or our affiliates is collected from your account. You acknowledge that the inclusion of this Paragraph in this Agreement does not mean we agree to accept or condone late payments, nor does it indicate that we have any intention to extend credit to, or otherwise finance your operation of the Franchise. We have the right to require that any payments due us or our affiliates be made

by certified or cashier's check in the event that any payment by check is not honored by the bank upon which the check is drawn. We also reserve the right to charge you a fee of Twenty-Five and No/100 Dollars ($25.00) for any payment by check that is not honored by the bank upon which it is drawn.

6.9 Electronic Funds Transfer.

We have the right to require you to participate in an electronic funds transfer program under which Royalty Fees, Branding Fund Fees, and any other amounts payable or owed to us or our affiliates, including any administrative fees, are deducted or paid electronically from your bank account (the "Account"). Our form of EFT is included as Exhibit 6 to this Agreement, and may be updated from time to time. In the event you are required to authorize us to initiate debit entries, you agree to make the funds available in the Account for withdrawal by electronic transfer no later than the payment due date. The amount actually transferred from the Account to pay Royalty Fees and Branding Fund Fees will be based on the Franchise's gross revenues as reported in the Franchise's practice management software. If you have not properly input the Franchise's gross revenues for any reporting period, then we will be authorized to debit the Account in an amount equal to one hundred twenty percent (120%) of the Royalty Fee, Branding Fund Fee, and other amounts transferred from the Account for the last reporting period for which a report of the Franchise's gross revenues was provided to us. If at any time we determine that you have under-reported the Franchise's gross revenues or underpaid any Royalty Fee or Branding Fund Fee due us under this Agreement, then we will be authorized to initiate immediately a debit to the Account in the appropriate amount, plus applicable interest, in accordance with the foregoing procedure. Any overpayment will be credited, without interest, against the Royalty Fee, Branding Fund Fee, and other amounts we otherwise would debit from your account during the following reporting period. Our use of electronic funds transfers as a method of collecting Royalty Fees and Branding Fund Fees due us does not constitute a waiver of any of your obligations to provide us with weekly reports as provided in Section 12, nor shall it be deemed a waiver of any of the rights and remedies available to us under this Agreement.

6.10 Application of Payments.

When we receive a payment from you, we have the right in our sole discretion to apply it as we see fit to any past due indebtedness of yours due to us or our affiliates, whether for Royalty Fees, Branding Fund Fees, purchases, interest, or for any other reason, regardless of how you may designate a particular payment should be applied.

6.11 Modification of Payments.

If, by operation of law or otherwise, any fees contemplated by this Agreement cannot be based upon gross revenues, then you and we agree to negotiate in good faith an alternative fee arrangement. If

you and we are unable to reach an agreement on an alternative fee arrangement, then the Company reserves the right to terminate this Agreement upon notice to you, in which case all of the post-termination obligations set forth in Section 16 shall apply.

6.12 Non-Compliance Fees. We may require to you pay us a non-compliance fee of $100 per day for each violation of this Agreement and/or standard set forth in our Manuals. Non-compliance fees are due only if you fail to cure your non-compliance within 30 days of written notice from us. Non-Compliance fees are paid to us to reimburse us for our administrative and management costs for us to address the violation and is not a penalty or estimate of damages arising from your breach. If you do not correct a violation within the time required by us, we have the right to declare you in default of this Agreement. We are not obligated to charge you a non-compliance fees before declaring you in default. All non-compliance fees are to be paid upon billing or in accordance with our electronic funds transfer program. Such fines are not our sole remedy. Our decision to impose or not to impose a non-compliance fee for your failure to comply with this Agreement and/or the standards set forth in our Manuals does not constitute a waiver of any other right that we may have under this Agreement, including the right to terminate this Agreement.

7. MARKS.

7.1 Ownership and Goodwill of Marks.

You acknowledge that your right to use the Marks is derived solely from this Agreement, and is limited to your operation of the Franchise pursuant to and in compliance with this Agreement and all applicable standards, specifications, and operating procedures we prescribe from time to time during the term of the Franchise. You understand and acknowledge that our right to regulate the use of the Marks includes, without limitation, any use of the Marks in any form of electronic media, such as Websites (as defined herein) or web pages, or as a domain name or electronic media identifier. If you make any unauthorized use of the Marks, it will constitute a breach of this Agreement and an infringement of our rights in and to the Marks. You acknowledge and agree that all your usage of the Marks and any goodwill established by your use will inure exclusively to our benefit and the benefit of our affiliates, and that this Agreement does not confer any goodwill or other interests in the Marks on you (other than the right to operate the Franchise in compliance with this Agreement). All provisions of this Agreement applicable to the Marks will apply to any additional trademarks, service marks, commercial symbols, designs, artwork, or logos we may authorize and/or license you to use during the term of this Agreement.

7.2 Limitations on Franchisee's Use of Marks.

You agree to use the Marks as the sole trade identification of the Franchise, except that you will display at the Franchise location a notice, in the form we prescribe, stating that you are the independent owner of the Franchise pursuant to a Franchise Agreement with us. You agree not to use any Mark as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs, or symbols other than logos and additional trade and service marks licensed to you under this Agreement, or in any modified form. You also shall not use any Mark or any commercial symbol similar to the Marks in connection with the performance or sale of any unauthorized services or products, or in any other manner we have not expressly authorized in writing. You agree to display the Marks in the manner we prescribe at the Franchise and in connection with advertising and marketing materials, and to use, along with the Marks, any notices of trade and service mark registrations we specify. You further agree to obtain any fictitious or assumed name registrations as may be required under applicable law.

7.3 Notification of Infringements and Claims.

You agree to immediately notify us in writing of any apparent infringement of or challenge to your use of any Mark, or claim by any person of any rights in any Mark or similar trade name, trademark, or service mark of which you become aware. You agree not to communicate with anyone except us and our counsel in connection with any such infringement, challenge, or claim. We have the right to exclusively control any litigation or other proceeding arising out of any actual or alleged infringement, challenge, or claim relating to any Mark. You agree to sign any documents, render any assistance, and do any acts that our attorneys say is necessary or advisable in order to protect and maintain our interests in any litigation or proceeding related to the Marks, or to otherwise protect and maintain our interests in the Marks.

7.4 Discontinuance of Use of Marks.

If it becomes advisable at any time in our sole judgment for the Franchise to modify or discontinue the use of any Mark, or use one or more additional or substitute trade or service marks, including the Marks used as the name of the Franchise, then you agree, at your sole expense, to comply with our directions to modify or otherwise discontinue the use of the Mark, or use one or more additional or substitute trade or service marks, within a reasonable time after our notice to you.

7.5 Indemnification of Franchisee.

We agree to indemnify you against, and reimburse you for, all damages for which you are held liable in any trademark infringement proceeding arising out of your use of any Mark pursuant to and in compliance with this Agreement, and for all costs you reasonably incur in the defense of any such claim in

which you are named as a party, so long as you have timely notified us of the claim, and have otherwise complied with this Agreement.

8. RELATIONSHIP OF THE PARTIES; INDEMNIFICATION.

8.1 Independent Contractor; No Fiduciary Relationship.

This Agreement does not create a fiduciary relationship between you and us. You and we are independent contractors, and nothing in this Agreement is intended to make either party a general or special agent, joint venture, partner, or employee of the other for any purpose whatsoever. You agree to conspicuously identify yourself in all your dealings with customers, suppliers, public officials, Franchise personnel, and others as the owner of the Franchise pursuant to a Franchise Agreement with us, and to place any other notices of independent ownership on your forms, business cards, stationery, advertising, and other materials as we may require from time to time.

8.2 No Liability, No Warranties.

We have not authorized or empowered you to use the Marks except as provided by this Agreement, and you agree not to employ any of the Marks in signing any contract, check, purchase agreement, negotiable instrument or legal obligation, application for any license or permit, or in a manner that may result in liability to us for any indebtedness or obligation of yours. Except as expressly authorized by this Agreement, neither you nor we will make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name of or on behalf of the other, or represent that your and our relationship is other than that of franchisor and Franchisee.

8.3 Indemnification.

We will not assume any liability or be deemed liable for any agreements, representations, or warranties you make that are not expressly authorized under this Agreement, nor will we be obligated for any damages to you or any person or property directly or indirectly arising out of the operation of the business you conduct pursuant to this Agreement, whether or not caused by your negligent or willful action or failure to act. We will have no liability for any sales, use, excise, income, gross receipts, property, or other taxes levied against you or your assets, or on us, in connection with the business you conduct, or any payments you make to us pursuant to this Agreement (except for our own income taxes). We will not assume any liability or be deemed liable for any agreements you enter with any third parties, whether or not they are an approved or required vendor. You agree to indemnify, defend, and hold us, our affiliates and our and their respective owners, directors, officers, employees, agents, successors, and assigns (individually, an "Indemnified Party," and collectively, the "Indemnified Parties"), harmless against, and to reimburse such Indemnified Parties for, all such obligations, damages, and taxes for which any

Indemnified Party may be held liable, and for all costs the Indemnified Party reasonably may incur in the defense of any such claim brought against the Indemnified Party, or in any such action in which the Indemnified Party may be named as a party, including without limitation actual and consequential damages; reasonable attorneys', accountants', and/or expert witness fees; cost of investigation and proof of facts; court costs; other litigation expenses; and travel and living expenses. Each Indemnified Party has the right to defend any such claim against the Indemnified Party. You further agree to hold us harmless and indemnify and defend us for all costs, expenses, and/or losses we incur in enforcing the provisions of this Agreement, defending our actions taken relating to this Agreement, or resulting from your breach of this Agreement, including without limitation reasonable attorneys' fees (including those for appeal), unless, after legal proceedings are completed, you are found to have fulfilled and complied with all of the terms of this Agreement. Your indemnification obligations described above will continue in full force and effect after, and notwithstanding, the expiration or termination of this Agreement.

9. CONFIDENTIAL INFORMATION; NON-COMPETITION.

9.1 Types of Confidential Information.

We possess certain unique confidential and proprietary information and trade secrets consisting of the following categories of information, methods, techniques, products, and knowledge developed by us, including but not limited to: (1) services and products offered and sold at Unit Franchises, including all systems, protocols, operations, etc. to facilitate and administer these services and products; (2) knowledge of sales and profit performance of any one or more Unit Franchises; (3) knowledge of sources of products sold at Unit Franchises, advertising and promotional programs, and image and decor; (4) the Prime IV Hydration & Wellness® Software and any other propriety software we develop or require you to use to operation your Franchise; (5) methods, techniques, formats, specifications, procedures, information, systems, and knowledge of, and experience in, the development, operation, and franchising of Unit Franchises; (6) customer lists, records, membership agreements and/or contracts; (7) information about the names and identity of our vendors and suppliers, and (8) the selection and methods of training employees. We will disclose much of the above-described information to you in advising you about site selection, providing our Initial Training, the Operations Manual, the Prime IV Hydration & Wellness® Software and any other required software, and providing guidance and assistance to you under this Agreement.

You understand that we will own all data gathered or collected by you in operating your Franchise. At termination or expiration of this Agreement, all such information will remain our property. If you, your employees, or Owners develop any new concept, process or improvement in the operation or promotion of a Prime IV Hydration & Wellness® Franchise (an "Improvement"), you agree to promptly notify us and provide us with all necessary related information, without compensation. Any such Improvement shall

become our sole property and we shall be the sole owner of all related patents, patent applications, and other intellectual property rights. Such Improvements shall be deemed "Confidential Information". You and your Owners hereby assign to us any rights you or they may have or acquire in the Improvements, including the right to modify the Improvement, and waive and/or release all rights of restraint and moral rights therein and thereto. You and your Owners agree to assist us in obtaining and enforcing the intellectual property rights to any such Improvement in any and all countries and further agree to execute and provide us with all necessary documentation for obtaining and enforcing such rights. You and your Owners hereby irrevocably designate and appoint us as your and their agent and attorney-in-fact to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property right related to any such Improvement. In the event that the foregoing provisions of this section are found to be invalid or otherwise unenforceable, you and your Owners hereby grant to us a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the Improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe your or their rights therein.

You shall not contact any of our vendors or suppliers without our prior consent. Unauthorized contact with any vendor or supplier constitute a breach of this Agreement. In addition, you will be responsible for any and all damages caused by your unauthorized communications with any of our vendors or suppliers.

9.2 Non-Disclosure Agreement.

You agree that your relationship with us does not vest in you any interest in the Confidential Information, other than the right to use it in the development and operation of the Franchise, and that the use or duplication of the Confidential Information in any other business would constitute an unfair method of competition. You acknowledge and agree that the Confidential Information belongs to us, may contain trade secrets belonging to us, and is disclosed to you or authorized for your use solely on the condition that you agree, and you therefore do agree, that you (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form or another form that may be copied or duplicated; and (4) will adopt and implement all reasonable procedures we may prescribe from time to time to prevent unauthorized use or disclosure of the Confidential Information, including without limitation restrictions on disclosure to your employees, and the use of non-disclosure and non-competition agreements we may prescribe or approve for your shareholders, partners, members, officers, directors, employees, independent contractors, or agents who may have access to the Confidential Information.

9.3 Non-Competition Agreement.

You agree that we would be unable to protect the Confidential Information against unauthorized use or disclosure, and would be unable to encourage a free exchange of ideas and information among Unit Franchises, if Prime IV Hydration & Wellness® franchisees were permitted to hold interests in any competitive businesses. For purpose of this Agreement, a "competitive business" means any business which offers the same or similar products or services that are offered at a Unit Franchise, including but not limited to, nutrient IV hydration therapy, and cryotherapy services. Therefore, during the term of this Agreement, neither you, nor any Owner, nor any member of your immediate family or of the immediate family of any Owner, shall perform services for, or have any direct or indirect interest as a disclosed or beneficial owner, investor, partner, director, officer, employee, manager, consultant, representative, or agent in any competitive business. The ownership of one percent (1%) or less of a publicly traded company will not be deemed to be prohibited by this Paragraph.

For a period of two (2) years after expiration or termination of this Agreement, neither you, nor any Owner, nor any member of your or an Owner's immediate family will have any direct or indirect interest (e.g., through a spouse) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent, or in any other capacity, in any Competitive Business located or operating: (a) within fifty (50) miles of the Franchisee's current location(s); or (b) within fifty (50) miles of any Prime IV Hydration & Wellness® franchise in operation or development on the date of this Agreement. The term "Competitive Business" means any business which derives more than Ten Thousand and No/100 Dollars ($10,000.00) of revenue per year from the performance of providing nutrient IV hydration therapy and cryotherapy services, or any other related services, or any business which grants franchises or licenses to others to operate such a business, other than a Prime IV Hydration & Wellness® franchise operated under a franchise agreement with us.

You further agree that for a period of two (2) years after the expiration or termination of this Agreement, neither you, nor any Owner, nor any member of your or an Owner's immediate family will directly or indirectly: (a) induce, canvas, solicit, or request or advise any employees of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise to accept employment with any person, firm, or business that competes with any business of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise; or (b) induce, request, or advise any employee of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise to terminate such employee's relationship with Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise; or (c) disclose to any other person, firm, partnership, corporation or other entity, the names, addresses or telephone numbers of any of the employees of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise, except as required by law.

You also agree that for a period of two (2) years after the expiration or the termination of this Agreement, neither you, nor any Owner, nor any member of your or an Owner's immediate family will directly or indirectly: (a) induce, canvas, solicit, or request or advise any customers of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise to become customers of any person, firm, or business that competes with any business of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise; or (b) induce, request or advise any customer of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise to terminate or decrease such customer's relationship with Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise; or (c) disclose to any other person, firm, partnership, corporation or other entity, the names, addresses or telephone numbers of any of the customers of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise, except as required by law.

You agree to have each employee of your Franchise sign a separate, individual non-disclosure agreement. Those employees who will be given specialized knowledge and/or training to perform functions in your Center(s) must also sign a separate, individual non-compete form that we will provide to you to prevent them from leaving with proprietary knowledge and training and starting their own practices or bringing these to a competing center.

10. FRANCHISE OPERATING STANDARDS.

10.1 Condition and Appearance of the Franchise.

You agree that:

(a) neither the Franchise nor the Premises will be used for any purpose other than the operation of the Franchise in compliance with this Agreement;

(b) you will maintain the condition and appearance of the Franchise; its equipment, furniture, furnishings, and signs; and the Premises in accordance with our standards and consistent with the image of a Unit Franchise as an efficiently operated business offering high quality services, and observing the highest standards of cleanliness, sanitation, efficient, courteous service and pleasant ambiance, and in that connection will take, without limitation, the following actions during the term of this Agreement: (1) thorough cleaning, repainting and redecorating of the interior and exterior of the Premises at reasonable intervals; (2) interior and exterior repair of the Premises; and (3) repair or replacement of damaged, worn out or obsolete equipment, furniture, furnishings and signs;

(c) you will not make any material alterations to the Premises or the appearance of the Franchise, as originally developed, without our advance written approval. If you do so, we have the right, at our option and at your expense, to rectify alterations we have not previously approved;

(d) you will promptly replace or add new equipment when we reasonably specify in order to meet changing standards or new methods of service;

(e) you will expend at least Ten Thousand and No/100 Dollars ($10,000.00) every four (4) years in remodeling, expansion, redecorating and/or refurnishing of the Premises and the Franchise, if deemed necessary by us (any changes to the decoration or furnishing of the Premises must be approved by us);

(f) on notice from us, you will engage in remodeling, expansion, redecorating and/or refurnishing of the Premises and the Franchise to reflect changes in the operations of Unit Franchises that we prescribe and require of new Prime IV Hydration & Wellness® franchisees, provided that (1) no material changes will be required unless there are at least two (2) years remaining on the Initial Term of the Franchise (any changes to the decoration or furnishing of the Premises must be approved by us); and (2) we have required the proposed change in at least twenty-five percent (25%) of all similarly situated Company and affiliate-owned Unit Franchises, and have undertaken a plan to make the proposed change in the balance of such Company and affiliate-owned Unit Franchises (any expenditures incurred pursuant to this Paragraph 10.1(f) shall apply to the requirement in Paragraph 10.1~~€~~);

(g) you will place or display at the Premises (interior and exterior) only those signs, emblems, designs, artwork, lettering, logos, and display and advertising materials that we from time to time approve; and

(h) if at any time in our reasonable judgment, the general state of repair, appearance, or cleanliness of the premises of the Franchise or its fixtures, equipment, furniture, or signs do not meet our standards, then we shall have the right to notify you specifying the action you must take to correct the deficiency. If you do not initiate action to correct such deficiencies within (ten) 10 days after receipt of our notice, and then continue in good faith and with due diligence, a bona fide program to complete any required maintenance or refurbishing, then we shall have the right, in addition to all other remedies available to us at law or under this Agreement, to enter the Premises or the Franchise and perform any required maintenance or refurbishing on your behalf, and you agree to reimburse us on demand.

10.2 Franchise Services and Products.

You agree that (a) the Franchise will offer for sale all services and products that we from time to time specify for Unit Franchises, (b) the Franchise will offer and sell approved services and products only in the manner we have prescribed; (c) you will not offer for sale or sell at the Franchise, the Premises, or any other location any services or products we have not approved; (d) all products will be offered at retail prices, and you will not offer or sell any products at wholesale price~~€~~(e) you will not use the Premises for

any purpose other than the operation of the Franchise; and (f) you will discontinue selling and offering for sale any services or products that we at any time decide (in our sole discretion) to disapprove in writing**.** In the event that you use, sell or distribute unauthorized products or services or fail to report the sale of any unauthorized products or services, we may, in addition to any other rights we may have, you will be responsible to pay us an administrative fee of $100 per day, any royalty due to us, and any amounts we incur due to or as a result of your sale of unapproved services or products if you do not cure such default within ten (10) days of receipt of notice from us of your violation. You understand and agree that we may debit such amounts directly from your bank account via EFT. However, we reserve the right to terminate your Unit Franchise and this Agreement if you use, sell, distribute or give away unauthorized services or products on three or more occasions within any consecutive (12) month period, after being provided written notice to cease such activities. You agree to maintain an inventory of approved products sufficient in quantity and variety to realize the full potential of the Franchise. We may, from time to time, conduct market research and testing to determine consumer trends and the saleability of new services and products. You agree to cooperate by participating in our market research programs, test marketing new services and products in the Franchise, and providing us with timely reports and other relevant information regarding such market research. In connection with any such test marketing, you agree to offer a reasonable quantity of the products or services being tested, and effectively promote and make a reasonable effort to sell them.

10.3 Approved Products, Distributors and Suppliers.

We have developed or may develop various unique products or services that may be prepared according to our formulations. We have approved, and will continue to periodically approve, specifications for suppliers and distributors (which may include us and/or our affiliates) for products or services required to be purchased by, or offered and sold at, Unit Franchises, that meet our standards and requirements, including without limitation standards and requirements relating to product quality, prices, consistency, reliability, and customer relations. You understand and acknowledge we will not be liable to you or anyone else for any damages or claims arising out of or resulting from the acts or omissions any supplier and distributor of products or services, whether or not such supplier or distributor is an approved or required supplier or distributor of products or services. You agree that the Franchise will: (1) purchase any required products or services in such quantities as we designate; (2) utilize such formats, formulae, and packaging for products or services as we prescribe; and (3) purchase all designated products and services only from distributors and other suppliers we have approved. In the event we designate a required supplier or distributor during the term of this Agreement, or any subsequent franchise agreement, you must begin to use such required supplier or distributor with thirty (30) days of the date we notify you that you must use such supplier or distributor, unless we designate a longer period for you to switch or convert over to such supplier or distributor. Your failure or refusal to do so shall constitute a breach of this Agreement.

We may approve a single distributor or other supplier (collectively "supplier") for any product, and may approve a supplier only as to certain products. We may concentrate purchases with one or more suppliers to obtain lower prices or the best advertising support or services for any group of Unit Franchises or Prime IV Hydration & Wellness® outlets operated by us or our affiliates. Approval of a supplier may be conditioned on requirements relating to the frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints), or other criteria, and may be temporary, pending our continued evaluation of the supplier from time to time.

If you would like to purchase any items from any unapproved supplier, then you must submit to us a written request for approval of the proposed supplier. We have the right to inspect the proposed supplier's facilities, and require that product samples from the proposed supplier be delivered, at our option, either directly to us, or to any independent, certified laboratory that we may designate, for testing. We may charge you a supplier evaluation fee (not to exceed the reasonable cost of the inspection and the actual cost of the test) to make the evaluation. We reserve the right to periodically re-inspect the facilities and products of any approved supplier, and revoke our approval if the supplier does not continue to meet any of our criteria.

We and/or our affiliates may be an approved supplier of certain products or services to be purchased by you for use and/or sale by the Franchise. We and our affiliates reserve the right to charge any licensed manufacturer engaged by us or our affiliates a royalty to manufacture products for us or our affiliates, or to receive commissions or rebates from vendors that supply goods or services to you. We or our affiliates may also derive income from our sale of products or services to you, and may sell these items at prices exceeding our or their costs in order to make a profit on the sale.

10.4 Hours of Operation.

You agree to keep the Franchise open for business at such times and during such hours as we may prescribe from time to time.

10.5 Specifications, Standards and Procedures.

You agree to comply with all mandatory specifications, standards, and operating procedures relating to the appearance, function, cleanliness, sanitation and operation of the Franchise. Any mandatory specifications, standards, and operating procedures that we prescribe from time to time in the Operations Manual, or otherwise communicate to you in writing, will constitute provisions of this Agreement as if fully set forth in this Agreement. All references to "this Agreement" include all such mandatory specifications, standards, and operating procedures.

10.6 Compliance with Laws and Good Business Practices.

You agree to secure and maintain in force in your name all required licenses, permits and certificates relating to the operation of the Franchise. You also agree to operate the Franchise in full compliance with all applicable laws, ordinances, and regulations, including without limitation all government regulations relating to worker's compensation insurance, Medicare, HIPAA, unemployment insurance, and withholding and payment of federal and state income taxes, social security taxes, and sales taxes. You agree that at all time during the term of this Agreement, that you will maintain sufficient working capital to fulfill your obligations under this Agreement. You agree to execute any and all documents, including documents with us, our agents, affiliates, etc., or others, that we may require from time to time, to ensure compliance with any applicable laws, whether such laws are applicable now or in the future.

All advertising you employ must be completely factual, in good taste (in our judgment), and conform to the highest standards of ethical advertising and all legal requirements. You acknowledge that the practice of medicine is a regulated profession and that certain marketing requirements need to be engaged in a manner that conforms to federal, state, and/or local laws, regulations, or codes. You shall be required to inform yourself of those requirements and strictly comply with their protocols. You agree that in all dealings with us and any of our affiliates, other franchisees, your customers, your suppliers, and public officials, you will adhere to all manner of code, regulation and law and the highest standards of honesty, integrity, fair dealing and ethical conduct. You further agree to refrain from any business or advertising practice that may be legally non-compliant or harmful to the business of the Company, the Franchise, and/or the goodwill associated with the Marks and other Unit Franchises.

You must notify us in writing within 5 days of any of the following: (1) the commencement of any action, investigation, suit, or proceeding, and/or of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other governmental unit of the Franchise or any Owner, that may adversely affect the Franchise's operations, financial condition, or reputation; or the reputation of the Company and/or the goodwill associated with the Marks; (2) your receipt or knowledge of any notice of violation of any law, ordinance, or regulation relating to any health, safety, medical or healthcare rules or laws, as well as any inquires that may lead to a notice of violation of any such rules or laws; (3) any activity or action, involving your Franchise, the Franchisee, or any Owner, which may adversely affect the operations of the Franchise, the reputation of the Franchise or the Company, or the goodwill associated with the Marks; or (4) whether you or any of your Owners are indicted for, convicted of, or plead no contest to a felony, or are indicted for, convicted or plead no contest to any crime or offense, which may adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Marks.

You agree that the Company shall have the right to conduct periodic background and/or credit checks on you or any of your Owners. You agree to cooperate by providing any necessary information or authorizations necessary to conduct such background or credit checks. You understand and acknowledge that the purpose of such background and credit checks is to verify compliance with your duty to report adverse legal or financial changes that may adversely affect the operation of the Franchise, the reputation of the Franchise or the Company, and/or the goodwill associated with the Marks or the validity of the Agreement.

10.7 Management and Personnel of the Franchise.

Unless we approve your employment of a General Manager to operate the Franchise as provided in Paragraph 4.1, you must actively participate in the actual, on-site, day-to-day operation of the Franchise, and devote as much of your time as is reasonably necessary for the efficient operation of the Franchise. If you are other than an individual, then at least one (1) Owner, director, officer, or other employee of you whom we approve must comply with this requirement. If we agree that you may employ a General Manager, then the General Manager must fulfill this requirement. Any General Manager shall each obtain all licenses and certifications required by law before assuming his or her responsibilities at the Franchise. You will ensure that your employees and independent contractors of the Franchise have any licenses as may be required by law, and hold or are pursuing any licenses, certifications, and/or degrees required by law or by us in the Operations Manual, as updated from time to time. You will be exclusively responsible for the terms of your employees' and independent contractors' employment and compensation, and for the proper training of your employees and independent contractors in the operation of the Franchise. You must establish any training programs for your employees and/or independent contractors that we may prescribe in writing from time to time. In order to protect and maintain the goodwill of the Marks and the system, you must require all employees and independent contractors to maintain a neat and clean appearance, and conform to the standards of dress that we specify in the Operations Manual, as updated from time to time. Each of your manager, employees and independent contractors must sign the Brand Protection Agreement described in Paragraph 9.1, and to abide by the covenants not to compete described in Paragraph 9.3. You must forward to us a copy of each such signed agreement. In order to protect and maintain the goodwill of the Marks and the system, all of your employees and independent contractors must render prompt, efficient and courteous service to all customers of the Franchise.

Notwithstanding the foregoing, you understand that we will not have any duty or obligation to operate your Franchised Business, to direct or supervise your employees, or to oversee your employment policies or practices, and that you shall be solely responsible for such activities, as well as all other day-to-day activities and operations relating to your Franchised Business.

10.8 Insurance.

Before you open the Franchise and during any Term of this Agreement, you must maintain in force, under policies of insurance written on an occurrence basis issued by carriers with an A.M. Best rating of A-VIII or better approved by us, and in such amounts as we may determine from time to time: (1) comprehensive public, professional, product, sexual harassment, medical malpractice and motor vehicle liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of the Franchise or otherwise in conjunction with your conduct of the Franchise Business pursuant to this Agreement, under one or more policies of insurance containing minimum liability coverage amounts as set forth in the Operations Manual; (2) general casualty insurance, including theft, cash theft, fire and extended coverage, vandalism and malicious mischief insurance, for the replacement value of the Franchise and its contents, and any other assets of the Franchise; (3) worker's compensation and employer's liability insurance as required by law, with limits equal to or in excess of those required by statute; (4) business interruption insurance for a period adequate to reestablish normal business operations, but in any event not less than six (6) months; (5) any other insurance required by applicable law, rule, regulation, ordinance or licensing requirements; and (6) umbrella liability coverage with limits of not less than $1,000,000/$3,000,000 or such other amounts that we may establish in the Operations Manual. You must purchase such insurance coverage(s) only from our approved or designated supplier(s). We may periodically increase or decrease the amounts of coverage required under these insurance policies, and/or require different or additional kinds of insurance, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances.

Each insurance policy must name us (and, if we so request, our members, directors, employees, agents, and affiliates), as well as the area developer for your area, as additional insureds, and must provide us with thirty (30) days' advance written notice of any material modification, cancellation, or expiration of the policy. Deductibles must be in reasonable amounts, and are subject to review and written approval by us. You must provide us with copies of policies evidencing the existence of such insurance concurrently with execution of this Agreement and prior to each subsequent renewal date of each insurance policy, along with certificates evidencing such insurance. You are responsible for any and all claims, losses or damages, including to third persons, originating from, in connection with, or caused by your failure to name us or anyone we designate as additional insureds on each insurance policy. You agree to defend, indemnify and hold us harmless of, from, and with respect to any such claims, loss or damage arising out of your failure to name us or anyone we designate as additional insureds, which indemnity shall survive the termination or expiration and non-renewal of this Agreement.

Prior to the expiration of the term of each insurance policy, you must furnish us with a copy of a renewal or replacement insurance policy and appropriate certificates of insurance. If you at any time fail or refuse to maintain any insurance coverage required by us, or to furnish satisfactory evidence thereof, or to name us or anyone we designate as an additional insured under any such policies, then we, at our option and in addition to our other rights and remedies under this Agreement, may, but need not, obtain such insurance coverage on your behalf. You shall immediately reimburse us on demand for any costs or premiums paid or incurred by us, and pay an administrative fee of $500 plus any others fees, including attorneys' fees, which we may incur. If you fail to pay us within ten (10) days of our demand for reimbursement, we reserve the right to debit your account the amounts owed to us for any premiums paid on your behalf for such insurance coverage along with any other administrative fees, costs, surcharges expenses and fees we incur to obtain such coverage on your behalf or on behalf of your franchise. We reserve the right to require you to provide us with an application for insurance (in a form acceptable to our required supplier for insurance) for any medical professional that has been offered a position to work in a Unit Franchise so that we may, if you fail to do so, procure any necessary insurance coverage for such medical professional. Nothing in this Section 10.8 or elsewhere in this Agreement shall negate or otherwise effect our right to terminate this Agreement for failure to meet all applicable insurance requirements pertaining to your Franchise.

Notwithstanding the existence of such insurance, you are and will be responsible for all loss or damage and contractual liability to third persons originating from or in connection with the operation of the Franchise, and for all claims or demands for damages to property or for injury, illness or death of persons directly or indirectly resulting therefrom; and you agree to defend, indemnify and hold us harmless of, from, and with respect to any such claims, loss or damage, which indemnity shall survive the termination or expiration and non-renewal of this Agreement. In addition to the requirements of the foregoing paragraphs of this Paragraph 10.8, you must maintain any and all insurance coverage in such amounts and under such terms and conditions as may be required in connection with your lease or purchase of the Premises.

Your obligation to maintain insurance coverage as described in this Agreement will not be reduced in any manner by reason of any separate insurance we maintain on our own behalf, nor will our maintenance of that insurance relieve you of any obligations under Section 7 of this Agreement.

10.9 Credit Cards and Other Methods of Payment.

You must at all times have arrangements in existence with Visa, Master Card, American Express, Discover and any other credit and debit card issuers or sponsors, and electronic fund transfer systems that we designate from time to time, in order that the Franchise may accept customers' credit and debit cards, and other methods of payment. We may require you to obtain such services through us or our affiliates.

10.10 Pricing.

To the extent permitted by applicable law, we may periodically establish maximum and/or minimum prices for services and products that the Unit Franchise offers, including without limitation, prices for promotions in which all or certain Unit Franchises participate. If we establish such prices for any services or products, you agree not to exceed or reduce that price, but will charge the price for the service or product that we establish. You hereby agree to apply any pricing matrix or schedule established by us. If you wish to offer an alternate pricing matrix, you must obtain our prior written approval, which approval we may withhold in our sole and absolute discretion. In states where you must enter a Management Agreement (Section 2.3), this provision shall be modified, to the extent legally permissible, and/or legally construed to conform to the laws of the state where your Unit Franchise will be located.

10.11 Restrictions on Certain Services and Operations.

You understand and agree that neither you nor any P.C. for which you act as the management company will bill Medicare for any products or services that are offered under the Prime IV Hydration & Wellness® franchise system. You agree to be responsible for any and all damages arising out of your violation of this provision, and further agree to defend and hold us harmless against any governmental or other actions arising out of or due to your violation of this provision.

11. ADVERTISING.

11.1 By Company.

As stated in Paragraph 6.3, due to the value of advertising and the importance of promoting the public image of Unit Franchises (both franchisee- and Company-owned outlets), we will establish, maintain, and administer one or more ~~Ad~~ Branding Funds to support and pay for national, regional, and/or local marketing programs that we deem necessary, desirable, or appropriate to promote the goodwill and image of all Unit Franchises. You will contribute to the Branding Fund set forth in Section 6.3. We agree that any Prime IV Hydration & Wellness® outlets owned by us or our affiliates will contribute to the Branding Fund on at least the same basis as you do.

We will be entitled to direct all advertising programs financed by the Branding Fund, with sole discretion over the creative concepts, materials, and endorsements used in them, and the geographic, market, and media placement and allocation of the programs. We will have the sole discretion to use the Branding Fund to pay the costs of preparing and producing video, audio, and written advertising materials; administering regional, multi-regional and/or national advertising programs; including purchasing direct mail and other media advertising; employing advertising agencies and supporting public relations, market research, and other advertising and marketing firms; and paying for advertising and marketing activities

that we deem appropriate, including the costs of participating in any national or regional trade shows, and providing advertising and marketing materials to Unit Franchises. We may in our discretion use the Branding Fund to engage in advertising and promotional programs that benefit only one or several regionals, and not necessarily all Unit Franchises. The Branding Fund will furnish you with approved advertising materials at its direct cost of producing those advertising materials. The amounts you contribute to the Branding Fund will not be used for collective media placement of advertising in television, radio, newspaper or other media for the benefit of franchisees in a local or regional market. Rather, any collective media placement for the benefit of franchisees in a local or regional market will be conducted through the local and regional advertising cooperatives described in Section 11.3.

The Branding Fund will be accounted for separately from other funds of the Company, and will not be used to defray any of our general operating expenses, except for any reasonable salaries, administrative costs, and overhead we may incur in activities reasonably related to the administration of the Branding Fund and its advertising programs (including without limitation conducting market research, preparing advertising and marketing materials, and collecting and accounting for contributions to the Branding Fund). We may spend in any fiscal year an amount greater or less than the total contributions to the Branding Fund in that year. We may cause the Branding Fund to borrow from us or other lenders to cover deficits of the Branding Fund, or to invest any surplus for future use by the Branding Fund. You authorize us to collect for remission to the Branding Fund any advertising monies or credits offered by any supplier to you based upon purchases you make. We will prepare an annual statement of monies collected and costs incurred by the Branding Fund and will make it available to you on written request.

You understand and acknowledge that the Branding Fund will be intended to maximize recognition of the Marks and patronage of Unit Franchises (both franchisee-owned and Company-owned outlets) that are using the Marks. Although we will endeavor to use the Branding Fund to develop advertising and marketing materials, and to place advertising in a manner that will benefit Unit Franchises that are using the Marks, we undertake no obligation to ensure that expenditures by the Branding Fund in or affecting any geographic area are proportionate or equivalent to contributions to the Branding Fund by Unit Franchises operating in that geographic area, or that any Unit Franchise will benefit directly or in proportion to its contribution to the Branding Fund from the development of advertising and marketing materials or the placement of advertising. Except as expressly provided in this Paragraph, we assume no direct or indirect liability or obligation to you with respect to the maintenance, direction, or administration of the Branding Fund.

We will have the right to terminate the Branding Fund by giving you thirty (30) days' advance written notice. All unspent monies on date of termination will be divided between the Company and the contributing franchisees in proportion to our and their respective contributions. At any time thereafter, we

will have the right to reinstate the Branding Fund under the same terms and conditions as described in this Section (including the rights to terminate and reinstate the Branding Fund) by giving you thirty (30) days' advance written notice of reinstatement.

11.2 By Franchisee.

You agree to spend a certain amount on advertising in your local market area. This amount must equal Two Thousand and No/100 Dollars ($2,000.00) for each month during the term of this Agreement. We may require you to use one or more required suppliers or vendors for your local advertising. All proposed local advertising must be submitted to and approved by us before you enter into any advertising agreements. You must provide us (in a form we approve or designate) evidence of your required local advertising, marketing and promotional expenditures by the thirtieth (30th) day of each month, for the preceding calendar month, along with a year-to-date report of the total amount spent on local advertising. This requirement is waived if the franchisee meets or exceeds the minimum performance standard of $200,000 in total revenue each quarter. We may require you to use one or more required suppliers or vendors for your local advertising. You must provide us (in a form we approve or designate) evidence of your required local advertising, marketing and promotional expenditures allocated by medium spend, by the thirtieth (30th) day of each month, for the preceding calendar month, along with a year-to-date report of the total amount spent on local advertising.

You agree to list and advertise the Franchise within your market area, in those business classifications as we prescribe from time to time, using any standard form of advertisement we may provide.

On each occasion before you use them, samples of all local advertising and promotional materials not prepared or previously approved by us must be submitted to us for approval. If you do not receive our written disapproval within fifteen (15) days from the date we receive the materials, the materials will be deemed to have been approved. You agree not to use any advertising or promotional materials that we have disapproved. You will be solely responsible and liable to ensure that all advertising, marketing, and promotional materials and activities you prepare comply with applicable federal, state, and local law, and the conditions of any agreements or orders to which you may be subject.

11.3 Local and Regional Advertising Cooperatives.

You are required to join and participate in any Ad Co-ops (as defined in Section 6.4) covering your Unit Franchise. One function of the Co-op is to establish a local or regional advertising pool, of which the funds must be used for local or regional advertising purposes, and for the mutual benefit of each Co-op member. All Ad Co-ops must operate according to their bylaws. We have the right to specify the manner in which any Ad Co-ops are organized and governed, and may require any and all Ad Co-ops to be legal

entities of the state where they are located. You must contribute to the Ad Co-op according to the Ad Co-op's rules and regulations, and bylaws, as determined by the Co-op members. Amounts contributed to any Ad Co-op may not be applied towards your Minimum Local Advertising Requirement set forth in Paragraphs 6.4(a) and 11.2

11.4 Websites and Other Forms of Advertising Media.

You acknowledge and agree that any Website or Other Forms of Advertising Media (as defined below) will be deemed "advertising" under this Agreement, and will be subject to, among other things, the need to obtain our prior written approval in accordance with Paragraphs 7.2 and 11.2. As used in this Agreement, the term or reference to "Website or Other Forms of Advertising Media" means any interactive system, including but not limited to all types of online communications, virtual applications, social media, or the like, including but not limited to Groupon, Living Social, Facebook, Twitter, etc., that you operate or use, or authorize others to operate or use, and that refer to the Franchise, the Marks, us, and/or the System. The term or reference Website or Other Forms of Advertising Media includes, but is not limited to, Internet and World Wide Web home pages. In connection with any Website or Other Forms of Advertising Media, you agree to the following:

(a) Before establishing any Website or Other Form of Advertising Media, you will submit to us a sample of such Website or Other Form of Advertising Media format and information in the form and manner we may require.

(b) You will not establish or use any Website or Other Forms of Advertising Media without our prior written approval.

(c) In addition to any other applicable requirements, you must comply with our standards and specifications for Website or Other Forms of Advertising Media as we prescribe in the Operations Manual or otherwise in writing, including any specifications relating to the use of organic and paid search engine optimization, keyword and landing page management. You will establish a website and center email addresses as part of our corporate website/email system and establish electronic links to our corporate website.

(d) If you propose any material revision to Website or Other Forms of Advertising Media or any of the information contained therein, you will submit each such revision to us for our prior written approval.

You will be responsible for any damages or costs associated with us having to have an unapproved Website removed or taken down, including but not limited to, any attorneys' fees and costs.

12. ACCOUNTING, REPORTS AND FINANCIAL STATEMENTS.

You agree to maintain, at your own expense, our proprietary software and other accounting software, to act as a bookkeeping, accounting, and record keeping system for the Franchise. Prime IV Hydration & Wellness® Software includes the capability of being polled by our central computer system, which you agree to permit. With respect to the operation and financial condition of the Franchise, we will pull from our proprietary software (if available), or require you to provide from your accounting software (in a form we designate) or in accordance with General Accepted Accounting Principles ("GAAP"), as the case may be, the following: (1) by the thirtieth (30th) day of each month, a profit and loss statement for the preceding calendar month, and a year-to-date profit and loss statement and balance sheet; (2) within ninety (90) days after the end of your fiscal year, a fiscal year-end balance sheet, and an annual profit and loss statement for that fiscal year, reflecting all year-end adjustments; and (3) such other reports as we require from time to time (collectively, all of the above are referred to as "Reports"). You agree to input all Franchise transactions into our proprietary software and your accounting software in a timely manner to ensure that all Reports are accurate. You agree to maintain and furnish upon our request complete copies of federal and state income tax returns you file with the Internal Revenue Service and state tax departments, reflecting revenues and income of the Franchise or the corporation, partnership, or limited liability company that holds the Franchise. You agree to retain hard copies of all records for a minimum of four (4) years.

13. INSPECTIONS AND AUDITS.

13.1 Company's Right to Inspect the Franchise.

To determine whether you and the Franchise are complying with this Agreement and the specifications, standards, and operating procedures we prescribe for the operation of the Franchise, we or our agents have the right, at any reasonable time and without advance notice to you, to: (1) inspect the Premises; (2) observe the operations of the Franchise for such consecutive or intermittent periods as we deem necessary; (3) interview personnel of the Franchise; (4) interview customers of the Franchise; and (5) inspect and copy any books, records and documents relating to the operation of the Franchise. You agree to fully cooperate with us in connection with any of those inspections, observations and interviews. You agree to present to your customers any evaluation forms we periodically prescribe, and agree to participate in, and/or request that your customers participate in, any surveys performed by or on our behalf. Based on the results of any such inspections and audits and your other reports, we may provide to you such guidance and assistance in operating your Franchise as we deem appropriate.

13.2 Company's Right to Audit.

We have the right at any time during business hours, and without advance notice to you, to inspect and audit, or cause to be inspected and audited, the business records, bookkeeping and accounting records, sales and income tax records and returns and other records of the Franchise, and the books and records of any corporation, limited liability company, or partnership that holds the Franchise. You agree to fully cooperate with our representatives and any independent accountants we may hire to conduct any inspection or audit. If the inspection or audit is necessary because of your failure to furnish any reports, supporting records, other information or financial statements as required by this Agreement, or to furnish such reports, records, information, or financial statements on a timely basis, or if an understatement of gross revenues for any period is determined by an audit or inspection to be greater than two percent (2%), then you agree to pay us all monies owed, plus interest of one and one-half percent (1.5%) per month, and reimburse us for the cost of such inspection or audit, including without limitation any attorneys' fees and/or accountants' fees we may incur, and the travel expenses, room and board, and applicable per diem charges for our employees or contractors. The above remedies are in addition to all our other remedies and rights under this Agreement or under applicable law.

14. TRANSFER REQUIREMENTS.

14.1 Transfer by Us. We may sell, assign, transfer, convey, give away, pledge, hypothecate, mortgage or otherwise encumber ("transfer") all or any part of our rights, interests or obligations in this Agreement to any person or entity, who expressly assumes our obligations under this Agreement. After our transfer of this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer have any performance or other obligations under this Agreement.

14.2 Transfer by Franchisee.

(a) Your rights and obligations under this Agreement are personal to you, and we have granted the Unit Franchise in reliance on your and/or your principal owners' skills, financial capacity, personal character, and reputation for honesty, integrity and fair dealing. Accordingly, you and your successors, assigns, shareholders, partners and members, may not transfer any interest in you, in this Agreement or any related agreement, in the Unit Franchise, without our prior written consent. Any purported transfer not having our prior written consent will be void.

(b) We will not unreasonably withhold our consent to a transfer of any interest in you, this Agreement, any related agreement, or the Unit Franchise, but if a transfer, alone or together with other previous, simultaneous or proposed transfers, has the effect of transferring either a controlling interest in or operating control of you, this Agreement, any related agreement, or the Unit Franchise, we may, in our

sole discretion, require as conditions to our consent that, except in the event of a Permitted Transfer (defined below) these do not apply:

(i) You are in substantial compliance with the terms of this Agreement;

(ii) The transferee (including any person with a beneficial interest in the transferee if it is a legal entity) has demonstrated to our satisfaction that it meets the then-current standards which we would normally apply to any prospective franchisee; including, but not limited to, meeting our educational, personal, managerial and Unit Franchise standards; possesses a good moral character and a good business reputation; has the aptitude and ability to operate the Unit Franchise (as may be shown by prior related experience); has adequate financial resources and capital to operate the Unit Franchise; is financially responsible and has a good credit rating; will be likely in our sole and absolute judgment to comply with the terms of the then-current standard franchise agreement and Operations Manual; and has no direct or indirect connection with any actual or potential competitor of us or any of our franchisees;

(iii) Your debts to us and others relating to the Unit Franchise have been satisfied;

(iv) You and the transferor have signed a general release, in a form we prescribe or that is satisfactory to us, of any claims against us and our partners, shareholders, officers, directors, employees and agents, in their corporate and individual capacities;

(v) The transferee (including any person with a beneficial interest in the transferee if it is a legal entity) has entered into a written consent to transfer agreement, in a form satisfactory to us;

(vi) The transferee (including any person with a beneficial interest in the transferee if it is a legal entity) executes our then-current standard franchise agreement for a term equal to the remaining portion of the term on the transferor's franchise agreement and signs all related agreements (including any guaranty agreements). The then-current franchise agreement may contain terms substantially different from those in this Agreement, including different fees (all then-current fees, except as stated herein must be paid by transferee), advertising contributions, training requirements and territory. Transferee will not pay the Grand Opening fee. Depending on the then-current demographics of the Territory, and on our then-current standards for territories, if the Territory is larger than our then- current standard territory, we may require the transferee to accept a transfer territory smaller than the Territory.

(vii) The transferee and its general manager, if any, have agreed to successfully complete (at the transferee's expense and to our satisfaction) any then-current initial training programs;

(viii) You or the transferor has paid us a transfer fee equal to 30% of our then-current Initial Franchise Fee. You must reimburse us for reasonable expenses incurred by us in investigating and

processing any proposed transfer to a new transferee where the transfer is not consummated for any reason, including but not limited to any attorneys' fees we incur (not to exceed $5,000) plus costs and expenses. If you are in default of this Agreement, or any other agreement with us, in addition to the transfer fee, we may require you to pay any amounts we deem necessary, in our sole discretion, to cure the default, provided that the default is curable;

(ix) We have decided not to exercise our right of first refusal, if any, under Section 14.4;

(x) You have updated your equipment and Premises to our then-current specifications in the Operations Manual;

(xi) We have determined that the material terms of the transfer, including the price and terms of payment, will not be so burdensome as to adversely affect the operation of the Unit Franchise by the transferee; and

(xii) If any part of the sale price of any transferred interest is to be financed, the transferor will have agreed that all obligations of the transferee under any promissory notes, agreements or security interests reserved by the transferor in the assets of the Unit Franchise will be subordinate to the obligations of the transferee to pay marketing and consulting fees, advertising contributions, and other amounts due to us and our affiliates, and to comply with the franchise agreement signed by the transferee.

(c) No transfer in the nature of a grant of a security interest in you, this Agreement, any related agreement, the Unit Franchise or the Premises will be permitted without our prior written consent, which we may grant or withhold in our sole discretion. If we consent to a transfer in the nature of a grant of a security interest, and if the holder of the security interest later seeks to exercise your right or assume the interest of you in the Unit Franchise, this Agreement, any related agreement, you or the Premises due to a default under any documents related to the security interest, we will have the option to purchase the rights of the secured party by paying all sums then due to the secured party, and the secured party will sign an agreement to that effect before any transfer takes place.

(d) A "Permitted Transfer" under Section 14.2 is defined as either (i) a transfer of an ownership interest in you or your entity of less than five percent (5%), or (ii) a transfer of any ownership interest in you or your entity, to a spouse, child, sibling, or parent, to trust or similar entity created for the benefit of any of the foregoing persons, provided that neither (i) nor (ii) may result in the creation of a controlling ownership stake in the transferee, whether through one or an aggregated series of such transfers. You must provide us written notice of any Permitted Transfer in you or your entity. Any individual who becomes an owner in you due to a Permitted Transfer must (if they have not already) sign a personal guaranty agreement ("Guaranty") in the form found in Exhibit 2 to this Agreement. You and any owners

who previously signed a Guaranty will not be released from a signed Guaranty upon a Permitted Transfer, unless otherwise agreed to by us in writing. You and we will amend Exhibit 4 of this Agreement if a Permitted Transfer occurs. You must pay an administrative fee of $2,500 for any Permitted Transfers.

14.3 Transfer to Franchisee's Legal Entity. If a proposed transfer is to a legal entity you control, our consent to the transfer may, in our sole discretion, be conditioned on the following requirements:

(a) The legal entity's activities will be confined exclusively to operating the Unit Franchise;

(b) You will own a majority stock interest, partnership or membership interest in the legal entity, and will act as its principal operating officer, partner or member;

(c) Each stock certificate or certificate of interest in the legal entity will have conspicuously endorsed on its face a statement in a form satisfactory to us that it is held subject to, and that further transfer is subject to, all restrictions on transfers in this Agreement;

(d) All shareholders, partners, or members will jointly and severally guarantee the legal entity's performance and will bind themselves to the terms of this Agreement and any related agreements

(e) You will maintain a then-current list of all partners, members or shareholders and beneficial owners of any class of stock, and furnish the list to us on request; and

(f) Copies of the transferee's Certificate and Articles of Incorporation, Certificate and Articles of Organization, Certificate and Agreement of Partnership, By-Laws, resolution authorizing entry into this Agreement and any other significant governing documents, promptly will be furnished to us.

14.4 Our Right of First Refusal.

(a) If you or any other person or entity at any time determines to sell an interest in you, the Unit Franchise or the Premises, you agree to immediately submit to us a true and complete copy of the offer (and any proposed ancillary agreements). The offer must apply only to an interest in you, the Unit Franchise or the Premises. It must not include the purchase of any of your other property or rights (or those of your shareholder, partner, or member), but if the offeror proposes to buy any other of your property or rights (or those of a shareholder, partner or member) under a separate, contemporaneous offer, the price and terms of purchase offered to you (or to your shareholder, partner or member) for the interest in you, the Franchise or the Premises will reflect the bona fide price offered and will not reflect any value for any other property or rights. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount and the proposed buyer must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price. We will have the right, exercisable by written notice delivered to you, or the person or entity involved, within thirty (30) days after receipt of the copy of the offer, to purchase the interest for the

price and on the terms in the offer, but we may substitute cash, a cash equivalent or marketable securities of equal value for any form of payment proposed in the offer. Our credit will be deemed equal to the credit of any proposed purchaser, and we will have not less than sixty (60) days to prepare for closing. We will be entitled to purchase the interest subject to all customary representations and warranties given by the seller of the assets of a business or voting stock of an incorporated business, as applicable, including representations and warranties as to ownership, condition and title to stock and/or assets, liens and encumbrances relating to the stock and/or assets, validity of contracts, and liabilities, contingent or otherwise, of any corporation whose stock is purchased. If we do not exercise our right of first refusal, you or the person or entity involved may complete the sale to the purchaser under the terms of the offer subject to our consent to the transfer under Section 14.2(b), but if the sale to the purchaser is not completed within one hundred twenty (120) days after receipt of the offer by us, or if there is a material change in the terms of the sale, we will have an additional right of first refusal for thirty (30) days on the same terms as were applicable to the initial right of first refusal.

(b) If the transfer is a Permitted Transfer, we will not have any right of first refusal as provided in Section 14.4(a), unless the proposed transferee has a direct or indirect connection with any actual or potential competitor of us or any of our franchisees. However, written notification of this type of transfer must be provided to us by the transferor at least thirty (30) days before consummation of that transfer.

14.5 Transfer On Death, Permanent Incapacity or Dissolution. On the death or permanent incapacity of any person with an interest in you, this Agreement, any related agreement, the Franchise or the Premises, or on your dissolution if you are a legal entity, the executor, administrator, personal representative or trustee ("personal representative") of that person or entity will transfer his, her or its interest to a third party reasonably acceptable to us within one hundred eighty (180) days after assuming that capacity. Any transfer of this type, including a transfer by devise or inheritance, will be subject to the same requirements as other transfers under this Agreement, but if the transfer is to a spouse, child or parent, the fee required under Section 14.2(b) (viii) will not be required. If the personal representative has, in good faith, proposed a transferee and we, in good faith, do not approve the proposed transferee, the personal representative will be given additional time, not to exceed one hundred eighty (180) days, to propose another transferee for our approval. If the personal representative is unable to meet these conditions, the personal representative of that deceased person will have an additional sixty (60) days to dispose of the interest, which disposition will be subject to the requirements for transfers in this Agreement, including the requirements of this Section 14. If the interest is not disposed of within the additional sixty (60) days (or such additional time as we otherwise agree), we may terminate this Agreement.

14.6 Interim Operation of Unit Franchise on Death or Permanent Disability. Pending transfer on your death or permanent incapacity (or your principal operating officer, partner or member, if you are a legal entity), we will have the option to operate the Unit Franchise on your behalf until an approved transferee is able to assume the operation of the Unit Franchise, for a period of up to twelve (12) months without the consent of you, your personal representative or your successor in interest. All funds from the operation of the Unit Franchise during the period of operation by us will be kept in a separate fund, and all expenses we incur, including compensation, other costs and travel and living expenses (the "Management Expenses"), will be charged to the fund. As compensation for services provided, we will charge the fund the full amount of the Management Expenses incurred during the period of our operation. We will only have a duty to utilize reasonable efforts in operating the Unit Franchise, and will not be liable to you or your principals for any debts, losses or obligations incurred by the Unit Franchise, or to any creditor for any equipment, inventory, products, supplies or services purchased for the Unit Franchise during any period in which it is operated by us.

14.7 Non-Waiver of Claims. Our consent to a transfer of any interest in you, this Agreement, any related agreement, the Franchise or the Premises will not be a waiver of any claims we may have against the transferring party, nor will it be a waiver of our right to demand the transferee's compliance with the terms of this Agreement.

14.8 Effect of Consent to Transfer.

Our consent to a proposed Transfer pursuant to this Section 14 will not constitute a waiver of any claims we may have against you or any Owner, nor will it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of this Agreement by the Proposed New Owner.

14.9 Consent Not Unreasonably Delayed.

If all the conditions are met to transfer the FA or any interest therein, we will not unreasonably delay granting our consent to the transfer.

15. TERMINATION OF THE FRANCHISE.

We have the right to terminate this Agreement effective immediately upon delivery of notice of termination to you, if:

(a) you fail to open your Franchise for business by the Opening Deadline, subject to the extension set forth in Section 3.1(c); or

(b) you abandon, surrender, transfer control of, lose the right to occupy the Premises of, or do not actively operate the Franchise, or your lease for or purchase of the location of the Franchise is terminated for any reason; or

(c) you or your Principal Owners make any unauthorized use of the Marks, including but not limited to using the Marks in any unapproved advertising, social media, website, or in any other unapproved manner, and fail to cure such unauthorized use within ten (10) days written notice;

(d) you or your Principal Owners assign or Transfer this Agreement, any Interest, the Franchise, or assets of the Franchise without complying with the provisions of Section 14; or

(e) You make an assignment for the benefit of creditors or admit in writing your insolvency or inability to pay your debt generally as they become due; your consent to the appointment of a receiver, trustee or liquidator of all or the substantial part of your property; your Unit Franchise is attached, seized, subjected to a writ of distress, warrant, or levied upon, unless the attachment seizure, writ, warrant or levy is vacated within thirty (30) days, or any order appointing a receiver, trustee or liquidator of you or your Unit Franchise is not vacated within thirty (30) days following the order and entry;

(f) you use, sell, distribute or give away any unauthorized services or products on three or more occasions within any consecutive (12) month period; or

(g) you fail to maintain any licenses or permits necessary for the operation of the Franchise and/or fail to comply with any state and federal regulations which is reasonably likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Marks; or

(h) you or any of your Principal Owners are convicted of or plead no contest to a felony or are convicted or plead no contest to any crime or offense, which is reasonably likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Marks; or

(i) you are involved in any action or activity, including but not limited to dishonest, unethical, or illegal actions or activities, which is reasonably likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Marks; or

(j) you (or any of your owners) have made or knowingly make a material false or incomplete statement in any report submitted to us;

(k) we discover that you knowingly made a material false or incomplete statement to us to obtain the Franchise;

(l) you (or any of your owners) participate in in-term competition contrary to Section 9.3;

(m) you fail to timely notify of any event, action or other action identified in Section 10.6, which is reasonably likely to adversely affect the reputation of the Company, the Franchise, and/or the goodwill associated with the Marks; or

(n) you or any of your employees violate any health or safety law, ordinance or regulation, or operate the Franchise in a manner that presents a health or safety threat, hazard or danger to your customers or the public, which hazard, threat or danger you acknowledge is determined by our commercial business judgment; or

(o) you fail to maintain a valid license to practice and/or fail to comply with any with state and federal regulations, other than those covered by subsection (f), and do not cure the failure within twenty (20) days after written notice is given to you; or

(p) you do not pay when due any monies owed to us or our affiliates, and do not make payment within ten (10) days after written notice is given to you; or

(q) you fail to procure or maintain any and all insurance coverage that we require, or otherwise fail to name us or anyone we designate as an additional insured on any required insurance policies and failure to do so within ten (10) days after written notice is given to you; or

(r) you or any of your Principal Owners receive three (3) or more written notices of default from us, within any period of twelve (12) consecutive months, concerning any material breach by you. Whether or not such breaches shall have been cured, such repeated course of conduct shall itself be grounds for termination of this Agreement without further notice or opportunity to cure; or

(s) you or any of your Principal Owners fail to comply with any other provision of this Agreement or any mandatory specification, requirement, standard, or operating procedure, including those in our Operations Manual, and you fail to make the required changes or to comply with such provision, specification, requirement, standard or operating procedure, within thirty (30) days after written notice of your failure to comply is given to you.

In addition, if, in the opinion of our legal counsel, any provision of this Agreement is contrary to law, then you and we agree to negotiate in good faith an amendment that would make this Agreement conform to the applicable legal requirements. If you and we are unable to reach an agreement on the applicable legal requirements, or if fundamental changes to this Agreement are required to make it conform to the legal requirements, then we reserve the right to terminate this Agreement upon notice to you, in which case all of the post-termination obligations set forth in Section 16 shall apply.

In the event that we terminate this Agreement under this Section or other applicable provisions of this Agreement, we shall be entitled, in those states in which termination fees are enforceable, to receive from you a termination fee in the amount equal to one-half (1/2) of our then-current initial franchise fee for

new Unit Franchises (the "Termination Fee"). The Termination Fee shall be payable by you in addition to any damages payable to us, including loss of future revenues, resulting from your improper or wrongful breach or other termination of this Agreement. We shall be entitled to recover all costs, including attorneys' fees, incurred in connection with the termination and collection of the Termination Fee.

16. RIGHTS AND OBLIGATIONS OF COMPANY AND FRANCHISEE UPON TERMINATION OR EXPIRATION OF THE FRANCHISE.

16.1 Payment of Amounts Owed to Company.

You agree to pay us within five (5) days after the effective date of termination or expiration of the Franchise, or any later date that the amounts due to us are determined, all amounts owed to us or our affiliates which are then unpaid.

16.2 Marks and Other Information.

You agree that after the termination or expiration of the Franchise you will:

(a) not directly or indirectly at any time identify any business with which you are associated as a current or former Unit Franchise or Prime IV Hydration & Wellness® franchisee;

(b) not use any Mark or any colorable imitation of any Mark in any manner or for any purpose, or use for any purpose any trademark or other commercial symbol that suggests or indicates an association with us;

(c) return to us all customer lists, records, membership agreements and/or contracts, forms and materials containing any Mark or otherwise relating to a Unit Franchise or our network of Unit Franchises;

(d) remove all Marks affixed to uniforms or, at our direction, cease to use those uniforms; and

(e) take any action that may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark.

16.3 De-Identification.

Following termination, if you lawfully retain possession of the Premises, you agree to completely remove or modify, at your sole expense, any part of the interior and exterior decor that we deem necessary to fully disassociate the Premises with the image of a Unit Franchise, including any signage bearing the Marks. If you do not take the actions we request within thirty (30) days after notice from us, we have the right to enter the Premises and make the required changes at your expense, and you agree to reimburse us for those expenses on demand.

16.4 Confidential Information.

You agree that on termination or expiration of the Franchise you will immediately cease to use any of the Confidential Information, and agree not to use it in any business or for any other purpose. You further agree to immediately return to us all copies of the Operations Manual and any written Confidential Information or other confidential materials that we have loaned or provided to you.

16.5 Proprietary Software.

You agree that on termination or expiration of the Franchise, you will immediately cease to use of our proprietary software and will uninstall it from all computer systems owned by the Franchise.

16.6 Company's Option to Purchase Franchise Assets and Assumption of Lease.

(a) Upon the expiration of the Franchise, we have the option, but not the obligation, exercisable for ten (10) days upon written notice to you, to purchase at fair market value, as same may be depreciated any or all of the furniture, inventory, or equipment used in or associated with the Franchise, as well as any and all supplies, materials, and other items imprinted with any of our Marks. If we cannot agree on a fair market value for the furniture or equipment or other items, within a reasonable time, we will designate an independent appraiser to determine the fair market items of these items. The appraiser's determination of value shall be binding upon the parties. For purposes of this Section 16.6(a), the fair market of any purchased items shall not include any value attributable to any of the following: 1) the Franchise or any rights granted under this Agreement or the Lease; 2) goodwill attributable to the Marks; or 3) our brand image and other intellectual property; and 3) any patient lists. In no event shall we be obligated or required to assume any liabilities, debts or obligations of the Franchise in connection with our purchase of any items pursuant to this Section 16.6(a), and you will indemnify us from any and all claims made against us arising out of the sale of these items.

(b) Upon the termination or expiration of the Franchise, we shall have the option, but not the obligation, exercisable for thirty (30) days upon written notice, to take an assignment of the lease for the Premises and any other lease agreement necessary for the operation of the Franchise.

(c) In the event we elect, upon termination of the Franchise, to assume the lease pursuant to Section 16.6(b), unless otherwise required or prohibited by law, we shall have the right to retain possession of any and all furniture, fixtures, inventory, and equipment associated with the Franchise. If we are required by law to purchase from you any equipment, supplies, signs, advertising materials or items bearing our name or Marks, and/or any inventory associated with the Franchise, we will pay you the fair market value of these items (less the amount of any outstanding liens or encumbrances). If we cannot agree on a fair market value for the items to be purchased within a reasonable time, we will designate an independent

appraiser to determine the fair market items of these items. The appraiser's determination of value shall be binding upon the parties. For purposes of this Section 16.6(c), the fair market of any purchased items shall not include any value attributable to any of the following: 1) the Franchise or any rights granted under this Agreement or the Lease; 2) goodwill attributable to the Marks; or 3) our brand image and other intellectual property.

16.7 Continuing Obligations.

All obligations of this Agreement (whether yours or ours) that expressly or by their nature survive the expiration or termination of this Agreement will continue in full force and effect after and notwithstanding its expiration or termination until they are satisfied in full or by their nature expire.

16.8 Management of the Franchise.

In the event that we are entitled to terminate this Agreement in accordance with Section 15 above, or any other provision of this Agreement, and in addition to any other rights or remedies available to us in the event of termination, we may, but need not, assume the management of the Franchise. In the event we assume the management of the Franchise, we may charge you (in addition to the Royalty Fee and Branding Fund Fee contributions due under this Agreement), all expenses we incur, including compensation, other costs and travel and living expenses, along with a reasonable management fee in an amount that we may specify, equal to up to ten percent (10%) of the Franchise's gross revenues during the period we are managing the Franchise, plus our direct out-of-pocket costs and expenses, as compensation for our management services. We have a duty to utilize only our reasonable efforts in managing the Franchise, and will not be liable to you for any debts, losses, or obligations the Franchise incurs, or to any of your creditors for any products or services the Franchise purchases, while we manage it pursuant to this Paragraph.

17. ENFORCEMENT.

17.1 Invalid Provisions; Substitution of Valid Provisions.

To the extent that the non-competition provisions of Sections 9.3 and 14.5 are deemed unenforceable because of their scope in terms of area, business activity prohibited, or length of time, you agree that the invalid provisions will be deemed modified or limited to the extent or manner necessary to make that particular provisions valid and enforceable to the greatest extent possible in light of the intent of the parties expressed in that such provisions under the laws applied in the forum in that we are seeking to enforce such provisions.

If any lawful requirement or court order of any jurisdiction (1) requires a greater advance notice of the termination or non-renewal of this Agreement than is required under this Agreement, or the taking of

some other action which is not required by this Agreement, or (2) makes any provision of this Agreement or any specification, standard, or operating procedure we prescribed invalid or unenforceable, then the advance notice and/or other action required or revision of the specification, standard, or operating procedure will be substituted for the comparable provisions of this Agreement in order to make the modified provisions enforceable to the greatest extent possible. You agree to be bound by the modification to the greatest extent lawfully permitted.

17.2 Unilateral Waiver of Obligations.

Either you or we may, by written notice, unilaterally waive or reduce any obligation or restriction of the other under this Agreement. The waiver or reduction may be revoked at any time for any reason on ten (10) days' written notice.

17.3 Written Consents from Company.

Whenever this Agreement requires our advance approval or consent, you agree to make a timely written request for it. Our approval or consent will not be valid unless it is in writing.

17.4 Lien.

To secure your performance under this Agreement and indebtedness for all sums due us or our affiliates, we shall have a lien upon, and you hereby grant us a security interest in, the following collateral and any and all additions, accessions, and substitutions to or for it and the proceeds from all of the same: (a) all inventory now owned or after-acquired by you and the Franchise, including but not limited to all inventory and supplies transferred to or acquired by you in connection with this Agreement; (b) all accounts of you and/or the Franchise now existing or subsequently arising, together with all interest in you and/or the Franchise, now existing or subsequently arising, together with all chattel paper, documents, and instruments relating to such accounts; (c) all contract rights of you and/or the Franchise, now existing or subsequently arising; and (d) all general intangibles of you and/or the Franchise, now owned or existing, or after-acquired or subsequently arising. You agree to execute such financing statements, instruments, and other documents, in a form satisfactory to us, that we deem necessary so that we may establish and maintain a valid security interest in and to these assets.

17.5 No Guarantees.

If in connection with this Agreement we provide to you any waiver, approval, consent, or suggestion, or if we neglect or delay our response or deny any request for any of those, then we will not be deemed to have made any warranties or guarantees upon which you may rely, and will not assume any liability or obligation to you.

17.6 No Waiver.

If at any time we do not exercise a right or power available to us under this Agreement or do not insist on your strict compliance with the terms of the Agreement, or if there develops a custom or practice that is at variance with the terms of this Agreement, then we will NOT be deemed to have waived our right to demand or exact compliance with any of the terms of this Agreement at a later time. Similarly, any failure to act as to any particular breach or series of breaches under this Agreement by us, or of any similar term in any other agreement between us and any other Prime IV Hydration & Wellness® franchisee will not affect our rights with respect to any later breach or to assert our rights as to that or any subsequent or ongoing breach. It will also not be deemed to be a waiver of any breach of this Agreement for us to accept payments that are past due to us under this Agreement.

The parties to this Agreement will not be considered to be in default of any obligations hereunder, other than the obligation of a party to make payment of amounts due to the other party, if the failure of performance is due to a force majeure, including drought, flood, earthquake, storm, fire, lightening, epidemic, war, riot, civil disturbance, sabotage, theft, vandalism, strike or labor difficulty, or casualty to equipment. If any party is affected by a force majeure event, such party will give written notice within fourteen (14) days to the other party stating the nature of the event, its anticipated duration and any action being taken to avoid or minimize its effect. The suspension of performance will be of no greater scope and no longer duration than is required, and the non-performing party will use its best efforts to remedy its inability to perform. The obligation to pay any amount in a timely manner is absolute and will not be subject to these force majeure provisions, except to the extent prohibited by governmental rule or regulation.

17.7 Cumulative Remedies.

The rights and remedies specifically granted to either you or us by this Agreement will not be deemed to prohibit either you or us from exercising any other right or remedy provided under this Agreement, or permitted by law or equity.

17.8 Specific Performance; Injunctive Relief.

Provided we give you the appropriate notice, we will be entitled, without being required to post a bond, to the entry of temporary and permanent injunctions and orders of specific performance to (1) enforce the provisions of this Agreement relating to your use of the Marks and non-disclosure and non-competition obligations under this Agreement; (2) prohibit any act or omission by you or your employees that constitutes a violation of any applicable law, ordinance, or regulation; constitutes a danger to the public; or may impair the goodwill associated with the Marks or Unit Franchises or outlets operating under or using the Marks; or (3) prevent any other irreparable harm to our interests. If we obtain an injunction or order

of specific performance, then you shall pay us an amount equal to the total of our costs of obtaining it, including without limitation reasonable attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, and any damages we incur as a result of the breach of any such provision. You further agree to waive any claims for damage in the event there is a later determination that an injunction or specific performance order was issued improperly.

17.9 MEDIATION AND LITIGATION.

(a) Mediation. We and you acknowledge that during the term of this Agreement certain disputes may arise that we and you are unable to resolve, but that may be resolvable through mediation. To facilitate such resolution, you and we agree to submit any claim, controversy or dispute between us or any of our affiliates (and our and their respective owners, officers, directors, agents, representatives and/or employees) and you (and your owners, agents, representatives and/or employees) arising out of or related to (a) this Agreement or any other agreement between us and you, (b) our relationship with you, or (c) the validity of this Agreement or any other agreement between us and you, to mediation before bringing such claim, controversy or dispute in a court or before any other tribunal.

(i) The mediation shall be conducted by a mediator agreed upon by you and us and, failing such agreement within not more than fifteen 15 days after either party has notified the other of its desire to seek mediation, by the American Arbitration Association or any successor organization ("AAA") in accordance with its rules governing mediation. Mediation shall be held at the offices of the AAA nearest to our principal place of business or in Colorado Springs, Colorado, at our option. The costs and expenses of mediation, including the compensation and expenses of the mediator (but excluding attorneys' fees incurred by either party), shall be borne by the parties equally.

(ii) If the parties are unable to resolve the claim, controversy or dispute within ninety (90) days after the mediator has been chosen, then, unless such time period is extended by written agreement of the parties, either party may bring a legal proceeding pursuant to subsection (b) below, and you agree that statements made by either you or us in any such mediation proceeding will not be admissible for any purpose in any subsequent legal proceeding.

(iii) Notwithstanding the foregoing provisions of this subsection (a), your and our agreement to mediate shall not apply to controversies, disputes or claims related to or based on the marks or the confidential information. Moreover, regardless of your and our agreement to mediate, you and we each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief.

(b) Litigation. With respect to any controversies, disputes or claims which are not finally resolved through mediation as provided in subsection (a) above, the parties irrevocably submit themselves

to the jurisdiction of the state courts of El Paso County, Colorado and the U.S. District Court for the District of Colorado and hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision. You and we agree that service of process may be made upon them in any proceeding relating to or arising out of this agreement or the relationship created by this agreement by any means allowed by Colorado or federal law. You and we further agree that venue for any proceeding relating to or arising out of this agreement shall be El Paso County, Colorado.

17.10 Waiver of Punitive Damages and Jury Trial; Limitations of Actions.

Except with respect to your obligations to indemnify us and claims that we may bring under Sections 7, 9, 15, or 16 of this Agreement, and except for claims arising from your non-payment or underpayment of any amounts owed to us or our affiliates, (1) any and all claims arising out of or related to this Agreement or the relationship between you and us shall be barred, by express agreement of the parties, unless an action or proceeding is commenced within two (2) years from the date the cause of action accrues; and (2) you and we hereby waive to the fullest extent permitted by law, any right to or claim for any punitive or exemplary damages against the other, and agree that, except to the extent provided to the contrary in this Agreement, in the event of a dispute between you and us, each party will be limited to the recovery of any actual damages sustained by it. You and we irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either you or us.

17.11 Governing Law/Consent To Jurisdiction.

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and the Franchise will be governed by the internal laws of the State of Colorado (without reference to its choice of law and conflict of law rules), except that the provisions of any Colorado law relating to the offer and sale of business opportunities or franchises or governing the relationship of a franchisor and its franchisees will not apply unless their jurisdictional requirements are met independently without reference to this Paragraph. You agree that we may institute any action against you arising out of or relating to this Agreement (which is not required to be mediated hereunder or as to which mediation is waived) in any state or federal court of general jurisdiction in El Paso County, Colorado, and you irrevocably submit to the jurisdiction of such courts and waive any objection you may have to either the jurisdiction or venue of such court.

17.12 Binding Effect.

This Agreement is binding on and will inure to the benefit of our successors and assigns and, subject to the Transfers provisions contained in this Agreement, will be binding on and inure to the benefit of your successors and assigns, and if you are an individual, on and to your heirs, executors, and administrators.

17.13 No Liability to Others; No Other Beneficiaries.

We will not, because of this Agreement or by virtue of any approvals, advice or services provided to you, be liable to any person or legal entity that is not a party to this Agreement, and no other party shall have any rights because of this Agreement.

17.14 Construction.

All headings of the various Sections and Paragraphs of this Agreement are for convenience only, and do not affect the meaning or construction of any provision. All references in this Agreement to masculine, neuter or singular usage will be construed to include the masculine, feminine, neuter or plural, wherever applicable. Except where this Agreement expressly obligates us to reasonably approve or not unreasonably withhold our approval of any of your actions or requests, we have the absolute right to refuse any request by you or to withhold our approval of any action or omission by you. The term "affiliate" as used in this Agreement is applicable to any company directly or indirectly owned or controlled by you or your Owners, or any company directly or indirectly owned or controlled by us that sells products or otherwise transacts business with you.

17.15 Joint and Several Liability.

If two (2) or more persons are the Franchisee under this Agreement, their obligation and liability to us shall be joint and several.

17.16 Multiple Originals.

This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other parties hereto. This Agreement, once executed by a party, may be delivered to the other parties hereto by facsimile transmission or other electronic means of a copy of this Agreement bearing the signature of the party so delivering this Agreement.

17.17 Timing Is Important.

Time is of the essence of this Agreement. "Time is of the essence" is a legal term that emphasizes the strictness of time limits. In this case, it means it will be a material breach of this Agreement to fail to perform any obligation within the time required or permitted by this Agreement.

17.18 Independent Provisions.

The provisions of this Agreement are deemed to be severable. In other words, the parties agree that each provision of this Agreement will be construed as independent of any other provision of this Agreement.

17.19 Cross-Default.

Any default by Franchisee under any other agreement between Franchisor or its affiliates as one party, and Franchisee or any of Franchisee's owners or affiliates as the other party, shall be deemed to be a default of this Agreement, and Franchisor shall have the right, at its option, to terminate this Agreement and/or any other agreement between the Franchisee and the Franchisor or its affiliates, without affording Franchisee an opportunity to cure, effective immediately upon notice to Franchisee.

17.20 Conflicts with Applicable Laws and Regulations.

The Parties acknowledge that if there is a conflict between the terms and conditions of this Agreement, our Operations Manual, or any other specifications, standards, or operating procedure we require in connection with the operation of your franchise, and any applicable federal or state laws or regulations which you, or any licensed professionals working for or with the Franchise must observe or follow, including those relating to the practice of medicine, such laws or regulations shall control.

18. NOTICES AND PAYMENTS.

All written notices, reports and payments permitted or required under this Agreement or by the Operations Manual will be deemed delivered: (a) at the time delivered by hand; (b) one (1) business day after transmission by telecopy, facsimile or other electronic system; (c) one (1) business day after being placed in the hands of a reputable commercial courier service for next business day delivery; or (d) three (3) business days after placed in the U.S. mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid; and addressed to the party to be notified or paid at its most current principal business address of which the notifying party has been advised, or to any other place designated by either party. Any required notice, payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two (2) days before it is due) will be deemed delinquent.

19. INDEPENDENT PROFESSIONAL JUDGMENT OF YOU AND YOUR GENERAL MANAGER.

You and we acknowledge and agree that the specifications, standards and operating procedures related to the services offered by the Franchise are not intended to limit or replace your or your General Manager's (if any) professional judgment in supervising and performing the services offered by your Franchise. The specifications, standards, and operating procedures represent only the minimum standards, and you and your General Manager (if any) are solely responsible for ensuring that the Franchise performs services in accordance with all applicable requirements and standards of care. Nothing in this Agreement shall obligate you or your General Manager (if any) to perform any act that is contrary to your or your General Manager's (if any) professional judgment; provided, however, that you must notify us immediately

upon your determination that any specification, standard or operating procedure is contrary to your or your General Manager's (if any) professional judgment.

20. ENTIRE AGREEMENT.

This Agreement, together with the introduction and exhibits to it, constitutes the entire agreement between us, and there are no other oral or written understandings or agreements between us concerning the subject matter of this Agreement. This Agreement may be modified only by written agreement signed by both you and us, except that we may modify the Operations Manual at any time as provided herein. Notwithstanding the foregoing, nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document. its exhibits and amendments.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the Agreement Date.

| | |
|---|---|
| "COMPANY"<br>PRIME I.V. HYDRATION & WELLNESS, INC.,<br>a Wyoming corporation | "FRANCHISEE"<br>_____,<br>a_____ |
| By: _____<br>Name: _____<br>Title: _____ | By: _____<br>Name: _____<br>Title: _____ |

# EXHIBIT 1

## EXPIRATION DATE

## PROJECTED FRANCHISING OPENING

## DEVELOPMENT AND PROTECTED TERRITORY

## MINIMUM PERFORMANCE STANDARDS

1-1 **Expiration Date**. Unless sooner terminated in accordance with the provisions of this Agreement, this Agreement will expire on _____.

1-2 **Franchise Opening**. In signing the foregoing Agreement to which this **Exhibit 1** is attached, you acknowledge that:

1. You have purchased the Franchise to which the Agreement corresponds as a Prime IV Hydration & Wellness® Unit Franchise.

2. You must open your Unit Franchise by the Opening Deadline set forth in Paragraph 3.1(c), unless another date is specified below:

_____

_____

_____

3. You must comply with all other requirements relating to the opening of your Franchise set forth in Section 3, and the other provisions of the Franchise Agreement.

4. We may, in our sole discretion, amend the Opening Deadline set forth above depending upon the total number of franchises you have purchased and the number of franchises that you have developed and opened for business before developing and opening the Franchise to which this Agreement corresponds.

1-3 **Site Selection Area**. The Site Selection Area referenced in the Franchise Agreement shall consist of the following geographic area:

_____

_____

* The Site Selection Area is not your Protected Territory and there are no protections associated with this area.

1-4 **Protected Territory**. In signing the foregoing Agreement to which this **Exhibit 1** is attached, you acknowledge that the Protected Territory for your Franchise is that set forth below, or if no area is set forth, in such other area as we specify in a separate addendum to the Franchise Agreement.

_____

_____

_____

1-5 **Minimum Performance Standards**. In order to maintain your Protected Territory, you must meet the following minimum performance standards by the end of the periods set forth below:

a. Twelve (12) months from opening your franchise you must have no less than $200,000 in annual Gross Sales.

b. Twenty-four (24) months from opening your franchise you must have no less than $300,000 in annual Gross Sales.

c. Thirty-six (36) months from opening your franchise you must have no less than $400,000 in annual Gross Sales.

d. Forty-eight (48) months from opening your franchise you must have no less than $500,000 in annual Gross Sales.

e. Sixty (60) months from opening your franchise, and the end of each year thereafter (calculated from your opening date), you must have no less than $600,000 in annual Gross Sales.

**"FRANCHISE OWNER"**

_____,
a_____

By: _____
Name: _____
Title: _____
Date: _____

## EXHIBIT 2 TO FRANCHISE AGREEMENT

## OWNER'S GUARANTY AND ASSUMPTION OF OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Franchise Agreement, dated as of this _____ day of _____, 20__ (the "Agreement"), by and between Prime I.V. Hydration & Wellness, Inc. Corporation ("us") and _____(the "Franchisee"), each of the undersigned owners of the Franchisee and their respective spouses ("you," for purposes of this Guaranty only), hereby personally and unconditionally agree to perform and keep during the terms of the Agreement, each and every covenant, obligation, payment, agreement, and undertaking on the part of Franchisee contained and set forth in the Agreement. Each of you agree that all provisions of the Agreement relating to the obligations of Franchisees, including, without limitation, the covenants of confidentiality and non-competition and other covenants set forth in the Agreement, shall be binding on you.

Each of you waives (1) protest and notice of default, demand for payment or nonperformance of any obligations guaranteed by this Guaranty; (2) any right you may have to require that an action be brought against Franchisee or any other person as a condition of your liability; (3) all right to payment or reimbursement from, or subrogation against, the Franchisee which you may have arising out of your guaranty of the Franchisee's obligations; and (4) any and all other notices and legal or equitable defenses to which you may be entitled in your capacity as guarantor.

Each of you consents and agrees that (1) your direct and immediate liability under this Guaranty shall be joint and several; (2) you will make any payment or render any performance required under the Agreement on demand if Franchisee fails or refuses to do so when required; (3) your liability will not be contingent or conditioned on our pursuit of any remedies against Franchisee or any other person; (4) your 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 Franchisee or to any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims; and (5) this Guaranty will continue and be irrevocable during the term of the Agreement and afterward for so long as the Franchisee has any obligations under the Agreement.

If we are required to enforce this Guaranty in a judicial proceeding, and prevail in such proceeding, we will be entitled to reimbursement of our costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', mediation, arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Guaranty, you agree to reimburse us for any of the above-listed costs and expenses incurred by us.

This Guaranty is now executed as of the Agreement Date.

| | |
|---|---|
| **OWNER:** | **OWNER'S SPOUSE:** |
| _____ | _____ |
| Name: _____ | Name: _____ |
| **OWNER:** | **OWNER'S SPOUSE:** |
| _____ | _____ |
| Name: _____ | Name: _____ |
| **OWNER:** | **OWNER'S SPOUSE:** |
| _____ | _____ |
| Name: _____ | Name: _____ |

**EXHIBIT 3 TO FRANCHISE AGREEMENT**

**ADDENDUM TO LEASE AGREEMENT**

This Addendum to Lease Agreement (this "Addendum"), is entered into effective on this _____ day of _____, 20___, (the "Effective Date") by and between _____, a _____ (the "Lessor"), and _____, a _____ (the "Lessee") (each a "Party" and collectively, the "Parties").

**RECITALS**

WHEREAS, the Parties hereto have entered into a certain Lease Agreement, dated on the _____ day of _____, 20___ (the "Agreement"), and pertaining to the premises located at _____ (the "Premises");

WHEREAS, Lessor acknowledges that Lessee intends to operate Prime IV Hydration & Wellness® franchise from the Premises pursuant to a Franchise Agreement (the "Franchise Agreement") with Prime I.V. Hydration & Wellness, Inc. ("Franchisor") under the name "Prime IV Hydration & Wellness®" or other name designated by Franchisor ("Franchised Business"); and

WHEREAS, the Parties now desire to amend the Lease Agreement in accordance with the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein set forth and each act done and to be done pursuant hereto, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, do hereby represent, warrant, covenant and agree as follows:

1. Remodeling and Decor. The above recitals are hereby incorporated by reference. Lessor agrees that Lessee shall have the right to remodel, equip, paint and decorate the interior of the Premises and to display the proprietary marks ("Marks") and signs on the interior and exterior of the Premises as Lessee is reasonably required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Lessee may operate a Franchised Business on the Premises.

2. Assignment. Lessee shall have the right to assign all of its right, title and interest in and to the Lease Agreement to Franchisor or its parent, subsidiary, or affiliate, (including another franchisee) at any time during the term of the Lease, including any extensions or renewals thereof, without first obtaining Lessor's consent, pursuant to the terms of the Collateral Assignment of Lease attached hereto as **Exhibit A**. However, no assignment shall be effective until such time as Franchisor or its designated affiliate gives Lessor written notice of its acceptance of the assignment, and nothing contained herein or in any other

document shall constitute Franchisor or its designated subsidiary or affiliate a party to the Lease Agreement, or guarantor thereof, and shall not create any liability or obligation of Franchisor or its parent unless and until the Lease Agreement is assigned to, and accepted in writing by, Franchisor or its parent, subsidiary or affiliate. In the event of any assignment, Lessee shall remain liable under the terms of the Lease. Franchisor shall have the right to reassign the Lease to another franchisee without the Landlord's consent in accordance with Section 4(a).

3. Default and Notice.

(a) In the event there is a default or violation by Lessee under the terms of the Lease Agreement, Lessor shall give Lessee and Franchisor written notice of the default or violation within ten (10) days after Lessor receives knowledge of its occurrence. If Lessor gives Lessee a default notice, Lessor shall contemporaneously give Franchisor a copy of the notice. Franchisor shall have the right, but not the obligation, to cure the default. Franchisor will notify Lessor whether it intends to cure the default and take an automatic assignment of Lessee's interest as provided in Paragraph 4(a). Franchisor will have an additional fifteen (15) days from the expiration of Lessee's cure period in which it may exercise the option to cure, but is not obligated to cure the default or violation.

(b) All notices to Franchisor shall be sent by registered or certified mail, postage prepaid, to the following address:

Prime I.V. Hydration & Wellness, Inc.
Attention: Amy Neary, CEO
1434 Kelly Johnson Blvd.
Colorado Springs, CO 80920
E-mail: Franchising@PrimeIVHydration.com

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

(c) Following Franchisor's approval of the Lease Agreement, Lessee agrees not to terminate, or in any way alter or amend the same during the Initial Term of the Franchise Agreement or any Interim Period thereof without Franchisor's prior written consent, and any attempted termination, alteration or amendment shall be null and void and have no effect as to Franchisor's interests thereunder; and a clause to the effect shall be included in the Lease.

4. Termination or Expiration.

(a) Upon Lessee's default and failure to cure the default within the applicable cure period, if any, under either the Lease Agreement or the Franchise Agreement, Franchisor will, at its option,

have the right, but not the obligation, to take an automatic assignment of Lessee's interest in the Lease Agreement and at any time thereafter to re-assign the Lease Agreement to a new franchisee without Lessor's consent and to be fully released from any and all liability to Lessor upon the reassignment, provided the franchisee agrees to assume Lessee's obligations and the Lease Agreement. Upon notice from Franchisor to Lessor requesting an automatic assignment, Lessor will, at the cost of Franchisor, take appropriate actions to secure the leased premises including but not limited to changing the locks and granting Franchisor sole rights to the Premises.

(b) Upon the expiration or termination of either the Lease Agreement or the Franchise Agreement (attached), Lessor will cooperate with and assist Franchisor in securing possession of the Premises and if Franchisor does not elect to take an assignment of the Lessee's interest, Lessor will allow Franchisor to enter the Premises, without being guilty of trespassing, and without incurring any liability to Lessor, to remove all signs, awnings, and all other items identifying the Premises as a Franchised Business and to make other modifications (such as repainting) as are reasonably necessary to protect Prime IV Hydration & Wellness® marks and system, and to distinguish the Premises from a Franchised Business. In the event Franchisor exercises its option to purchase assets of Lessee or has rights to those through the terms and conditions any agreement between Lessee and Franchisor, Lessor shall permit Franchisor to remove all the assets being purchased by Franchisor.

5. Consideration; No Liability.

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

(b) Lessor further acknowledges that Lessee is not an agent or employee of Franchisor and Lessee has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any affiliate of Franchisor, and that Lessor has entered into this Addendum with full understanding that it creates no duties, obligations or liabilities of or against Franchisor or any affiliate of Franchisor.

6. Sales Reports. If requested by Franchisor, Lessor will provide Franchisor with whatever information Lessor has regarding Lessee's sales from its Franchised Business.

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

8. Reaffirmation of Lease. Except as amended or modified herein, all of the terms, conditions and covenants of the Lease Agreement shall remain in full force and effect and are incorporated herein by reference and made a part of this Addendum as though copied herein in full.

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

*[Remainder of Page Left Intentionally Blank – Signature Page Follows]*

IN WITNESS WHEREOF, the Parties have duly executed this Addendum as of the Effective Date.

| **LESSOR:** | **LESSEE:** |
| --- | --- |
| _____, | _____, |
| a _____ | a _____ |
| By: _____ | By: _____ |
| Name: _____ | Name: _____ |
| Its: _____ | Its: _____ |

**EXHIBIT A**

**COLLATERAL ASSIGNMENT OF LEASE**

This COLLATERAL ASSIGNMENT OF LEASE (this "Assignment") is entered into effective as of the ___ day of _____, 2023 (the "Effective Date"), the undersigned, _____, ("Assignor") hereby assigns, transfers and sets over unto Prime I.V. Hydration & Wellness, Inc., a Wyoming Corporation ("Assignee") all of Assignor's right, title and interest as tenant, in, to and under that certain lease, a copy of which is attached hereto as **Exhibit 1** (the "Lease Agreement") with respect to the premises located at _____ (the "Premises"). This Assignment is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment unless Assignee shall take possession of the Premises demised by the Lease Agreement pursuant to the terms hereof and shall assume the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease Agreement and its interest therein and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease Agreement nor the Premises demised thereby.

Upon a default by Assignor under the Lease Agreement or under that certain franchise agreement for Prime IV Hydration & Wellness® between Assignee and Assignor ("Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the Premises, expel Assignor therefrom, and, in the event, Assignor shall have no further right, title or interest in the Lease Agreement.

Assignor agrees it will not suffer or permit any surrender, termination, amendment or modification of the Lease Agreement without the prior written consent of Assignee. Through the Initial Term of the Franchise Agreement and any Renewal Period thereof (as defined in the Franchise Agreement), Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease Agreement not less than thirty (30) days before the last day that said option must be exercised, unless Assignee otherwise agrees in writing. Upon failure of Assignee to otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease Agreement as stated herein, Assignor hereby irrevocably appoints Assignee as its true and lawful attorney-in-fact, which appointment is coupled with an interest, to exercise the extension or renewal options in the name, place and stead of Assignor for the sole purpose of effecting the extension or renewal.

IN WITNESS WHEREOF, Assignor and Assignee have duly executed this Collateral Assignment of Lease as of the Effective Date.

**ASSIGNOR:**

_____,
a _____

By: _____
Name: _____
Its: _____

**ASSIGNEE:**

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
Wyoming corporation

By: _____
Name: _____
Its: _____

**EXHIBIT 4 TO FRANCHISE AGREEMENT**

**OWNERSHIP INTERESTS IN FRANCHISEE**

1. **Form of Franchisee's Ownership**.

(a) **Individual Proprietorship**. Your owner(s) (is) (are) as follows:

_____

_____

_____

_____

_____

(b) **Corporation, Limited Liability Company, or Partnership**. You were incorporated or formed on_____, under the laws of the State of _____. You have not conducted business under any name other than your corporate, limited liability company, or partnership name and _____. The following is a list of your directors, if applicable, and officers as of the effective date shown above:

| Name of Each Director/Officer | Position(s) Held |
|---|---|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

2. **Owners**. The following list includes the full name of each person who is one of your owners (as defined in the Franchise Agreement), or an owner of one of your owners, and fully describes the nature of each owner's interest (attach additional pages if necessary).

| Owner's Name | Percentage/Description of Interest |
|---|---|
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |

3. **Name and Address of Person to Receive Notice for Owners**.

(a) Name: _____

(b) Postal Address: _____
_____

(c) E-mail Address: _____

4. **Identification of Unit Franchise General Manager**. Your Unit Franchise's general manager as of the Effective Date is _____. You must notify us if this manager changes.

**FRANCHISEE:**

_____,
a _____

By: _____ Date: _____

Name: _____

Its: _____

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
a Wyoming corporation

By: _____ Date: _____

Name: _____

Its: _____

# EXHIBIT 5 TO FRANCHISE AGREEMENT

# FRANCHISEE COMPLIANCE QUESTIONNAIRE

## FRANCHISEE COMPLIANCE QUESTIONNAIRE

Prime I.V. Hydration & Wellness, Inc. (the "Franchisor") and you are preparing to enter into a Franchise Agreement. The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate or misleading. Please understand that your responses to these questions are important to us and that we will rely on them. Please review each of the following questions and statements carefully and provide honest and complete responses to each. By signing this Questionnaire, you are representing that you have responded truthfully to the following questions.

1. I had my first face-to-face meeting with a representative of the Franchisor on _____.

2. I received and personally reviewed the Franchisor's Franchise Disclosure Document ("FDD") for Prime IV Hydration & Wellness® unit franchises that was provided to me. For purposes of this document, a Prime IV Hydration & Wellness® unit franchise shall be referred to as a "Franchise Business".

Yes _____ No _____

3. Did you sign a receipt or acknowledge through electronic means a receipt for the FDD indicating the date you received it?

Yes _____ No _____

4. Do you understand all of the information in the FDD and any state-specific Addendum to the FDD?

Yes _____ No _____

If no, what parts of the FDD and/or Addendum do you not understand? (Attach additional pages, if necessary.)

_____

_____

_____

_____

5. Have you received and personally reviewed the Franchise Agreement and each Addendum and related agreement attached to it?

Yes _____ No _____

6. Do you understand all of the information in the Franchise Agreement, each Addendum and related agreement provided to you?

Yes _____ No _____

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

_____

_____

_____

_____

7. Have you discussed the benefits and risks of establishing and operating a Franchise Business with your counsel or advisor?

Yes _____ No _____

If no, do you wish to have more time to do so?

Yes _____ No _____

8. Do you understand that the success or failure of your Franchise Business depends in large part on your skills and abilities, competition from other businesses, interest rates, inflation labor and supply costs, lease terms and other economic and business factors?

Yes _____ No _____

9. Have you entered into any binding agreement with the Franchisor for the purchase of this Franchise Business before being provided a copy of the FDD for fourteen (14) calendar days?

Yes _____ No _____

10. Have you paid any money to the Franchisor for the purchase of a Franchise Business before being provided a copy of the FDD for fourteen (14) calendar days?

Yes _____ No _____

Except as disclosed in Item 19 of its FDD, the Franchisor does not make information available to prospective Franchisees concerning actual, average, projected or forecasted sales, profits or earnings for a Franchise Business. The Franchisor does not furnish, or authorize its salespersons to furnish, any oral or written information concerning the actual, average, projected, forecasted sales, costs, income or profits of a Franchise Business. Franchisor specifically instructs its sales personnel, agents, employees and other officers that they are not permitted to make any claims or statements as to the earnings, sales, or profits, or prospects, or chances of success, nor are they authorized to represent or estimate dollar figures as to a Franchise Business' operations. Actual results vary and are dependent on a variety of internal and external factors, some of which neither Franchisee, nor Franchisor can estimate. To ensure that Franchisor's policies have been followed, please answer the following questions:

11. Has any employee, or other person speaking for the Franchisor, made any statement or promise to you regarding the total revenues a Franchise Business will generate that is contrary to the information in the FDD?

Yes _____ No _____

12. Has any employee, or other person speaking for the Franchisor, made any statement or promise of the amount of money or profit you may earn in operating a Franchise Business that is contrary to the information in the FDD?

Yes _____ No _____

13. Has any employee, or other person speaking for the Franchisor, promised you that you will be successful in operating a Franchise Business?

Yes _____ No _____

14. Has any employee, or other person speaking for the Franchisor, made any statement, promise or verbal agreement about advertising, marketing, training, support service or other assistance that the Franchisor will furnish to you that is contrary to, or different from, the information in the FDD?

Yes _____ No _____

15. If you have answered "Yes" to any one of questions 11-14, please provide a full explanation of each "yes" answer. (Attach additional pages, if necessary, and refer to them below.) If you have answered "no" to each of questions 11-14, please leave the following lines blank.

_____

_____

_____

_____

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

Note: All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

**I certify that my answers to the foregoing questions are true, correct and complete. These acknowledgments are not intended to act, nor shall they act, as a release, estoppel or waiver of any liability incurred under any state's franchise registration and/or disclosure laws.**

**FRANCHISEE ("you")**

_____

By: _____

Title: _____

Date Received: _____

Date Signed: _____

# EXHIBIT 6 TO FRANCHISE AGREEMENT

# ELECTRONIC FUNDS TRANSFER FORM

**ELECTRONIC FUNDS TRANSFER**

**AUTHORIZATION TO HONOR CHARGES DRAWN BY AND PAYABLE TO:**

**PRIME I.V. HYDRATION & WELLNESS, INC./PAYEE**

| **BANK NAME** | **ACCOUNT #** | **ABA#** | **FEIN#** |
|---|---|---|---|
| _____ | _____ | _____ | _____ |

The undersigned Depositor hereby authorizes and requests the Depository designated below to honor and to charge to the following designated account, checks, and electronic debits (collectively, "debits") drawn on such account which are payable to the above named Payee. It is agreed that Depository's rights with respect to each such debit shall be the same as if it were a check drawn and signed by the Depositor. It is further agreed that if any such debit is not honored, whether with or without cause and whether intentionally or inadvertently, Depository shall be under no liability whatsoever. This authorization shall continue in force until Depository and Payee have received at least thirty (30) days written notification from Depositor of its termination.

The Depositor agrees with respect to any action taken pursuant to the above authorization:

(1) To indemnify the Depository and hold it harmless from any loss it may suffer resulting from or in connection with any debit, including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Depository in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection therewith.

(2) To indemnify Payee and the Depository for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

(3) To defend at Depositor's own cost and expense any action which might be brought by a depositor or any other persons because of any actions taken by the Depository or Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Depository's or Payee's participation therein.

Name of Depository: _____

Name of Depositor: _____

Designated Bank Acct.: _____

(Please attach one voided check for the above account.)

Prime IV® Franchise Location:

_____

_____

For information call:

_____

Address:

_____

Phone #:

_____

Fax #:

_____

_____

Name of you/Depositor (please print)

By: _____

Signature of Authorized Representative

Title: _____

Date: _____

# EXHIBIT 7 TO FRANCHISE AGREEMENT

# STATE-SPECIFIC ADDENDA

## CALIFORNIA ADDENDUM TO FRANCHISE AGREEMENT

1. If any of the provisions of the Agreement concerning termination are inconsistent with either the California Franchise Relations Act or with the Federal Bankruptcy Code (concerning termination of the Agreement on certain bankruptcy-related events), then such laws will apply.

2. The Agreement requires that it be governed by Colorado law. This requirement may be unenforceable under California law.

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

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this California Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By: _____

Print Name: _____

Title: _____

**FRANCHISEE**

By: _____

Title: _____

By: _____

Title: _____

## CONNECTICUT ADDENDUM TO FRANCHISE AGREEMENT

1. If the seller fails to deliver the products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within forty-five days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

2. Provide all legal notices to the following:

Prime I.V. Hydration & Wellness, Inc.
Attention: Amy Neary, CEO
1434 Kelly Johnson Blvd.
Colorado Springs, CO 80920

AGENT FOR SERVICE OF PROCESS:

Registered Agents, Inc.
2389 Main St., Ste. 100
Glastonbury, CT 06033

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By: _____

Print Name: _____

Title: _____

**FRANCHISEE**

By: _____

Title: _____

By: _____

Title: _____

## HAWAII ADDENDUM TO FRANCHISE AGREEMENT

1. The Franchise Agreements contain a provision requiring a general release as a condition of renewal and transfer of the franchise. Such release will exclude claims arising under the Hawaii Franchise Investment Law.

2. Any provisions of the Franchise Agreement that relate to non-renewal, termination, and transfer are only applicable if they are not inconsistent with the Hawaii Franchise Investment Law. Otherwise, the Hawaii Franchise Investment Law will control.

3. The Franchise Agreement permits us to terminate the Agreement on the bankruptcy of you and/or your affiliates. This Article may not be enforceable under federal bankruptcy law. (11 U.S.C. § 101, *et seq*.).

4. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Addendum.

5. The State of Hawaii Business Registration Division requires that the Franchisor defer the Initial Franchise Fee until its obligations to the Franchisee are met and the business is open.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Hawaii Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.**
**a Wyoming corporation,**

By: _____

Print Name: _____

Title: _____

**FRANCHISEE**

By: _____

Title: _____

By: _____

Title: _____

## ILLINOIS ADDENDUM TO FRANCHISE AGREEMENT

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act. any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois franchise Disclosure Act or any other law of Illinois is void.

ILLINOIS PROHIBITS THE CORPORATE PRACTICE OF MEDICINE UNLICENSED INDIVIDUALS AND ENTITIES ARE PROHIBITED FROM OWNING. OPERATING AND MAINTAINING AN ESTABLISHMENT FOR THE STUDY, DIAGNOSIS AND TREATMENT OF HUMAN AILMENTS AND INJURIES, WHETHER PHYSICAL OR MENTAL. See Medical Corporation Act, 805 ILCS 15/2, 5 (West 2018) and Medical Practice Act of 1987, 225 ILCS 60/(West 2018).

IF YOU ARE NOT LICENSED/CERTIFIED IN ILLINOIS TO PROVIDE SERVICES OF THE NATURE DESCRIBED IN THIS DISCLOSURE DOCUMENT, YOU MUST NEGOTIATE THE TERMS OF A MANAGEMENT AGREEMENT WITH LICENSED PROFESSIONALS WHO WILL PROVIDE THE SERVICES THAT YOUR FRANCHISED BUSINESSOFFERS. RETAIN AN EXPERIENCED ATTORNEY WHO WILL LOOK OUT FOR YOUR BEST INTERESTS IN THIS BUSINESS VENTURE.

Payment of the Initial Franchise Fee will be deferred until Franchisor has met its initial obligations to franchisee and the franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Illinois Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By: _____

Print Name: _____

Title:_____

**FRANCHISEE**

By: _____ By: _____

Title: _____ Title: _____

## INDIANA ADDENDUM TO FRANCHISE AGREEMENT

1. Articles 2.6 and 14.5 each contain a provision requiring a general release as a condition of renewal and transfer of the franchise. Such provision is inapplicable under the Indiana Deceptive Franchise Practices Law, IC 23-2-2.7 § 1(5).

2. Under Article 8.3, you will not be required to indemnify us for any liability imposed on us as a result of your reliance on or use of procedures or products which were required by us, if such procedures were utilized by you in the manner required by us.

3. Article 17.9 is amended to provide that mediation between you and us will be conducted at a mutually agreed-on location.

4. Article 17.11 is amended to provide that in the event of a conflict of law, the Indiana Franchise Disclosure Law, I.C. 23-2-2.5, and the Indiana Deceptive Franchise Practices Law, I.C. 23-2-2.7, will prevail.

5. Nothing in the Agreement will abrogate or reduce any rights you have under Indiana law.

6. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Franchise Disclosure Law, Indiana Code §§ 23-2-2.5-1 to 23-2-2.5-51, and the Indiana Deceptive Franchise Practices Act, Indiana Code §§ 23-2-2.7-1 to 23-2-2.7-10, are met independently without reference to this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Indiana Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By: _____

Print Name: _____

Title: _____

**FRANCHISEE**

By: _____

Title: _____

By: _____

Title: _____

## MARYLAND ADDENDUM TO FRANCHISE AGREEMENT

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Maryland:

a. The provisions in the Franchise Agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

b. The Franchise Agreement is amended to provide that the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

c. The Franchise Agreement is amended to provide that limitation on the period of time litigation claims may be brought shall not act to reduce the 3-year statute of limitations afforded a franchisee for bringing a claim arising under the Maryland Franchise Registration and Disclosure Law.

d. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

e. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

f. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the Franchise Agreement.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By: _____

Print Name: _____

Title: _____

**FRANCHISEE**

By: _____

Title: _____

By: _____

Title: _____

## MINNESOTA ADDENDUM TO FRANCHISE AGREEMENT

1. Article 8 is amended to add the following:

"We will protect your right to use the Marks and/or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks."

2. Articles 2.6 and 14.5 each contain a provision requiring a general release as a condition of renewal and transfer of the franchise. Such release will exclude claims arising under the Minnesota Franchise Law.

3. Article 15 is amended to add the following:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C. 14, Subds. 3, 4 and 5, which require, except in certain specified cases, that a franchisee be given 90 days' notice in advance of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

4. Article 17.10 is amended as follows:

Pursuant to Minn. Stat. § 80C.17, Subd. 5, the parties agree that no civil action pertaining to a violation of a franchise rule or statute can be commenced more than three years after the cause of action accrues.

5. Articles 17.8, and 17.9 are each amended to add the following:

Minn. Stat. Sec. 80C.2 1 and Minn. Rule 2860.4400J prohibit us from requiring litigation or mediation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. Under this statute and rule, franchisor cannot require you to consent to inunction relief; however, franchisor may seek injunctive relief from the Court.

6. Article 17.10 is amended to add the following:

Minn. Rule Part 2860.4400J prohibits us from requiring you to waive your rights to a jury trial or waive your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes.

7. Each provision of this Agreement will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchises Law or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce are met independently without reference to this Addendum to the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Minnesota Addendum to the Franchise Agreement on the same day as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By:_____
Print Name: _____
Title:_____

**FRANCHISEE**

By:_____
Title: _____

## NEW YORK ADDENDUM TO FRANCHISE AGREEMENT

1. Article 14.3 is amended to add the following:

However, we will not make any such transfer or assignment except to a person who, in our good faith judgment, is willing and able to assume our obligations under this Agreement, and all rights enjoyed by you and any causes of action arising in its favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force, it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

2. Article 14.5 is amended to add the following:

However, all rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder will remain in force, it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

3. Article 8.3 is amended to add the following:

However, you will not be required to hold harmless or indemnify us for any claim arising out of a breach of this Agreement by us or any other civil wrong of us.

4. Article 20 is amended to add the following:

No amendment or modification of any provision of this Agreement, however, will impose any new or different requirement which unreasonably increases your obligations or places an excessive economic burden on your operations.

5. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the General Business Law of the State of New York are met independently without reference to this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this New York Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By:_____
Print Name: _____
Title:_____

**FRANCHISEE**

By:_____
Title: _____

## NORTH CAROLINA ADDENDUM TO FRANCHISE AGREEMENT

1. If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

2. Provide all legal notices to the following:
Prime I.V. Hydration & Wellness, Inc.
Attention: Amy Neary, CEO
1434 Kelly Johnson Blvd.
Colorado Springs, CO 80920

AGENT FOR SERVICE OF PROCESS:

Registered Agents, Inc.
4030 Wake Forest Rd., Ste. 349
Raleigh, NC 27609

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By:_____
Print Name: _____
Title:_____

**FRANCHISEE**

By:_____
Title: _____

## NORTH DAKOTA ADDENDUM TO FRANCHISE AGREEMENT

1. Articles 2.6 and 14.5 each contain a provision requiring a general release as a condition of renewal or transfer of the franchise. Such release is subject to and will exclude claims arising under the North Dakota Franchise Investment Law.

2. Article 17.8 Section 17.8 of the Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by the franchisor in enforcing the agreement. The Commissioner has determined this to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The provision shall be changed to read that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.is amended to provide that the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorney's fees.

3. Article 17.9 will be amended to state that mediation involving a franchise purchased in North Dakota must be held in a location mutually agreed on prior to the mediation, or if the parties cannot agree on a location, at a location to be determined by the mediation.

4. Article 9.3 is amended to add that covenants not to compete on termination or expiration of a Franchise Agreement are generally not enforceable in the State of North Dakota except in limited circumstances provided by North Dakota law.

5. Article 17.9 will be amended to add that any claim or right arising under the North Dakota Franchise Investment Law may be brought in the appropriate state or federal court in North Dakota, subject to the mediation provision of the Agreement.

6. Article 17.11 will be amended to state that, in the event of a conflict of law, to the extent required by the North Dakota Franchise Investment Law, North Dakota law will prevail.

7. Article 17.10 requires the franchisee to waive a trial by jury, as well as exemplary and punitive damages. These requirements are not enforceable in North Dakota pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law, and are therefore not part of the Franchise Agreement.

8. Article 17.10 requirement that the franchise consent to a limitation of claims period of one year is not consistent with North Dakota law. The limitation of claims period under the Franchise Agreement shall therefore be governed by North Dakota law.

9. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code §§ 51-19-01 through 51-19-17, are met independently without reference to this Addendum.

10. The North Dakota Securities Department requires that we defer collection of the Initial Franchise Fee due under the Franchise Agreement until the we have completed our initial obligations under the Franchise Agreement or other documents and you commence doing business.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this North Dakota Addendum to the Franchise Agreement on the same day as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By:_____
Print Name: _____
Title:_____

**FRANCHISEE**
By:_____
Title: _____

## RHODE ISLAND ADDENDUM TO FRANCHISE AGREEMENT

1. Articles 2.6 and 14.5 each contain a provision requiring a general release as a condition of renewal and transfer of the franchise. Such release will exclude claims arising under the Rhode Island Franchise Investment Act.

2. This Agreement requires that it be governed by Colorado law. To the extent that such law conflicts with Rhode Island Franchise Investment Act, it is void under Sec. 19-28.1-14.

3. Article 17.11 of the Agreement will each be amended by the addition of the following, which will be considered an integral part of this Agreement:

"§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that 'A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.'"

4. Each provision of this Addendum will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Rhode Island Franchise Investment Act, §§ 19- 28-1.1 through 19-28.1-34, are met independently without reference to this Addendum.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Rhode Island Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By:_____

Print Name: _____

Title:_____

**FRANCHISEE**

By: _____

Title: _____

By: _____

Title: _____

## SOUTH CAROLINA ADDENDUM TO FRANCHISE AGREEMENT

1. If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

2. Provide all legal notices to the following:

Prime I.V. Hydration & Wellness, Inc.
Attention: Amy Neary, CEO
1434 Kelly Johnson Blvd.
Colorado Springs, CO 80920

AGENT FOR SERVICE OF PROCESS:

Registered Agents, Inc.
6650 Rivers Ave., Ste. 100
Charleston, SC 29406

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By:_____

Print Name: _____

Title:_____

**FRANCHISEE**

By: _____

Title: _____

By: _____

Title: _____

## VIRGINIA ADDENDUM TO FRANCHISE AGREEMENT

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchise to cancel a franchise without reasonable cause. If any grounds for default or terminated 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.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchise to use undue influence to induce a franchisee to surrender any rights given to him under the franchise. If any provision of the franchise agreement involved the use of undue influence by the franchisor to induce the franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Virginia Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By: _____

Print Name: _____

Title: _____

**FRANCHISEE**

By: _____

Title: _____

By: _____

Title: _____

## WASHINGTON ADDENDUM TO FRANCHISE AGREEMENT

This Addendum amends the Franchise Agreement, Franchise Disclosure Documents, and Related Agreements:

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

2. RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise." In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

3. 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. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

5. 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 provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

6. 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.

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

8. The Department of Financial Institutions for the State of Washington requires that the payment of the Initial Franchise Fee be deferred until we have completed our initial obligations and you open for business.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Washington Addendum to the Franchise Agreement on the same date as the Franchise Agreement was executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.,**
**a Wyoming corporation,**

By: _____

Print Name: _____

Title: _____

**FRANCHISEE**

By: _____

Title: _____

By: _____

Title: _____

**EXHIBIT C**

**OPERATIONS MANUAL**

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# OPERATIONS MANUAL

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**FRANCHISE OPERATIONS MANUAL**

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**EXHIBIT D**

**FINANCIAL STATEMENTS**

# PRIME IV HYDRATION AND WELLNESS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2022 AND DECEMBER 31, 2021

**PRIME IV HYDRATION AND WELLNESS, INC.**

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GILBERT & STEWART
CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
ESTABLISHED 1974

RANDEL A HEATON, CPA
LYNN A. GILBERT, CPA
JAMES A. GILBERT, CPA
BEN H PROBST, CPA
RONALD J. STEWART, CPA

SIDNEY S. GILBERT, CPA
JAMES E. STEWART, CPA

# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders
of Prime IV Hydration and Wellness, Inc.

## Opinion

We have audited the financial statements of Prime IV Hydration and Wellness, Inc. (a Wyoming corporation), which comprise the balance sheet as of December 31, 2022, and the related statements of income, stockholder's equity, and cash flows for the year 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 Prime IV Hydration and Wellness, Inc. as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are required to be independent of Prime IV Hydration and Wellness, Inc. 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.

## Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 raises substantial doubt about Prime IV Hydration and Wellness, Inc.'s ability to continue as a going concern for the year ended December 31, 2022.

## Other Matters

The company implemented FASB ASC 842 leasing standards. This required a restatement of the 2021 statements to reflect the implementation of this standard. See note 1 of the footnotes to the financial statements.

**Auditor's Responsibility**

Our objective is 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 account with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery , intentional omission, misrepresentations, or override of internal control. Misstatements are considered material if, individually or in the aggregate, that could reasonably be expected to influence that economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 Prime IV Hydration and Wellness, Inc. internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimated made by management as well as evaluated the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Prime IV Hydration and Wellness, Inc.'s ability to continue as a going concern by a reasonable period of time.

We are required to communicate with those charged with governance regarding amount 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.

*Gilbert & Stewart*

Gilbert & Stewart
*Certified Public Accountants*
Provo, UT

April 7, 2023

# PRIME IV HYDRATION AND WELLNESS, INC.

BALANCE SHEET

DECEMBER 31, 2022 AND DECEMBER 31, 2021

ASSETS

| | 12/31/2022 | 12/31/2021 |
|---|---|---|
| Current Assets | | |
| Cash and equivalents | $735,032 | $311,604 |
| Accounts receivable (Net of Allowance) | 604,130 | 520,389 |
| Notes receivable (related party) | 70,815 | 1,090 |
| Inventories | 372,218 | 258,121 |
| Prepaid commissions - current | 275,572 | 128,116 |
| Total current assets | $2,057,767 | $1,219,320 |
| Property & Equipment | | |
| Equipment | 5,545 | 5,546 |
| Vehicles | 70,055 | - |
| Leasehold improvements | 55,697 | 16,748 |
| Accumulated depreciation | (8,334) | (2,015) |
| Net property & equipment | 122,963 | 20,279 |
| Other Assets | | |
| Prepaid Commissions - Net of current | 1,977,352 | 971,134 |
| Deposit | 3,000 | 3,000 |
| Note Receivable | 245,070 | - |
| Right of Use Assets | 131,784 | 161,696 |
| Total other assets | 2,357,206 | 1,135,830 |
| Total Assets | $4,537,936 | $2,375,429 |

LIABILITIES AND STOCKHOLDERS' EQUITY

| | | |
|---|---|---|
| Current Liabilities | | |
| Accounts payable | $42,386 | $42,755 |
| Accrued expenses | 70,387 | 16,490 |
| Notes payable | 38,800 | 38,800 |
| Lease liability - current portion | 40,378 | 37,733 |
| Deferred revenue -current portion | 859,025 | 403,438 |
| Total Current Liabilities | 1,050,976 | 539,216 |
| Long-Term Liabilities | | |
| Lease Liability - net of current portion | 104,910 | 145,288 |
| Deferred revenue - net of current portion | 6,327,579 | 3,086,320 |
| Total Liabilities | 6,432,489 | 3,231,608 |
| Stockholders' Equity | | |
| Common Stock - $1 Par Value; 1,000,000 Shares Authorized | | |
| Shares Issued and Outstanding | - | - |
| Additional Paid-In Capital | 292,501 | 292,501 |
| Retained Earnings | (3,238,030) | (1,687,896) |
| Total Stockholders' Equity | (2,945,529) | (1,395,395) |
| Total Liabilities and Stockholders' Equity | $4,537,936 | $2,375,429 |

*See accountant's report and notes to financial statements.*

# PRIME IV HYDRATION AND WELLNESS, INC.

INCOME STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

| | Year Ended 12/31/2022 | Year Ended 12/31/2021 |
|---|---|---|
| Sales | $2,064,089 | $661,086 |
| Franchise fees recognized over time | 1,428,508 | 559,975 |
| Total revenues | 3,492,597 | 1,221,061 |
| Cost of goods sold | 567,301 | 172,839 |
| Gross Profit | 2,925,296 | 1,048,222 |
| General and Administrative Expenses | 3,538,878 | 1,775,001 |
| Income from Operations | (613,582) | (726,779) |
| Other Income (Expense) | | |
| Interest income | 2 | 16 |
| Loss on abandoment of assets | (15,770) | - |
| Total other income expense | (15,768) | 16 |
| Net loss | ($629,350) | ($726,747) |

*See accountant's report and notes to financial statements.*

# PRIME IV HYDRATION AND WELLNESS, INC.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

| | Year Ended 12/31/2022 | Year Ended 12/31/2021 |
|---|---|---|
| Cash Flows from Operating Activities: | | |
| Net Income (Loss) | ($629,350) | ($726,763) |
| | | |
| Adjustments to Reconcile Net Income (Loss) to | | |
| Net Cash Provided by Operating Activities: | | |
| Depreciation and Amortization | 7,297 | 1,459 |
| (Increase) decrease in accounts receivable | (83,741) | (365,600) |
| (Increase) decrease in note receivable (related party) | (71,905) | 0 |
| (Increase) decrease in inventories | (114,097) | (211,935) |
| (Increase) decrease in prepaid commissions | (1,153,674) | (615,118) |
| (Increase) decrease in deposits | - | (3,000) |
| (Inrease) decrease in right of use asset | 29,912 | (161,696) |
| Increase (Decrease) in accounts payable | (385) | 19,839 |
| Increase (Decrease) in accrued liabilities | 53,897 | 6,428 |
| Increase (Decrease)in lease liabiliy | (37,733) | 183,021 |
| Increase (Decrease) in deposits | - | - |
| Increase (Decrease) in deferred revenue | 3,714,812 | 2,195,705 |
| Total Adjustments | 2,344,383 | 1,049,103 |
| | | |
| Net Cash Provided (Used) by Operating Activities | 1,715,033 | 322,340 |
| | | |
| Cash Flows Used In Investing Activities: | | |
| Cash payment for the issuance of a note receivable | (245,070) | - |
| Cash Payments for the Purchase of Property | (125,751) | (19,515) |
| Net Cash Provided (Used) by Financing Activities | (370,821) | (19,515) |
| | | |
| Cash Flows from Financing Activities | | |
| Net borrowings on note payable | - | - |
| Additional Paid in Capital | - | - |
| Shareholder Distributions | (920,784) | (226,616) |
| Net Cash Provided (Used) by Financing Activities | (920,784) | (226,616) |
| | | |
| Net Increase (Decrease) in Cash and Cash Equivalents | 423,428 | 76,209 |
| Cash and Equivalents - Beginning of Year | 311,604 | 235,395 |
| | | |
| Cash and Equivalents - End of Year | $735,032 | $311,604 |

*See accountant's report and notes to financial statements.*

**PRIME IV HYDRATION AND WELLNESS, INC.**

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022 AND DECEMBER 31, 2021

| | Common Stock | | Additional Paid-In | Retained | |
|---|---|---|---|---|---|
| | Shares | Amount | Capital | Earnings | Total |
| Balance January 1, 2021 | $ - | $ - | 292,501 | $ (734,533) | $ (442,032) |
| Shareholder Distributions | - | - | - | (226,616) | (226,616) |
| Paid in capital | - | - | - | - | - |
| Net Income | - | - | - | (726,747) | (726,747) |
| Balance December 31, 2021 | $ - | $ - | $ 292,501 | $ (1,687,896) | $ (1,395,395) |
| Shareholder Distributions | - | - | - | (920,784) | (920,784) |
| Paid in Capital | - | - | - | - | - |
| Net Income | - | - | - | (629,350) | (629,350) |
| Balance December 31, 2022 | $ - | $ - | $292,501 | ($3,238,030) | ($2,945,529) |

*See accountant's report and notes to financial statements.*

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Prime IV Hydration and Wellness, Inc. (the Company) is a Wyoming Corporation. The business commenced on August 19, 2019. It was formed for the purpose of selling customized nutrient IV hydration therapy and cryotherapy support services. On January 1, 2020, the Company was rebranded and began selling franchise agreements throughout the United States.

As of December 31, 2022, the Company has sold 21 regional representatives and 150 franchised units in the United States.

The financial statements of the Company have been prepared using generally accepted accounting principles.

Basis of Presentation

The Company has an accounting year end of December 31.

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Cash and cash equivalents include all short-term highly liquid investments with original maturities of 3 months or less. The Company maintains its cash in bank deposit accounts which at times may exceed federally insured limits. those funds that exceed the FDIC insurance limits would be considered a concentration of credit risk. The carrying amount of cash and deposits with financial institutions is $735,032 and the bank balance is $746,310, $250,000 of which is covered by FDIC insurance.

Accounts Receivable

Accounts receivable are recorded at the amount charged to our customers, primarily our franchisees and regional developers. Accounts receivable are carried at original invoice amounts. Management reviews closely the outstanding balances to ensure collectability. It is their determination that all receivables recorded as of December 31, 2022 are collectible. Therefore, there is no allowance for uncollectible accounts recorded on the balance sheet.

Inventory

Inventories are valued at cost, using a first-in first-out (FIFO) method and consist of medical supplies and health supplements. The cost of such inventories is recorded as expenses when they are consumed rather than when purchased.

**NOTE 1 - SUMMARY *(CONTINUED)***

Property and Equipment

Property and equipment are recorded at cost. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expenses as incurred. When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective year. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method for financial statement purposes. Currently the Company has one category of property and equipment, which is equipment. The estimated useful life for equipment is 3-5 years.

Revenue Recognition

The Company's revenue comes from primarily initial regional developer fees and initial franchise fees. The Company receives payment and pays commission as each contract is sold. The Financial Accounting Standards Board (FASB) has issued a new standard ASC Topic 606. The original implementation date was for years beginning after December 15, 2018. However, in May of 2020 the FASB voted to delay the implementation date to years beginning after December 15, 2019 The new standard establishes a five-step model whereby revenues from original development and franchise sales to be recorded as performance obligations are completed. Commission expense would be recorded in the period the Company recognizes revenue from the franchise sale. Revenue would be recognized over the length of each contract. Contracts are typically 10 years.

The Company has adopted the practical expedients that allows certain initial franchise fee preopening revenues to be recognized initially and not over the life of the contract. The Company elects to use ASU 2021-02 which will treat certain preopening items as a single performance obligation. During 2022 the Company finalized 97 franchise agreements in the amount of $5,125,355. Of that amount $1,025,071 met the criteria of the ASU 2021-02 standard and will be recognized in the current year. The remaining $4,100,284 will be recognized over the life of the contract.

The Company is in its third year of selling franchises, therefore, there are no final contracts that were in place prior to the implementation of ASC 606.

Income Taxes

As noted before, the Company is a Wyoming Corporation. During 2021 the company elected retroactively to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Company does not pay federal and state corporate income taxes on its taxable income. Instead, the Company's stockholder is liable for individual Federal and state income taxes based on the Company's taxable income. This change constitutes a change in accounting method and the prior year financial statements have been restated to reflect this change (See note 7).

**NOTE 1 - SUMMARY *(CONTINUED)***

The Company commenced on August 19, 2019, therefore the only years that is currently open for IRS examination will be 2019, 2020, and 2021 tax year.

Changes in accounting policy
The Company adopted FASB ASC 842. Under this standard lessees are required to recognize assets and liabilities on the balance sheet for most leases and provide additional disclosures. The Company adopted FASB ASC 842, with a date of initial application of January 1, 2022.

The Company did restate the 2021 comparative financial statements. The restatement resulted in a right of use asset and a lease liability of $191,359. The cumulative effect on retained earnings for 2022 is the amount of $21,324.

The Company has elected to not record right of use assets and lease liabilities for short term leases with a lease term of 12 months of less, but greater than 1 month.

The Company accounts for leases in accordance with FASB ASC 842. The Company is a lessee in several noncancellable operating leases for office space, The Company determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. The Company determines if an arrangement conveys the right to use an identified asset and whether the Company obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. The Company recognizes a lease liability and ROU asset at the commencement date of the lease.

Beginning January 1, 2021, operating lease ROU assets and related current and long-term portions of operating lease liabilities have been presented in the balance sheet.

*Lease liabilities*. A lease liability is measured based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or rate and are measured using the index or rate at the commencement date. Lease payments, including variable payments made based on an index rate, are remeasured when any of the following occur: (1) the lease is modified (and the modification is not accounted for as a separate contract), (2) certain contingencies related to variable lease payments are resolved, or (3) there is a reassessment of any of the following: the lease term, purchase options, or amounts that are probable of being owed under a residual value guarantee. The discount rate is the rate implicit in the lease if it is readily determinable; otherwise, the Company uses its incremental borrowing rate.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)***

The implicit rates of the Company's leases are not readily determinable; accordingly, the Company uses its incremental borrowing rate based on the information available at the commencement date for each lease. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment and geographic location. The Company determines its incremental borrowing rates by starting with the interest rates on recent borrowings and other observable market rates and adjusting those rates to reflect differences in the amount of collateral and the payment terms of the leases.

*ROU assets*. A ROU asset is measured at the commencement date at the amount of the initially measured liability plus any lease payments made to the lessor before or after commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, the ROU asset is subsequently measured throughout the lease term at the amount of the lease liability (that is the present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued lease payments, less the unamortized balance of lease incentives received. Lease cost for lease payments is recognized on a straight-line basis over the lease term. Finance lease ROU assets are amortized on a straight-line basis over the shorter of the lease term or the remaining useful life of the asset.

*Accounting policy election for short-term leases*. The Company has elected for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less, but greater than 1 month at lease commencement, and do not include an option to purchase the underlying asset that the Company is reasonably certain to exercise. The Company recognizes lease cost associated with its short-term leases on a straight-line basis over the lease term.

Advertising
Advertising costs are expensed as incurred.

**NOTE 2 – PROPERTY AND EQUIPMENT**

Property and equipment as of December 31, 2022 consists of the following:

| | 2022 |
|---|---|
| Equipment | $ 5,545 |
| Leasehold Improvements | 55,697 |
| Vehicles | 70,055 |
| Less: accumulated depreciation | (8,334) |
| Property and equipment (net) | $ 122,963 |

The company recognized depreciation expense for 2022 and 2021, in the amount of $1,459 and $1,459 respectively.

**NOTE 3 – PREPAID COMMISSIONS**

The Company issued 97 franchise and regional development locations during 2022. Those commissions will be expensed as the associated franchise fee revenue is recognized. The balance of prepaid commissions is as follows:

| Balance 1/1/2022 | Additions | Expensed | Balance 12/31/2022 |
|---|---|---|---|
| $1,099,250 | $ 1,595,156 | $ 447,147 | $ 2,247,259 |

**NOTE 4 – DEFERRED REVENUE**

The Company issued 97 franchise and regional development locations agreements during 2022. The revenues from those agreements will be recognized over the life of the contract (See Note 1). The balance of deferred revenues is as follows:

| Balance 1/1/2022 | Additions | Revenue Recognized | Balance 12/31/2022 |
|---|---|---|---|
| $3,489,758 | $ 5,125,355 | $1,428,509 | $ 7,186,604 |

**NOTE 5 – SHORT TERM NOTE PAYABLE**

During 2021 the Company acquired a Payroll Protection program loan in relation to the COVID 19 pandemic that has affected the world economy. The loan was in the amount of $38,800 and was used to pay payroll and related costs during the pandemic caused shutdown of the economy. This loan states that if the Company meets the certain requirements the note will be forgiven. The Company has met those requirements. This loan will be forgiven during 2023 and will be reclassified as income in that year.

**NOTE 6 – SUBSEQUENT EVENTS**

In preparing the financial statements, the Company has evaluated events and transactions for potential recognition on disclosure through May 5, 2022, the date the financial statements were available to be issued.

During 2021, the world economy continued to be significantly affected by a global pandemic called COVID-19 The Company has received federal government relief to aid in short term needs. However, the economic and financial impact is currently unknown.

**NOTE 7 – LEASES**

The Company entered into an operating lease agreement for its Corporate location in 2022. The lease is for office space, the lease has an initial term of 5 years. The Company is not reasonably certain to exercise these renewal options, therefore the optional periods are not included in determining the lease term, and associated payments under these renewal options are excluded from lease payments used to determine the lease liabilities. The lease created a right of use asset and a lease liability. At December 31, 2022 the balances for the right of use asset and lease liability was $131,784 and $145,288, respectively. The Company determined the incremental borrowing rate to be 3.00%. The remaining lease term is 48 months.

| Year | Operating leases |
|---|---|
| 2023 | $ 44,736 |
| 2024 | 46,302 |
| 2025 | 47,923 |
| 2026 | 16,156 |
| Total lease payments | 155,117 |
| | - |
| less present value adjustment | (9,829) |
| Present value of lease liability | 145,288 |

**NOTE 8 – 2021 RESTATEMENT**

The Company implemented FASB ASC 842, a new leasing standard which is a change in accounting policy. The implementation of this standard required that the 2021 financial statements be restated to reflect the right of use asset and lease liability at December 31, 2021. The net effect of this change was a $ 21,324 adjustment to retained earnings.

# PRIME IV HYDRATION AND WELLNESS, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND DECEMBER 31, 2020

# PRIME IV HYDRATION AND WELLNESS, INC.
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CERTIFIED PUBLIC ACCOUNTANTS
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# INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholders
of Prime IV Hydration and Wellness, Inc.

## Opinion

We have audited the financial statements of Prime IV Hydration and Wellness, Inc. (a Wyoming corporation), which comprise the balance sheet as of December 31, 2021, and the related statements of income, stockholder's equity, and cash flows for the year 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 Prime IV Hydration and Wellness, Inc. as of December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are required to be independent of Prime IV Hydration and Wellness, Inc. 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.

## Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 raises substantial doubt about Prime IV Hydration and Wellness, Inc.'s ability to continue as a going concern for the year ended December 31, 2021.

## Other Matter

During 2021 the Company retroactively elected retroactively to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Company does not pay federal and state corporate income taxes on its taxable income. Instead, the Company's stockholder is liable for individual Federal and state income taxes based on the Company's taxable income. This change constitutes a change in accounting method. This change was retroactively applied to the 2020 financial statements. Therefore, the 2020 statements have been restated to reflect this change.

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**Auditor's Responsibility**

Our objective is 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 account with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery , intentional omission, misrepresentations, or override of internal control. Misstatements are considered material if, individually or in the aggregate, that could reasonably be expected to influence that economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 Prime IV Hydration and Wellness, Inc. internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimated made by management as well as evaluated the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Prime IV Hydration and Wellness, Inc.'s ability to continue as a going concern by a reasonable period of time.

We are required to communicate with those charged with governance regarding amount 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.

*Gilbert & Stewart*

Gilbert & Stewart
*Certified Public Accountants*
Provo, UT

May 4, 2022

# PRIME IV HYDRATION AND WELLNESS, INC.

## BALANCE SHEET

## DECEMBER 31, 2021 AND DECEMBER 31, 2020

### ASSETS

| | 12/31/2021 | 12/31/2020 |
|---|---|---|
| Current Assets | | |
| Cash and equivalents | $311,604 | $235,395 |
| Accounts receivable (Net of Allowance) | 520,389 | 154,789 |
| Notes receivable (related party) | 1,090 | 1,090 |
| Inventories | 258,121 | 46,186 |
| Prepaid commissions - current | 128,116 | 53,790 |
| Total current assets | $1,219,320 | $491,250 |
| Property & Equipment | | |
| Equipment | 5,546 | 2,779 |
| Leasehold improvements | 16,748 | - |
| Accumulated depreciation | (2,015) | (556) |
| Net property & equipment | 20,279 | 2,223 |
| Other Assets | | |
| Prepaid Commissions - Net of current | 971,134 | 430,326 |
| Deposit | 3,000 | - |
| Total other assets | 974,134 | 430,326 |
| Total Assets | $2,213,733 | $923,799 |

### LIABILITIES AND STOCKHOLDERS' EQUITY

| | | |
|---|---|---|
| Current Liabilities | | |
| Accounts payable | $42,771 | $22,916 |
| Accrued expenses | 16,490 | 10,062 |
| Notes payable | 38,800 | 38,800 |
| Deferred revenue -current portion | 403,438 | 133,129 |
| Total Current Liabilities | 501,499 | 204,907 |
| Long-Term Liabilities | | |
| Deferred revenue - net of current portion | 3,086,320 | 1,160,924 |
| Total Liabilities | 3,086,320 | 1,160,924 |
| Stockholders' Equity | | |
| Common Stock - $1 Par Value; 1,000,000 Shares Authorized | | |
| Shares Issued and Outstanding | - | - |
| Additional Paid-In Capital | 292,501 | 292,501 |
| Retained Earnings | (1,666,587) | (734,533) |
| Total Stockholders' Equity | (1,374,086) | (442,032) |
| Total Liabilities and Stockholders' Equity | $2,213,733 | 923,799 |

*See accountant's report and notes to financial statements.*

## PRIME IV HYDRATION AND WELLNESS, INC.

INCOME STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2021 AND DECEMBER 31, 2020

| | Year Ended 12/31/2021 | Year Ended 12/31/2020 |
|---|---|---|
| Sales | $661,086 | $ 237,997 |
| Franchise fees recognized over time | 559,975 | 727,023 |
| Total revenues | 1,221,061 | 965,020 |
| Cost of goods sold | 172,839 | 32,736 |
| Gross Profit | 1,048,222 | 932,284 |
| General and Administrative Expenses | 1,753,676 | 1,312,475 |
| Income from Operations | (705,454) | (380,191) |
| Other Income (Expense) | | |
| Interest income | 16 | 51 |
| Net loss | ($705,438) | ($380,140) |

*See accountant's report and notes to financial statements.*

## PRIME IV HYDRATION AND WELLNESS, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021 AND DECEMBER 31, 2020

| | Year Ended 12/31/2021 | Year Ended 12/31/2020 |
|---|---|---|
| Cash Flows from Operating Activities: | | |
| Net Income (Loss) | ($705,438) | ($380,140) |
| Adjustments to Reconcile Net Income (Loss) to | | |
| Net Cash Provided by Operating Activities: | | |
| Depreciation and Amortization | 1,459 | 556 |
| (Increase) Decrease in accounts receivable | (365,600) | (161,789) |
| (Increase) Decrease in note receivable (related party) | - | 41,060 |
| (Increase) Decrease in inventories | (211,935) | (46,186) |
| (Increase) Decrease in prepaid commissions | (615,134) | (119,872) |
| (Increase) Decrease in deposits | (3,000) | - |
| Increase (Decrease) in accounts payable | 19,855 | 6,953 |
| Increase (Decrease) in accrued liabilities | 6,428 | 11,239 |
| Increase (Decrease) in notes payable | | - |
| Increase (Decrease) in deposits | - | - |
| Increase (Decrease) in deferred revenue | 2,195,705 | 393,394 |
| Total Adjustments | 1,027,778 | 125,355 |
| Net Cash Provided (Used) by Operating Activities | 322,340 | (254,785) |
| Cash Flows Used In Investing Activities: | | |
| Cash Payments for the Purchase of Property | (19,515) | - |
| Cash Flows from Financing Activities | | |
| Net borrowings on note payable | - | 38,800 |
| Additional Paid in Capital | - | 292,501 |
| Shareholder Distributions | (226,616) | - |
| Net Cash Provided (Used) by Financing Activities | (226,616) | 331,301 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 76,209 | 76,516 |
| Cash and Equivalents - Beginning of Year | 235,395 | 158,879 |
| Cash and Equivalents - End of Year | $311,604 | $235,395 |

*See accountant's report and notes to financial statements.*

## PRIME IV HYDRATION AND WELLNESS, INC.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021 AND DECEMBER 31, 2020

| | Common Stock | | Additional Paid-In | Retained | |
|---|---|---|---|---|---|
| | Shares | Amount | Capital | Earnings | Total |
| Balance January 1, 2020 | $ - | $ - | $ - | $ (354,393) | $ (354,393) |
| Shareholder Distributions | - | - | - | - | - |
| Paid in capital | - | - | 292,501 | - | 292,501 |
| Net Income | - | - | - | (380,140) | (380,140) |
| Balance December 31, 2020 | $ - | $ - | $ 292,501 | $ (734,533) | $ (442,032) |
| Shareholder Distributions | - | - | - | (226,616) | (226,616) |
| Paid in Capital | - | - | - | - | - |
| Net Income | - | - | - | (705,438) | (705,438) |
| Balance December 31, 2020 | $ - | $ - | $292,501 | ($1,666,587) | ($1,374,086) |

*See accountant's report and notes to financial statements.*

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization
Prime IV Hydration and Wellness, Inc. (the Company) is a Wyoming Corporation. The business commenced on August 19, 2019. It was formed for the purpose of selling customized nutrient IV hydration therapy and cryotherapy support services. On January 1, 2020, the Company was rebranded and began selling franchise agreements throughout the United States.

As of December 31, 2021, the Company has sold 15 regional representatives and 56 franchised units in the United States.

The financial statements of the Company have been prepared using generally accepted accounting principles.

Basis of Presentation
The Company has an accounting year end of December 31.

Use of Estimates
The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash
Cash and cash equivalents include all short-term highly liquid investments with original maturities of 3 months or less. The Company maintains its cash in bank deposit accounts which at times may exceed federally insured limits. those funds that exceed the FDIC insurance limits would be considered a concentration of credit risk. The carrying amount of cash and deposits with financial institutions is $311,604 and the bank balance is $306,527, $250,000 of which is covered by FDIC insurance.

Accounts Receivable
Accounts receivable are recorded at the amount charged to our customers, primarily our franchisees and regional developers. Accounts receivable are carried at original invoice amounts. Management reviews closely the outstanding balances to ensure collectability. It is their determination that all receivables recorded as of December 31, 20201 are collectible. Therefore, there is no allowance for uncollectible accounts recorded on the balance sheet.

Inventory
Inventories are valued at cost, using a first-in first-out (FIFO) method and consist of medical supplies and health supplements. The cost of such inventories is recorded as expenses when they are consumed rather than when purchased.

**NOTE 1 - SUMMARY *(CONTINUED)***

Property and Equipment

Property and equipment are recorded at cost. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expenses as incurred. When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the results of operations for the respective year. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method for financial statement purposes. Currently the Company has one category of property and equipment, which is equipment. The estimated useful life for equipment is 3-5 years.

Revenue Recognition

The Company's revenue comes from primarily initial regional developer fees and initial franchise fees. The Company receives payment and pays commission as each contract is sold. The Financial Accounting Standards Board (FASB) has issued a new standard ASC Topic 606. The original implementation date was for years beginning after December 15, 2018. However, in May of 2020 the FASB voted to delay the implementation date to years beginning after December 15, 2019. The new standard establishes a five-step model whereby revenues from original development and franchise sales to be recorded as performance obligations are completed. Commission expense would be recorded in the period the Company recognizes revenue from the franchise sale. Revenue would be recognized over the length of each contract. Contracts are typically 10 years.

The Company has adopted the practical expedients that allows certain initial franchise fee preopening revenues to be recognized initially and not over the life of the contract. The Company elects to use ASU 2021-02 which will treat certain preopening items as a single performance obligation. During 2021 the Company finalized 33 franchise agreements in the amount of $2,755,680. Of that amount $559,975 met the criteria of the ASU 2021-02 standard and will be recognized in the current year. The remaining $2,195,705 will be recognized over the life of the contract.

The Company is in its second year of selling franchises, therefore, there are no final contracts that were in place prior to the implementation of ASC 606.

Income Taxes

As noted before, the Company is a Wyoming Corporation. During 2021 the company elected retroactively to be taxed under the provisions of Subchapter S of the Internal Revenue Code. Under those provisions, the Company does not pay federal and state corporate income taxes on its taxable income. Instead, the Company's stockholder is liable for individual Federal and state income taxes based on the Company's taxable income. This change constitutes a change in accounting method and the prior year financial statements have been restated to reflect this change (See note 7).

**NOTE 1 - SUMMARY *(CONTINUED)***

The Company commenced on August 19, 2019, therefore the only years that is currently open for IRS examination will be 2019,2020, and 2021 tax year.

Advertising
Advertising costs are expensed as incurred.

**NOTE 2 – PROPERTY AND EQUIPMENT**

Property and equipment as of December 31, 2021 consists of the following:

| | 2,021 |
|---|---|
| Equipment | $ 2,767 |
| Leasehold Improvements | 16,748 |
| Less: accumulated depreciation | (2,015) |
| Property and equipment (net) | $ 17,500 |

The company recognized depreciation expense for 2021 and 2020, in the amount of $1,459 and $556 respectively.

**NOTE 3 – PREPAID COMMISSIONS**

The Company issued 33 franchise and regional development locations during 2021. Those commissions will be expensed as the associated franchise fee revenue is recognized. The balance of prepaid commissions is as follows:

| Balance 1/1/2021 | Additions | Expensed | Balance 12/31/2021 |
|---|---|---|---|
| $ 484,116 | $ 836,155 | $ 221,021 | $ 1,099,250 |

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)***

The implicit rates of the Company's leases are not readily determinable; accordingly, the Company uses its incremental borrowing rate based on the information available at the commencement date for each lease. The Company's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment and geographic location. The Company determines its incremental borrowing rates by starting with the interest rates on recent borrowings and other observable market rates and adjusting those rates to reflect differences in the amount of collateral and the payment terms of the leases.

*ROU assets.* A ROU asset is measured at the commencement date at the amount of the initially measured liability plus any lease payments made to the lessor before or after commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, the ROU asset is subsequently measured throughout the lease term at the amount of the lease liability (that is the present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued lease payments, less the unamortized balance of lease incentives received. Lease cost for lease payments is recognized on a straight-line basis over the lease term. Finance lease ROU assets are amortized on a straight-line basis over the shorter of the lease term or the remaining useful life of the asset.

*Accounting policy election for short-term leases*. The Company has elected for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less, but greater than 1 month at lease commencement, and do not include an option to purchase the underlying asset that the Company is reasonably certain to exercise. The Company recognizes lease cost associated with its short-term leases on a straight-line basis over the lease term.

Advertising
Advertising costs are expensed as incurred.

**NOTE 2 – PROPERTY AND EQUIPMENT**

Property and equipment as of December 31, 2022 consists of the following:

| | 2022 |
|---|---|
| Equipment | $ 5,545 |
| Leasehold Improvements | 55,697 |
| Vehicles | 70,055 |
| Less: accumulated depreciation | (8,334) |
| Property and equipment (net) | $ 122,963 |

The company recognized depreciation expense for 2022 and 2021, in the amount of $1,459 and $1,459 respectively.

## NOTE 7 – PRIOR PERIOD ADJUSTMENT

During 2020 the Company incurred an expense for management fees in the amount of $234,827 that was not included on the financial statements. The Prior year financial statements have been restated to reflect that change.

# EXHIBIT E

## NON-DISCLOUSRE AGREEMENT, CONFIDENTIALITY AGREEMENT AND BRAND PROTECTION AGREEMENT

**NONDISCLOSURE AGREEMENT**

**THIS AGREEMENT**, made and entered into this _____ day of _____, 20____, by and between **Prime I.V. Hydration & Wellness, Inc.**, a Wyoming corporation, (hereinafter referred to as "the Company") and _____, whose address is _____ (hereinafter referred to as "Prospective Franchisee").

**WITNESSETH THAT**:

**WHEREAS**, Prospective Franchisee desires to obtain certain confidential and proprietary information from the Company for the sole purpose of inspecting and analyzing said information in an effort to determine whether to purchase a franchise from the Company; and

**WHEREAS**, the Company is willing to provide such information to Prospective Franchisee for the limited purpose and under the terms and conditions set forth herein;

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree as follows:

**1. DEFINITION.** "Confidential Information" is used herein to mean all information, documentation and devices disclosed to or made available to Prospective Franchisee by the Company, whether orally or in writing, as well as any information, documentation or devises heretofore or hereafter produced by Prospective Franchisee in response to or in reliance on said information, documentation and devises made available by the Company.

**2. TERM.** The parties hereto agree that the restrictions and obligations of Paragraph 3 of this Agreement shall be deemed to have been in effect from the commencement on the _____ day of _____, 20____, of the ongoing negotiations between Prospective Franchisee and the Company and continue in perpetuity until disclosed by the Company.

**3. TRADE SECRET ACKNOWLEDGEMENT.** Prospective Franchisee acknowledges and agrees the Confidential Information is a valuable trade secret of the Company and that any disclosure or unauthorized use thereof will cause irreparable harm and loss to the Company.

**4. TREATMENT OF CONFIDENTIAL INFORMATION.** In consideration of the disclosure to Prospective Franchisee of Confidential Information, Prospective Franchisee agrees to treat Confidential Information in confidence and to undertake the following additional obligations with respect thereto:

(a) To use Confidential Information for the sole purpose of inspecting and analyzing the information in an effort to determine whether to purchase a franchise from the Company and solely in its operation of the Company Franchise;

(b) Not to disclose Confidential Information to any third party;

(c) To limit dissemination of Confidential Information to only those of Prospective Franchisee's officers, directors and employees who have a need to know to perform the limited tasks set forth in Item 4 (a) above; and who have agreed to the terms and obligations of this Agreement by affixing their signatures hereto;

(d) Not to copy Confidential Information or any portions thereof; and

(e) To return Confidential Information and all documents, notes or physical evidence thereof, to the Company upon a determination that Prospective Franchisee no longer has a need therefore, or a request therefore, from the Company, whichever occurs first.

**5. SURVIVAL OF OBLIGATIONS.** The restrictions and obligations of this Agreement shall survive any expiration, termination or cancellation of this Agreement and shall continue to bind Prospective Franchisee, his heirs, successors and assigns in perpetuity.

**6. NEGATION OF LICENSES.** Except as expressly set forth herein, no rights to licenses, expressed or implied, are hereby granted to Prospective Franchisee as a result of or related to this Agreement.

**7. APPLICABLE LAW.** This Agreement shall be construed and enforced in accordance with the laws of the State of Colorado.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed.

**PRIME I.V. HYDRATION & WELLNESS, INC.**

BY: _____
ITS: _____

_____
**(Signature of Prospective Franchisee)**

_____
**Print Name of Prospective Franchisee**

# CONFIDENTIALITY AGREEMENT

This Agreement (this "Agreement") is entered into by the undersigned ("you") in favor of **Prime I.V. Hydration & Wellness, LLC, a Wyoming corporation**, and its successors and assigns ("us" or "Prime IV"), upon the terms and conditions set forth in this Agreement.

**1. Definitions**. For purposes of this Agreement, the following terms have the meanings given to them below:

*"Copyrights"* means all works and materials for which we or our affiliate has secured common law or registered copyright protection and that we allow Prime IV franchisees to use, sell or display in connection with the marketing and/or operation of a Prime IV Unit Franchise, whether now in existence or created in the future.

*"Franchisee"* means the Prime IV franchisee for whom you are an employee, director, officer, member, partner or independent contractor.

*"Intellectual Property"* means, collectively or individually, our Marks, Copyrights, Know-how and System.

*"Know-how"* means all of our trade secrets and other proprietary information relating to the development, construction, marketing and/or operation of a Prime IV Unit Franchise, including, but not limited to,methods, techniques, specifications, procedures, policies, marketing strategies and information comprisingthe System and the Manuals.

*"Manuals"* means our confidential specifications and operational manuals for the establishment and operation of a Prime IV Unit Franchise.

*"Marks"* means the logotypes, service marks, trademarks and trade dress now or hereafter involved in the operation of a Prime IV Unit Franchise, including "Prime IV Hydration and Wellness."

*"System"* means our system for the operation of a Prime IV Unit Franchise, the distinctive characteristics of which include logo, trade secrets, concept, style, trade dress, confidential operations manuals and operating system.

**2. Background**. You are an employee, director, officer, member, partner or independent contractor of Franchisee. As a result of this association, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and thatyou could seriously jeopardize our entire franchise system if you were to unfairly compete with us. In order to avoid such damage, you agree to comply with the terms of this Agreement.

**3. Know-How and Intellectual Property**. You agree: (i) you will not use the Know-how in any business or capacity other than the Prime IV Unit Franchise operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer an employee, director, officer, member, partner or independent contractor of Franchisee. You further agree that you will not use the Intellectual Property for any purpose other than the performance of your duties for Franchisee and within the scope of your employment or other engagement with Franchisee.

**4. Immediate Family Members**. You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.

**5. Covenants Reasonable**. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE.

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

**7. Miscellaneous**.

(a) If we hire an attorney or file suit against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorneys' fees and costs in doing so.

(b) This Agreement will be governed by, construed and enforced under the laws of the State of Colorado and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

(c) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms enforceable.

This Confidentiality Agreement is executed as of the date set forth below.

**RESTRICTED PARTY**

By:_____ Name:_____ Date: _____

By signing below, I hereby affirm that I witnessed the person named above execute this Agreement on the dateset forth below his or her name.

**WITNESS**

By:_____ Name:_____ Date: _____

**BRAND PROTECTION AGREEMENT**

This Agreement (this "Agreement") is entered into by the undersigned ("you") in favor of **Prime I.V. Hydration & Wellness, LLC, a Wyoming corporation**, and its successors and assigns ("us" or "Prime IV"), upon the terms and conditions set forth in this Agreement.

**1. Definitions**. For purposes of this Agreement, the following terms have the meanings given to them below:

*"Competitive Business"* means any business that provides nutrient IV hydration therapy and cryotherapy services, or any other related services.

*"Copyrights"* means all works and materials for which we or our affiliate has secured common law or registered copyright protection and that we allow Prime IV franchisees to use, sell or display in connection with the marketing and/or operation of a Prime IV Unit Franchise, whether now in existence or created in the future.

*"Franchisee"* means the Prime IV franchisee for whom you are a general manager, manager or employee.

*"Intellectual Property"* means, collectively or individually, our Marks, Copyrights, Know-how and System.

*"Know-how"* means all of our trade secrets and other proprietary information relating to the development, construction, marketing and/or operation of a Prime IV Unit Franchise, including, but not limited to,methods, techniques, specifications, procedures, policies, marketing strategies and information comprisingthe System and the Manuals.

*"Manuals"* means our confidential specifications and operational manuals for the establishment and operation of a Prime IV Unit Franchise.

*"Marks"* means the logotypes, service marks, trademarks and trade dress now or hereafter involved in the operation of a Prime IV Unit Franchise, including "Prime IV Hydration & Wellness."

*"Prohibited Activities"* means any or all of the following: (i) owning, operating or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent or in any similar capacity) in a Competitive Business (other than owning an interest of five percent (5%) or less in a publicly traded company that is a Competitive Business); (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees); and/or (iii) inducing any customer of ours (or of one of our affiliates or franchisees) to transfer their business to you or to any other person that is not then a franchisee of ours.

*"Restricted Period"* means the period of time that you are a general manager or manager of Franchisee and for a period of two (2) years thereafter; provided, however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the period of time that you are a general manager or manager of Franchisee and for a period of one (1) year thereafter.

*"Restricted Territory"* means the geographic area (a) within fifty (50) miles of the Franchisee's current location(s); or (b) within fifty (50) miles of any Prime IV Hydration & Wellness® franchise in operation or development on the date that you cease to be a general manager or managerof Franchisee; however, if a court of competent jurisdiction determines that fifty (50) miles is too large to be enforceable, then the "Restricted Territory" means that area shall mean twenty-five (25) miles, or such other period that the court deems reasonable.

*"System"* means our system for the operation of a Prime IV Unit Franchise, the distinctive characteristics of which include logo, trade secrets, concept, style, trade dress, confidential operations manuals and operating system.

**2. Background**. You are employed by Franchisee as a general manager or manager. As a result of this association, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and that you could seriously jeopardizeour entire franchise system if you were to unfairly compete with us. In order to avoid such damage, you agreeto comply with the terms of this Agreement.

(iii) Intellectual Property. You agree: (i) you will not use the Know-how in any business or capacity other than the Prime IV Unit Franchise operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer a general manager or manager of Franchisee. You further agree that you will not use the Intellectual Property for any purpose other than the performance of your duties for Franchisee and within the scope of your employment with Franchisee.

**3. Unfair Competition During Relationship**. You agree not to unfairly compete with us at any time while youare an employee of Franchisee by engaging in any Prohibited Activities.

**4. Unfair Competition After Relationship**. You agree not to unfairly compete with us during the Restricted Period by engaging in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the prohibited activity.

**5. Immediate Family Members**. You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities or (ii) uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.

**6. Covenants Reasonable**. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE OR OTHERWISE UNENFORCEABLE.

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

**8. Miscellaneous**.

(a) If we hire an attorney or file suit against you because you have breached this Agreement andprevail against you, you agree to pay our reasonable attorneys' fees and costs in doing so.

(b) This Agreement will be governed by, construed and enforced under the laws of the State of Arizona and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

(c) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration and geographic area.

(d) You and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration and geographic area. However, we may at any time unilaterally modify the terms of this Agreement upon written notice to you by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under this Agreement toensure that the terms and covenants in this Agreement are enforceable under applicable law.

This Brand Protection Agreement is executed as of the date or dates set forth below.

RESTRICTED PARTY

By:_____ Name:_____ Date: _____

By signing below, I hereby affirm that I witnessed the person named above execute this Agreement on the dateset forth below his or her name.

WITNESS

By:_____ Name:_____ Date: _____

# EXHIBIT F

## LIST OF FRANCHISEES

**Outlets Opened as of December 31, 2022**

| | State | City | Franchisee | Contact | Address of Opened Outlet | Phone Number |
|---|---|---|---|---|---|---|
| 1 | AZ | Queen Creek | AZ Wellness LLCC & Becktomark AZ Properties, LLC | Tom & Melanie Kasper | 21576 S. Ellsworth Loop Rd, Ste 106 Queen Creek, AZ 85142 | (480) 771-9797 |
| 2 | AZ | Phoenix | Vital Hydration and Wellness LLC & Becktomark AZ Properties, LLC | Josh & Mindy Zonts | 4910 E Ray Road, G-17 Phoenix, AZ 85044 | (520) 217-8887 |
| 3 | AZ | Scottsdale | Jeri Frandsen | Jeri Frandsen | 8989 E Via Linda Ste 112 Scottsdale, AZ 85258 | 480-593-7241 |
| 4 | CO | Loveland | Sara Cole as an individual | Sara Cole | 5943 Sky Pond Dr, Ste E112 Loveland, CO 80538 | (970) 713-9338 |
| 5 | CO | Castle Rock | Steve & Porscha Shideler | Steve Shideler | 862 W Happy Canyon Rd St 110 Castle Rock, CO 80108 | 720-845-1661 |
| 6 | CO | Colorado Springs | John Hall & John Dodson | John Hall | 6472 Templeton Gap Rd, Ste 110 Colorado Springs, CO 80923 | 719-900-3747 |
| 7 | CO | Parker | Dustin Johnston | Dustin Johnston | 19585 Hess Road Parker, CO 80134 | 303-952-9740 |
| 8 | FL | Winter Garden | Prime IV Winter Garden, INC | Natialia Mokshanova & David Baer | 9250 Miley Dr, Ste 140 Winter Garden, FL 34787 | (321) 730-2885 |
| 9 | FL | Ft. Lauderdale | JLR Companies, LLC | Justin Raby | 2587 E Sunrise Blvd. Ft. Lauderdale, FL 33304 | (954) 870-4341 |
| 10 | FL | Naples | Emily Stephen as an Individual | Emily Stephen | 2180 Tamiami Trail North Naples, FL 34102 | (314) 886-6795 |
| 11 | FL | Orlando | Prime Nona, LLC | Michelle & Ermy Polanco | 12301 Lake Underhill Rd, Unit 106 Orlando, FL32828 | 407-440-4122 |
| 12 | FL | Delray Beach | Allison Trout | Allison Trout | 2 SE 6th Avenue Delray Beach, FL 33483 | 561-247-1690 |
| 13 | FL | New Smyrna Beach | Stacia Politowicz | Stacia Politowicz | 426 Canal Street New Smyrna Beach, FL 32168 | 407-493-5590 |
| 14 | FL | Orlando | Nathan Weber | Nathan Weber | 5012 Dr Phillips Blvd Orlando, FL 32819 | 407-203-1092 |

| | State | City | Franchisee | Contact | Address of Opened Outlet | Phone Number |
|---|---|---|---|---|---|---|
| 15 | FL | Ormond Beach | Stacia Politowicz | Stacia Politowicz | 28 W Grenada Blvd Ormond Beach, FL 32175 | 386-872-4840 |
| 16 | FL | Winter Park | Priti Patel | Priti Patel | 1844 E Winter Park Rd. Orlando, FL 32803 | 407-636-3240 |
| 17 | ID | Ammon | Joel & Kathie Arbuckle | Joel Arbuckle | 2660 East Sunnyside Road Ammon, ID 83406 | 208-656-7350 |
| 18 | KS | Wichita | Beard Health, INC | Cody & Lacey Beard | 9747 E 21st N, Ste 139 Wichita, KS 67206 | (316) 444-6751 |
| 19 | KS | Overland Park | Todd Miller & Bob Scholes | Todd Miller | 6984 W 135th St. Overland Park, KS 66223 | (913) 568-0195 |
| 20 | MD | Bethesda | Jonas Brinkeback & Reena Ranpuria as Individuals | Jonas Brinkeback & Reena Ranpuria | 4923 Elm St. Bethesda, MD 20814 | (240) 800-3925 |
| 21 | MI | Holland | Prime IV Langellier, LLC | Eric, Heidi & Levi Langellier | 12359 James Street, Ste 30 Holland, MI 49424 | (616) 523-3204 |
| 22 | MI | Shelby Township | Marly Technologies Corporation | Stan Duda & Fang Chen | 50368 Schoenherr Road Shelby Township, MI 48315 | (586) 894-9085 |
| 23 | MN | Duluth | Aurora Wellness, LLC | Theresa Hanson | 5115 Burning Tree Road, Suite 302 Duluth, MN 55811 | (218) 722-0794 |
| 24 | NC | Apex | Erin Monico as an Individual | Erin Monico | 2034 Creekside Landing Drive Apex, NC 27502 | (919) 267-6989 |
| 25 | ND | Jamestown | North Dakota Prime Asset Holding, LLC | Randall Johnson | 721 A 1st Avenue South Jamestown, ND 58401 | (701) 368-4380 |
| 26 | NV | Las Vegas | Milan Industries, Ltd | Paris & Lisa Bayardo | 10595 Discovery Dr, Ste 4 Las Vegas, NV 89135 | (702) 964-4974 |
| 27 | NV | Henderson | Rodel & Cristina Balmes | Cristina Balmes | 691 Quiet Stream Ct. Henderson, NV 89052 | (702) 462-6525 |
| 28 | OH | Mason | The Blended Barn, LLC | Matt Vollrath & Amanda Perazzo | 5215 Deerfield Blvd. Ste A-114, Mason, OH 45040 | (513) 986-5201 |
| 29 | OH | Springboro | Debbie Schmitmeyer | Debbi Schmitmeyer | 746 Gardner Road Springboro, OH 45066 | (937) 790-1464 |

| | State | City | Franchisee | Contact | Address of Opened Outlet | Phone Number |
|---|---|---|---|---|---|---|
| 30 | OR | Bend | Advanced Health Solutions, LLC | Chris Neary | 1288 SW Simpson Ave, Ste K Bend, OR 97702 | (541) 329-1832 |
| 31 | TN | Knoxville | Dan Baumiller & Anita Bozenbury | Dan Baumiller | 4230 Kingston Pike Knoxville, TN 37919 | (865) 247-7088 |
| 32 | TX | Dallas | InceptionIV, LLC | Poonam Sirohi | 5000 Belt Line Road, Ste 210 Dallas, TX 75254 | (469) 320-9048 |
| 33 | TX | Cypress | BFC Holdings, LLC | Bryan Boggs & Joicelyn Robinson | 17515 Spring Cypress Rd, Ste G Cypress, TX 77429 | (281) 247-8081 |
| 34 | UT | Murray | RAM Holladay, LLC | Ben McGarry | 6328 South State Street Murray, UT 84107 | (801) 993-0069 |
| 35 | UT | Sandy | Prime IV Sandy, LLC | Jaime Bond | 1842 East 9400 South Sandy, UT 84092 | (385) 263-0009 |
| 36 | UT | West Jordan | BJANE, LLC | Bethany Maughan | 7211 Plaza Center Dr, Ste 110 West Jordan, UT 84088 | (801) 790-0924 |
| 37 | UT | Saratoga Springs | Prime IV Hydration & Wellness Saratoga Springs, LLC | Sierra Neville | 191 Crossroads Blvd, Unit C Saratoga Springs, UT 84045 | (385) 327-7546 |
| 38 | UT | Park City | Summit Infustion, LLC | Isaac & Megan James | 1154 Center Drive, Ste D-230 Park City, UT 84098 | (435) 441-4889 |
| 39 | UT | Ogden | Prime IV Hydration & Wellness Ogden LLC, JTK Enterprises, INC & Revivology IV Hydration Utah, LLC | Justin & Tracy Knapp | 1481 E 5600 S, Suite B-105 Ogden, UT 84403 | (385) 378-6443 |
| 40 | UT | St. George | Heidi Neville | Heidi Neville | 558 E Riverside Dr, Ste 104 St George, UT | (435) 522-5005 |
| 41 | UT | Lehi | Heidi Neville | Heidi Neville | 1881 W Traverse Pkwy, Ste D Lehi, UT 84043 | (385) 250-3555 |
| 42 | UT | Provo | Tom Smith | Tom Smith | 4801 N University Ave, #410 Provo, UT 84601 | (385) 497-6868 |
| 43 | UT | South Jordan | Alex & Audrey Cannon | Alex Cannon | 11506 S District Main Dr, Ste 900 South Jordan, UT 84095 | (385) 787-6868 |

| | State | City | Franchisee | Contact | Address of Opened Outlet | Phone Number |
|---|---|---|---|---|---|---|
| 44 | VA | Chesapeake | Manish Nain & Meenakshi Nain as individuals | Manish Nain | 940 Cedar Road, Ste 110 Chesapeake, VA 23322 | (757) 900-9791 |
| 45 | VA | Norfolk | Hydrate757 INC | Ryan & Christie Velazquez | 4035 E Ocean View Ave, Ste #102 Norfolk, VA 23518 | (757) 355-5163 |
| 46 | VA | Virginia Beach | Manish & Meenakshi Nain | Manish Nain | 2111 Princess Anne Rd St #104, Virginia Beach, VA 23456 | (757) 580-4880 |
| 47 | WA | Spokane | North Spokane IV Therapies, LLC | Jeff & Becky Rosenberg | 2630-A East 29th Ave. Spokane, WA 99223 | (509) 478-1770 |

**Unit Franchisees with Signed Franchise Agreements**
**But Outlet Not Yet Opened as of December 31, 2022:**

| | State | City | Franchisee | Contact | Address of Outlet Location | Phone Number |
|---|---|---|---|---|---|---|
| 1 | AZ | Mesa | Wholesome Living, LLC | Cami Fabiano | TBD | TBD |
| 2 | AZ | Gilbert | Merald Holdings, LLC | Gerald & Mary Elizabeth Smith | TBD | TBD |
| 3 | AZ | Chandler | A&A Cannon AZ LLC | Alex & Audrey Cannon | 1900 W Germann Road, Ste 15, Chandler, AZ 85286 | TBD |
| 4 | AZ | Tempe | Prime Tempe, LLC | Melissa Kay | 1825 E Guadalupe Rd, Ste 106, Tempe,AZ 85283 | TBD |
| 5 | AZ | Tempe | Prime Tempe, LLC | Melissa Kay | TBD | TBD |
| 6 | AZ | Phoenix | Hydr8 Life, LLC | Dana & Marty Kupper | 5310 E High St, Ste 103, Phoenix AZ 85054 | TBD |
| 7 | AZ | Goodyear | Nirvana Life & Wellness, LLC | Shelena & Isaac Keys | TBD | TBD |
| 8 | CA | Brea | Courtesy Wellness, LLC | Ajay Mistry & Raj Mistry | 3407 E Imerial Hwy, Brea, CA 92823 | TBD |
| 9 | CO | Highlands Ranch | Kai Na Honu LLC | Steve & Porscha Shideler | 3622 E Highlands Ranch Pkwy, Ste 102 Highlands Ranch, CO 80126 | (720) 704-2167 |
| 10 | CO | Littleton | Premium Hydration, LLC | Corey Largen | 8966 W. Bowles Ave, Ste Z Littleton, CO 80123 | TBD |
| 11 | CO | Denver | CellTonic, INC | Rob Dahlager & Renee Kobey | TBD | TBD |
| 12 | CO | Denver | CellTonic, INC | Rob Dahlager & Renee Kobey | 201 Steele St, Ste 1H Denver, CO 80206 | (720) 637-4976 |
| 13 | CO | Parker | Infinity Health, LLC | Ken & Penny Ferrall | TBD | TBD |
| 14 | CO | Colorado Springs | TAG Ventures, LLC | Antoinne & Tiffany Glover | TBD | TBD |

| | State | City | Franchisee | Contact | Address of Outlet Location | Phone Number |
|---|---|---|---|---|---|---|
| 15 | CO | Lakewood | Mountain West Company, Limited | Scott McCoy | TBD | TBD |
| 16 | CO | Grand Junction | Mountain West Company, Limited | Scott McCoy | TBD | TBD |
| 17 | FL | Tampa | It is well…pathways, INC | Cesar & Dane' Caolo | 12922 N. Dale Mabry Hwy. Tampa, FL 33618 | TBD |
| 18 | FL | Cleawater | Mruavi LLC | Avi & Mru Patel | TBD | TBD |
| 19 | FL | St. Petersberg | Mruavi LLC | Avi & Mru Patel | TBD | TBD |
| 20 | FL | Tampa | Mruavi LLC | Avi & Mru Patel | TBD | TBD |
| 21 | FL | Sarasota | Kristine Ingrid Miller as an Individual | Kristine Miller | 3825 S Osprey Ave, Ste 14 Sarasota, FL 34239 | TBD |
| 22 | FL | St. Augustine | ZAHB Enterprises, LLC | Zack & Hannah Stahl | 156 State Road 312, Unit 168 St. Augustine, FL 32086 | TBD |
| 23 | FL | Bradenton | Sting Wellness, LLC | Bob & Roxanne Wiley | 4730 Cortez Road West, Bradenton, FL 34211 | TBD |
| 24 | FL | Lakewood Ranch | Sting Wellness, LLC | Bob & Roxanne Wiley | TBD | TBD |
| 25 | FL | Sarasota | Sting Wellness, LLC | Bob & Roxanne Wiley | TBD | TBD |
| 26 | FL | Destin | Andrews Wellness Corporation | Scot Andrews & Donna Stapleton | 34904 Emerald Coast Pkwy, Ste 136, Destin, FL 32541 | TBD |
| 27 | FL | Miami | Blue Sapphire IV LLC | Kamal Patel | TBD | TBD |
| 28 | FL | Key West | Blue Sapphire IV LLC | Kamal Patel | TBD | TBD |
| 29 | FL | Fort Lauderdale | Blue Sapphire IV LLC | Kamal Patel | TBD | TBD |
| 30 | FL | Naples | Guffaw LLC | Eileen Propp | TBD | TBD |
| 31 | FL | St. Johns | The Journey Matters, LLC | Nicole Wolf | TBD | TBD |
| 32 | FL | Brandon | MGJ, INC | Mark Joy & Patricia Joy | 2080 Badlands Drive, Suite E Brandon, FL 33511 | |
| 33 | FL | Tampa | WebLambi IV LLC | Johnny Weber & Nirmal Kilambi | TBD | TBD |
| 34 | GA | Sandy Springs | Caldwell Holdings, LLC | Shaun & Kaila Caldwell | 6307 Roswell Rd, Sandy Springs, GA 30028 | TBD |
| 35 | GA | Smyrna | Jarma Enterprises, LLC | Jean Armand | 4500 West Village Place, Ste 2003 Smyrna, GA 30080 | TBD |
| 36 | GA | TBD | Peenakle, LLC | Yetunde Lawal | 1205 Johnson Ferry Rd, Marietta, GA 30068 | TBD |
| 37 | HI | Honolulu | Integral Health Solutions, LLC | Justin Langlais | TBD | TBD |
| 38 | ID | Coeur d'Alene | TAG Health, LLC | Tim Grossglauser | 204-C West Ironwood Drive, Coeur d'Alene, ID 83814 | TBD |
| 39 | ID | Boise | TAG Health, LLC | Tim Grossglauser | TBD | TBD |

| | State | City | Franchisee | Contact | Address of Outlet Location | Phone Number |
|---|---|---|---|---|---|---|
| 40 | ID | Meridian | Riverview Group, LLC | Winslow & Kristen Johnson | 3648 Centrepoint Way Meridian, ID 83646 | TBD |
| 41 | ID | Boise | Snake River Spa, LLC | Winslow & Kristen Johnson | TBD | TBD |
| 42 | ID | Boise | Boise River Spa, LLC | Winslow & Kristen Johnson | TBD | TBD |
| 43 | IN | Fort Wayne | Fusion IV Hydration & Wellness, INC | Calvin Shannon | 10020 Lima Road, Ste D, Fort Wayne, IN 46818 | TBD |
| 44 | IN | Valparaiso | Viking Health, LLC | Kristin & David Knight | 1703 Calumet Ave, Unit B Valparaiso, IN 46383 | TBD |
| 45 | IN | Greenwood | 12 Rainbows, LLC | Dr. Leanne Schlueter & Julie Cooper | 704 S State Road 135, Ste C, Greenwood IN 46143 | TBD |
| 46 | IL | Chicago | Nattional Health Shop, INC | Adoins Ducre & Amr Abualnadi | 1 E Erue St, Chicago, IL 60611 | TBD |
| 47 | IL | Kildeer | Redhead Lake, INC | Angelique Puchacz | 20771 N Rand Road, B-2, Kildeer, IL 60047 | TBD |
| 48 | KS | Maize | Beard Health, INC | Cody and Lacey Beard | 4041 N Maize Rd, Ste 210, Maize, KS 67101 | TBD |
| 49 | KY | Florence | BCM Holdings, LLC | Desmond & Heather Waters | 7653 Mall Road, Unit #35 Florence KY 41042 | TBD |
| 50 | KY | Lexington | Bijalkumar Patel as an individual | BJ Patel | 2860 Richmond Rd, Ste 130, Lexington, KY 40509 | TBD |
| 51 | KY | Lexington | Bijalkumar Patel as an individual | BJ Patel | TBD | TBD |
| 52 | MA | Hanover | Ari Policy as an individual | Ari Polivy | 2053 Washington St, Ste 106 Hanover, MA 02332 | TBD |
| 53 | MA | Foxborough | Ari Policy as an individual | Ari Polivy | TBD | TBD |
| 54 | MA | Burlington | Ari Policy as an individual | Ari Polivy | TBD | TBD |
| 55 | MA | Chestnut Hill | Ari Policy as an individual | Ari Polivy | TBD | TBD |
| 56 | MA | Dedham | Ari Policy as an individual | Ari Polivy | TBD | TBD |
| 57 | MA | Framingham | Ari Policy as an individual | Ari Polivy | TBD | TBD |
| 58 | MD | Edgewater | Brackish Holdings, LLC | Jon Walter | 15 Lee Airpark Dr, Ste 500, Edgewater, MD 21037 | TBD |
| 59 | NC | Wilmington | Prime ILM INC | Brandon & Melanie Smallwood | 140 Hays Lane, Ste 160, Wilmington, NC 28411 | TBD |
| 60 | ND | Bismarck | North Dakota Prime Asset Holding, LLC | Randall Johnson | TBD | TBD |
| 61 | ND | Fargo | North Dakota Prime Asset Holding, LLC | Randall Johnson | TBD | TBD |

| | State | City | Franchisee | Contact | Address of Outlet Location | Phone Number |
|---|---|---|---|---|---|---|
| 62 | NH | Salem | Preventative Healthcare of New England, LLC | Michael Behan & Dave Cote | 236 N Broadway, Unit 240-D, Salem NH 03079 | TBD |
| 63 | NJ | Flemington | GOHA WODA LLC | Anna Marie Fisher & Maggie Golatowski | 100 Reaville Ave, Unit 23 Flemington, NJ 08822 | TBD |
| 64 | NJ | Marlton | Eileen Ann Propp as an individual | Eileen Propp | 890 Route 73 North, Marlton, NJ 08054 | TBD |
| 65 | NM | Albuquerque | Nirvanify, INC | Karl & Amy Miller | 5901 Wyoming Blvd ND, Ste V, Albuquerque, NM 87109 | TBD |
| 66 | NV | Las Vegas | Parkville, LLC | Trevor & Jessica Neville | 7501 W. Lake Mead Blvd, Ste 114 Las Vegas, NV 89128 | TBD |
| 67 | NV | Centennial Hills | Milan Industries, LTD | Paris & Lisa Bayardo | TBD | TBD |
| 68 | NV | Las Vegas | Cristina & Rodel Balmes as individuals | Cristina Balmes | TBD | TBD |
| 69 | NV | Whitney Ranch | Cristina & Rodel Balmes as individuals | Cristina Balmes | TBD | TBD |
| 70 | NV | Henderson | Las Vegas IV Team, LLC | Chris Creamer | TBD | TBD |
| 71 | NV | Las Vegas | Las Vegas IV Team, LLC | Chris Creamer | TBD | TBD |
| 72 | NV | Enterprise | Las Vegas IV Team, LLC | Chris Creamer | TBD | TBD |
| 73 | OH | Columbus | Total Hydration Solutions, LLC | Ken & Loliya Nwogu | TBD | TBD |
| 74 | OH | Canal Winchester | Katherine D, LLC | Katy Davis | 6442 Winchester Blvd Canal Winchester, OH 43110 | TBD |
| 75 | OH | Kenwood | Sweeney Prime, LLC | Kevin & Rachel Sweeney | TBD | TBD |
| 76 | OH | Cincinnati | Sweeney Prime, LLC | Kevin & Rachel Sweeney | 7466 Beechmont Ave. Ste 416 Cincinnati OH 45255 | TBD |
| 77 | OH | Liberty Township | The Blended Barn, LLC | Matt Vollrath & Amanda Perazzo | TBD | TBD |
| 78 | OR | Tualatin | Maps0815 LLC | Matthew & Amber Primbs | 7602 SW Nyberg St, Tualatin, OR 97062 | TBD |
| 79 | SC | Bluffton | MacPac, LLC | Cathy & Mike MacKinnon | 145 Towne Drive, Unit 98 Bluffton, SC 29910 | TBD |
| 80 | TN | Franklin | WebLambi IV LLC | Johnny Weber & Nirmal Kilambi | 8105 Moores Ln, Ste 300 Franklin, TN 37027 | TBD |
| 81 | TN | Ferragut | Baumiller, INC | Dan Baumiller & Anita Bozenbury | TBD | TBD |
| 82 | TN | Nashville | Michelle & Chris Lobbezoo | Michelle & Chris Lobbezoo | TBD | TBD |
| 83 | TN | Brentwood | Amy Jo Leader | Amy Leader | 710 Old Hickory Blvd, Ste 301, Brentwood, TN 37027 | 615-437-2356 |

| | State | City | Franchisee | Contact | Address of Outlet Location | Phone Number |
|---|---|---|---|---|---|---|
| 84 | TX | Allen | Kennola Solutions, LLC | Ola Olajide & Kenny Abimbola | 1255 W Exchange Pkwy, Allen, TX 75013 | TBD |
| 85 | TX | Sugar Land | Integrative Health & Wellness, LLC | Ilona Facchini & Marcos Afonso | 13574 University Blvd, Ste 950, Sugar Land, TX 77479 | TBD |
| 86 | TX | Frisco | WEBLAMBI IV TX, LLC | Johnny Weber & Nirmal Kilambi | 3205 Main St, Ste 239, Frisco, TX 75034 | TBD |
| 87 | TX | McKinney | Rosiek Prime Solutions, LLC | Kimberly & Kenneth Rosiek | 3194 W University Dr, STE 500 McKinney, TX 75071 | TBD |
| 88 | TX | Austin | OSRH, LLC | Todd Gantt | TBD | TBD |
| 89 | TX | Austin | Element Sales, LLC | Bill & Joy Markham | TBD | TBD |
| 90 | UT | Spanish Fork | Prime IV Hydration & Wellness Spanish Fork, LLC | Dave & Kathy Pliler | 705 E 800 N, Spanish Fork, UT 84660 | TBD |
| 91 | UT | Layton | Prime I Davis, LLC | Brittany & Corey Beahm | 1948 Woodland Park Dr. Layton, UT 84041 | TBD |
| 92 | UT | Logan | Prime IV Hydration & Wellness Logan, LLC | Jared Jenkins & Jonathan Jenkins | 1201 South Main St. #104 Logan, UT 84321 | TBD |
| 93 | UT | Pleasant Grove | Prime IV Hydration & Wellness Pleasant Grove, LLC | Robyn Neville | 875 South North Country Blvd, Ste F, Pleasant Grove, UT | 3853258220 |
| 94 | UT | Salt Lake City | KT Health IV Hydration Utah, LLC | Kaitlin Thorn | TBD | TBD |
| 95 | UT | Cottonwood Heights | BMCG, LLC | Ben McGarry | TBD | TBD |
| 96 | VA | Chesapeake | Everlasting Well Being, INC | Tina Dubois | 629 Volvo Parkway, Ste 102, Chesapeake, VA 23320 | 7574108636 |
| 97 | WA | Spokane | North Spokane IV Therapies, PLLC | Jeffrey Rosenberg | TBD | TBD |
| 98 | WI | Mequon | GALE Holdings, LLC | Leesa Slater & Griffin Eaton | 10930 N Port Washington Rd, Mequon WI 53092 | TBD |

**The following lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of Franchisees who had an <u>opened</u> outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement with us during our most recently completed fiscal year or who had not communicated with us within 10 weeks of the issuance date of this Disclosure Document:**

None

**EXHIBIT G**

**FORM OF UCC-1 FINANCING STATEMENT**

[redacted]

# UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER [optional]

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (1a or 1b) – do not abbreviate or combine names

1a. ORGANIZATION'S NAME

OR

| 1b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX |
|---|---|---|---|
| | | | |

| 1c. MAILING ADDRESS | TOWN | STATE | POSTAL CODE | COUNTRY |
|---|---|---|---|---|
| | | | | |

| 1d. TAX ID #: SSN OR EIN | ADD'L INFO RE ORGANIZATION DEBTOR | 1e. TYPE OF ORGANIZATION | 1f. JURISDICTION OF ORGANIZATION | 1g. ORGANIZATIONAL ID #, if any |
|---|---|---|---|---|
| | | | | ☐ NONE |

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one debtor name (2a or 2b) – do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR

| 2b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX |
|---|---|---|---|
| | | | |

| 2c. MAILING ADDRESS | TOWN | STATE | POSTAL CODE | COUNTRY |
|---|---|---|---|---|
| | | | | |

| 2d. TAX ID #: SSN OR EIN | ADD'L INFO RE ORGANIZATION DEBTOR | 2e. TYPE OF ORGANIZATION | 2f. JURISDICTION OF ORGANIZATION | 2g. ORGANIZATIONAL ID #, if any |
|---|---|---|---|---|
| | | | | ☐ NONE |

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME

OR

| 3b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX |
|---|---|---|---|
| | | | |

| 3c. MAILING ADDRESS | TOWN | STATE | POSTAL CODE | COUNTRY |
|---|---|---|---|---|
| | | | | |

4. This FINANCING STATEMENT covers the following collateral:

**All of Debtor's inventory, equipment, furnishings, fixtures, and supplies now owned or after-acquired; all of Debtor's accounts now existing or subsequently arising, together with all interest of Debtor, now existing or subsequently arising, together with all chattel paper, documents, and instruments relating to such accounts; all of Debtor's contract rights, now existing or subsequently arising; and all of Debtor's general intangibles, now owned or existing, or after-acquired or subsequently arising.**

5. ALTERNATIVE DESIGNATION [if applicable]: ☐ LESSEE/LESSOR ☐ CONSIGNEE/CONSIGNOR ☐ BAILEE/BAILOR ☐ SELLER/BUYER ☐ AG. LIEN ☐ NON-UCC FILING

6. ☐ This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS. Attach Addendum [if applicable]

7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) ☐ All Debtors ☐ Debtor 1 ☐ Debtor 2 [ADDITIONAL FEE] [optional]

8. OPTIONAL FILER REFERENCE DATA

**FILING OFFICER COPY –** NATIONAL UCC FINANCING STATEMENT (FORM UCC1) (REV. 07/29/98)

## Instructions for National UCC Financing Statement (Form UCC1)

Please type or laser-print this form. Be sure it is completely legible. Read all Instructions, especially Instruction 1; correct Debtor name is crucial. Follow Instructions completely.

**Fill in form very carefully; mistakes may have important legal consequences. If you have questions, consult your attorney. Filing office cannot give legal advice.**

**Do not insert anything in the open space in the upper portion of this form; it is reserved for filing office use.**

**When properly completed, send Filing Office Copy, with required fee, to filing office. If you want an acknowledgment, complete item B and, if filing in a filing office that returns an acknowledgment copy furnished by filer, you may also send Acknowledgment Copy; otherwise detach. If you want to make a search request, complete item 7 (after reading instruction 7 below) and send Search Report Copy, otherwise detach. Always detach Debtor and Secured Party Copies.**

If you need to use attachments, use 8-1/2 X 11 inch sheets and put at the top of each sheet the name of the first Debtor, formatted exactly as it appears in item 1 of this form; you are encouraged to use Addendum (Form UCC1Ad).

A. To assist filing offices that might wish to communicate with filer, filer may provide information in item A. This item is optional.

B. Complete item B if you want an acknowledgment sent to you. If filing in a filing office that returns an acknowledgment copy furnished by filer, present simultaneously with this form a carbon or other copy of this form for use as an acknowledgment copy.

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**1.** Debtor name: **Enter only one Debtor name in item 1, an organization's name (1a) or an individual's name (1b). Enter Debtor's exact full legal name. Don't abbreviate.**

**1a. Organization Debtor. "Organization" means an entity having a legal identity separate from its owner. A partnership is an organization; a sole proprietorship is not an organization, even if it does business under a trade name. If Debtor is a partnership, enter exact full legal name of partnership; you need not enter names of partners as additional Debtors. If Debtor is a registered organization (e.g., corporation, limited partnership, limited liability company), it is advisable to examine Debtor's current filed charter documents to determine Debtor's correct name, organization type, and jurisdiction of organization.**

**1b. Individual Debtor. "Individual" means a natural person and a sole proprietorship, whether or not operating under a trade name. Don't use prefixes (Mr., Mrs., Ms.). Use suffix box only for titles of lineage (Jr., Sr., III) and not for other suffixes or titles (e.g., M.D.). Use married woman's personal name (Mary Smith, not Mrs. John Smith). Enter individual Debtor's family name (surname) in Last Name box, first given name in First Name box, and all additional given names in Middle Name box.**

**For both organization and individual Debtors: Don't' use Debtor's trade name, DBA, AKA, FKA, Division name, etc. in place of or combined with Debtor's legal name; you may add such other names as additional Debtors if you wish (but this is neither required nor recommended.**

**1c. An address is always required for the Debtor named in 1a or 1b.**

**1d. Debtor's taxpayer identification number (tax ID #) – social security number or employer identification number – may be required in some states.**

**1e,f,g. "Additional information re organization Debtor" is always required. Type of organization and jurisdiction of organization as well as Debtor's exact legal name can be determined from Debtor's current filed charter document. Organizational ID #, if any, is assigned by the agency where the charter document was filed; this is different from taxpayer ID #; this should be entered preceded by the 2-character U.S. Postal identification of state of organization if one of the United States (e.g., CA12345, for a California corporation whose organizational ID # is 12345); if agency does not assign organizational ED #, check box in item 1g indicating "none."**

***Note*: If Debtor is a trust or a trustee acting with respect to property held in trust, enter Debtor's name in item 1 and attach Addendum (Form UCC1Ad) and check appropriate box in item 17. If Debtor is a decedent's estate, enter name of deceased individual in item 1b and attach Addendum (Form UCC1Ad) and check appropriate box in item 17. If Debtor is a transmitting utility or this Financing Statement is filed in connection with a Manufactured-Home Transaction or a Public-Finance Transaction as defined in applicable Commercial Code, attach Addendum (Form UCC1Ad) and check appropriate box in item 18.**

**2. If an additional Debtor is included, complete item 2, determined and formatted per Instruction 1. To include further additional Debtors, or one or more additional Secured Parties, attach either Addendum (Form UCC1Ad) or other additional page(s), using correct name format. Follow Instruction 1 for determining and formatting additional names.**

**3. Enter information for Secured Party or Total Assignee, determined and formatted per Instruction 1. If there is more than one Secured Party, see Instruction 2. If there has been a total assignment of the Secured Party's interest prior to filing this form, you may either (1) enter Assignor S/P's name and address in item 3 and file an Amendment (Form UCC3) [see item 5 of that form]; or (2) enter Total Assignee's name and address in item 3 and, if you wish, also attaching Addendum (Form UCC1Ad) giving Assignor S/Ps name and address in item 12.**

**4. Use item 4 to indicate the collateral covered by this Financing Statement. If space in item 4 is insufficient, put the entire collateral description or continuation of the collateral description on either Addendum (Form UCC1Ad) or other attached additional page(s).**

**5. If filer desires (at filer's option) to use titles of lessee and lessor, or consignee and consignor, or seller and buyer (in the case of accounts or chattel paper), or bailee and bailor instead of Debtor and Secured Party, check the appropriate box in item 5. If this is an agricultural lien (as defined in applicable Commercial Code) filing or is otherwise not a UCC security interest filing (e.g., a tax lien, judgment lien, etc.), check the appropriate box in item 5, complete items 1-7 as applicable and attach any other items required under other law.**

**6. If this Financing Statement is filed as a fixture filing or if the collateral consists of timber to be cut or as-extracted collateral, complete items 1-5, check the box in item 6, and complete the required information**

**(items 13, 14 and/or 15 on Addendum (Form UCC1Ad)..**

7. **This item is optional. Check appropriate box in item 7 to request Search Report(s) on all or some of the Debtors named in this Financing Statement. The Report will list all Financing Statements on file against the designated Debtor on the date of the Report, including this Financing Statement. There is an additional fee for each Report. If you have checked a box in item 7, file Search Report Copy together with Filing Officer Copy (and Acknowledgment Copy). Note: Not all states do searches and not all states will honor a search request made via this form; some states require a separate request form.**

8. **This item is optional and is for filer's use only. For filer's convenience of reference, filer may enter in item 8 any identifying information (e.g., Secured Party's loan number, law firm file number, Debtor's name or other identification, state in which form is being filed, etc.) that filer may find useful.**

# UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME

OR

| 9b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME, SUFFIX |
|---|---|---|
| | | |

10. MISCELLANEOUS:

**THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY**

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) – do not abbreviate or combine names

11a. ORGANIZATIONS' NAME

OR

| 11b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX |
|---|---|---|---|
| | | | |

| 11c. MAILING ADDRESS | TOWN | STATE | POSTAL CODE | COUNTRY |
|---|---|---|---|---|
| | | | | |

| 11d. TAX ID #: SSN OR EIN | ADD'L INFO RE ORGANIZATION DEBTOR | 11e. TYPE OF ORGANIZATION | 11f. JURISDICTION OF ORGANIZATION | 11g. ORGANIZATIONAL ID #, if any ☐ NONE |
|---|---|---|---|---|
| | | | | |

12. ☐ADDITIONAL SECURED PARTY'S or ☐ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME

OR

| 12b. INDIVIDUAL'S LAST NAME | FIRST NAME | MIDDLE NAME | SUFFIX |
|---|---|---|---|
| | | | |

| 12c. MAILING ADDRESS | TOWN | STATE | POSTAL CODE | COUNTRY |
|---|---|---|---|---|
| | | | | |

13. This FINANCING STATEMENT covers ☐ timber to be cut or ☐ as-extracted collateral, or is filed as a ☐ fixture filing.

14. Description of real estate:

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

16. Additional collateral description:

17. Check only if applicable and check only one box.
Debtor is a ☐ Trust or ☐ Trustee acting with respect to property held in trust or ☐ Decedent's Estate

18. Check only if applicable and check only one box.
☐ Debtor is a TRANSMITTING UTILITY
☐ Filed in connection with a Manufactured-Home Transaction – effective 30 years
☐ Filed in connection with a Public-Finance Transaction – effective 30 years

6. REQUIRED SIGNATURE(S)

**FILING OFFICE COPY –** NATIONAL UCC FINANCING STATEMENT ADDENDUM (FORM UCC1Ad) (REV. 07/29/98)

## Instructions for National UCC Financing Statement Addendum (Form UCC1Ad)

**9. Insert name of first Debtor shown on Financing Statement to which this Addendum s related, exactly as shown in item 1 of Financing Statement.**

**10. Miscellaneous: Under certain circumstances, additional information not provided on Financing Statement may be required. Also, some states have non-uniform requirements. Use this space to provide such additional information or to comply with such requirements; otherwise, leave blank.**

**11.** **If this Addendum adds an additional Debtor, complete item 11 in accordance with Instruction 1 on Financing Statement. To add more than one additional Debtor, either use an additional Addendum form for each additional Debtor or replicate for each additional Debtor the formatting of Financing Statement item 1 on an 8-1/2 X 11-inch sheet (showing at the top of the sheet the name of the first Debtor shown on the Financing Statement), and in either case give complete information for each additional Debtor in accordance with Instruction 1 on Financing Statement. All additional Debtor information, especially the name, must be presented in proper format exactly identical to the format of item 1 of Financing Statement.**

**12.** **If this Addendum adds an additional Secured Party, complete item 12 in accordance with Instruction 3 on Financing Statement. In the case of a total assignment of the Secured Party's interest before the filing of this Financing Statement, if filer has given the name and address of the Total Assignee in item 3 of the Financing Statement, filer may give the Assignor S/P's name and address in item 12.**

**13-15.** **If collateral is timber to be cut or as-extracted collateral, or if this Financing Statement is filed as a fixture filing, check appropriate box in item 13; provide description of real estate in item 14; and, if Debtor is not a record owner of the described real estate, also provide, in item 15, the name and address of a record owner. Also provide collateral description in item 4 of Financing Statement. Also check box 6 on Financing Statement. Description of real estate must be sufficient under the applicable law of the jurisdiction where the real estate is located.**

**16.** **Use this space to provide continued description of collateral, if you cannot complete description in item 4 of Financing Statement.**

**17.** **If Debtor is a trust or a trustee acting with respect to property held in trust or is a decedent's estate, check the appropriate box.**

**18.** **If Debtor is a transmitting utility or if the Financing Statement relates to a Manufactured-Home Transaction or a Public-Finance Transaction as defined in the applicable Commercial Code, check the appropriate box.**

# EXHIBIT H

## AMENDMENT TO
## WAIVE MANAGEMENT AGREEMENT

**AMENDMENT TO**
**FRANCHISE AGREEMENT**
**WAIVER OF MANAGEMENT AGREEMENT**

THIS AMENDMENT ("Amendment") is made and entered into on this __day of _____, 20____, by and between Prime I.V. Hydration & Wellness, Inc., a Wyoming corporation ("Franchisor" or "we" or "us"), and _____, a _____ ("Franchisee" or "you").

RECITALS

A. We and you are parties to a Prime I.V. Hydration & Wellness, Inc. Franchise Agreement dated as of the same date as this Amendment (the "Franchise Agreement"), which pertains to the management and operation of a "Prime IV Hydration & Wellness®" franchise business at a facility operating under the name "Prime IV Hydration & Wellness®" (which is referred to as a "Center") (together the management and operation of a Center will be referred to as the "Franchised Business") with the "Territory" as described in the Franchise Agreement. Your Center will be located and operated in the state of _____.

B. We and you wish to amend the terms of the Franchise Agreement as described below.

C. All capitalized terms not defined in this Amendment will have the meaning set forth in the Franchise Agreement, or the Management Agreement (as defined below).

AGREEMENT

NOW THEREFORE, we and you, in consideration of the undertakings and commitments of each party to the other party set forth herein and in the Franchise Agreement, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, mutually agree as follows:

1. Franchisee's Representations and Warranties:

a. You understand and agree that you are solely responsible for operating in full compliance with all laws that apply to your Franchised Business. The laws regulating the medical or healthcare industry include without limitation, federal, state and local regulations relating to: the practice of medicine and the operation and licensing of medical or healthcare services; the relationship of providers and suppliers of health care services, on the one hand, and physicians and clinicians, on the other, including anti-kickback laws; restrictions or prohibition on fee splitting; physician self-referral restrictions; payment systems for medical benefits available to individuals through insurance and government resources; privacy of patient records; use of medical devices; and advertising of medical services (together such are, "Medical Regulations").

b. You represent and warrant to us that: (1) you have conducted independent research regarding the Medical Regulations that are applicable to medical or healthcare services generally, and the Franchised Business specifically in the Territory, including retaining the services of qualified professional advisers as necessary; (ii) you have verified that under the Medical Regulations applicable to your Franchised Business, you are permitted to both manage the Center and operate the Center, including hiring any medical or healthcare practice and other personnel and providing medical or healthcare services to clients at the Center.

c. You have requested that, based on your representations and warranties to us as to the Medical Regulations applicable to your Franchised Business, we waive the requirements of the Franchise Agreement that you (i) enter into a management agreement with a P.C., which as a separate entity would operate the Center and provide all medical or healthcare services, and (ii) you refrain from providing any

medical or healthcare services to clients or hiring and supervising medical providers, subject to all applicable Medical Regulations.

d. You acknowledge and agree that we are entering into this Amendment in reliance your representations and warranties. You understand and agree that your obligations to operate in compliance with Medical Regulations will continue throughout the term of the Franchise Agreement, and if there are any changes in Medical Regulations that would render your operation of the Center in violation of any Medical Regulation, you will immediately advise of such change and of your proposed corrective action to comply with Medical Regulations, including (if applicable) entering into a management agreement with a P.C.

e. You acknowledge and agree that by requesting us to permit you to perform all of the activities and obligations of the P.C. (rather than signing a management agreement with a P.C. that would operate the Center), you will incur all costs of both managing and operating the Center, including those costs that would otherwise be borne by the P.C. (such as obtaining all necessary licensing and certification for practicing medicine and compensation of medical or healthcare professionals). You have researched the costs associated with both managing and operating the Center.

2. Based on your representations and warranties to us above, you and we agree as follows:

a. Notwithstanding anything to the contrary in the Franchise Agreement, including Section 1.2, you are not required by the Franchise Agreement to enter into a Management Agreement with a P.C., provided that you comply with applicable Medical Regulations.

b. Notwithstanding anything to the contrary in the Franchise Agreement, including Section 1.2, you are not restricted from providing medical or healthcare services to the Center's clients, or from hiring and supervising the medical or healthcare professionals and employees who are legally authorized to provide medical or healthcare services to clients of the Center.

c. Instead of entering into the Management Agreement with a separate P.C., you agree to be solely responsible for operating the Center and providing, or arranging for and supervising the provision of, medical or healthcare services to the clients of the Center. You, therefore, agree that you will perform all responsibilities and obligations of the "P.C." as set forth in our form of Management Agreement (the "Management Agreement"), a copy of which shall be made available to you upon request and after you have signed our confidentiality agreement.

d. Instead of entering into the Management Agreement with a separate P.C., you agree to be solely responsible for providing the management and support services necessary for operating the Center. You, therefore, agree that you will perform all responsibilities and obligations of the "Company" as set forth in the Management Agreement, which are hereby incorporated into this Amendment.

e. Any reference in the Franchise Agreement to an obligation of, or requirement applicable to, the P.C. will be your obligation.

f. Any reference in the Franchise Agreement to the "Franchised Business" will include your activities in both managing and operating the Center.

3. Except as otherwise amended above, the Franchise Agreement is otherwise in full force and effect.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment in duplicate on the day and year first above written.

| FRANCHISOR | FRANCHISEE |
| --- | --- |
| PRIME I.V. HYDRATION & WELLNESS, INC., a Wyoming corporation | _____ |
| By: _____ | By: _____ |
| Name: _____s | Name: _____ |
| Title: _____ | Title: _____ |

# EXHIBIT I

## STATE-SPECIFIC DISCLOSURES

## INFORMATON APPLICABLE TO VARIOUS STATES

A. Item 2 of the Disclosure Document is amended to include the following persons who, as of December 31, 2022, will assist in the operations or sale of Unit franchises as Area Representative Business owners ("Area Representatives") for Prime I.V. Hydration & Wellness, Inc. in various states*:

1. Tom Smith – Area Representative (AZ)

Tom Smith has been the Area Representative for Prime IV Hydration for Arizona since December 2020.

2. Steve and Porsha Shideler – Area Representative (CO)

Steve Shideler has been the Area Representative for Prime IV Hydration for Colorado since April 2020.

3. Randy King - Area Representative (FL)

Randy King is the designated manager for the Area Representative for Prime IV Hydration in Miami, FL and has had that position since April 2020.

4. Nathan Weber – Area Representative (FL)

Nathan Weber has been the Area Representative for Prime IV Hydration for Orlando, FL since October 2020.

5. Johnny Weber – Area Representative (FL/TN)

Johnny Weber has been the Area Representative for Prime IV Hydration for Tampa, FL and for Tennessee since November 2021.

6. Scot Andrews and Donna Stapleton – Area Representative (FL)

Scot Andrews and Donna Stapleton have been the Area Representative for Prime IV Hydration for Jacksonville, FL since October 2022.

7. Shaun and Kalia Caldwell – Area Representative (GA)

Shaun and Kalia Caldwell have been the Area Representative for Prime IV Hydration for Jacksonville, FL since March 2022.

8. Kathie Arbuckle – Area Representative (ID/NV)

Kathie Arbuckle has been the Area Representative for Prime IV Hydration for Idaho and Nevada since November 2022.

9. Kristin and David Knight – Area Representative (IN)

Kristin and David Knight have been the Area Representative for Prime IV Hydration for Indiana since August 2022.

10. Desmond and Heather Waters - Area Representative (KY/OH)

Desmond and Heather Waters have been the Area Representative for Prime IV Hydration for Kentucky/Ohio since July 2022.

11. Bob Scholes and Todd Miller – Area Representative (KS/MO)

Bob Scholes and Todd Miller have been the Area Representative for Prime IV Hydration for Kansas/Missouri since August 2020.

12. Reena Ranpuria and Jonas Brinkeback– Area Representative (MD)

Reena Ranpuria and Jonas Brinkeback have been the Area Representatives for Prime IV Hydration for Maryland since May 2021.

13. Todd and Amy Miller - Area Representative (NM/TX)

Todd and Amy Miller have been the Area Representative for Prime IV Hydration for New Mexico since September 2022.

14. Joy and Bill Markham – Area Representative (Austin/San Antonio, TX)

Joy and Bill Markam have been the Area Representatives for Prime IV Hydration for Austin/San Antonio, TX since April 2021.

15. Poonam Sirohi – Area Representative (Dallas, TX)

Poonam Sirohi has been the Area Representative for Prime IV Hydration for Dallas, TX since May 2021.

16. Heidi Neville – Area Representative (UT)

Heidi Nevil has been the Area Representative for Prime IV Hydration for Utah since December 2020.

17. Manish Nain – Area Representative (Northern and Southern VA)

Manish Nain has been the Area Representative for Prime IV Hydration for Virginia since October 2020.

18. Jeff Rosenberg – Area Representative (WA)

Jeff Rosenberg has been the Area Representatives for Prime IV Hydration for Washington since March 2021.

*Our franchise sales staff will provide franchise prospects with the names and relevant information for those who become Area Representatives who will assist in the operations or sale of Unit franchises in the prospect's area after December 31, 2022.

B. There is no litigation or bankruptcy information to report in Item 3 or Item 4 as it relates to any of the Area Representatives referenced above.

## REQUIRED BY THE STATE OF CALIFORNIA

CALIFORNIA CORPORATIONS CODE SECTION 31125 REQUIRES THAT THE FRANCHISOR GIVE THE FRANCHISEE A DISCLOSURE DOCUMENT APPROVED BY THE DEPARTMENT OF CORPORATIONS PRIOR TO A SOLICITATION OF A PROPOSED MATERIAL MODIFICATION OF AN EXISTING FRANCHISE.

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.

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

The California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination and non-renewal of a franchise. If the Franchise Agreement contains a provision that in inconsistent with the law, the law will control. We may not terminate your franchise except for good cause, and we must give you a notice of default and a reasonable opportunity to cure the defects (except for certain defects specified in the statute, for which no opportunity to cure is required by law). The statute also requires that we give you notice of any intention not to renew your franchise at least 180 days before expiration of the Franchise Agreement.

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

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of your franchise. This provision may not be enforceable under California law.

THE FRANCHISE AGREEMENT REQUIRES APPLICATION OF THE LAW OF COLORADO. THIS PROVISION MAY NOT BE ENFORCEABLE UNDER CALIFORNIA LAW.

To the extent permitted by law, you and we waive any right to or claim for any punitive or exemplary damages against each other and agree that in the event of a dispute between us, each will be limited to the recovery of actual damages only (except in limited circumstances). Each party further waives trial by jury and, to the extent permitted by law, all claims arising out of or relating to the Franchise Agreement must be brought within one year from the date on which you or we knew or should have known of the facts giving rise to such claims (except for claims relating to nonpayment or underpayment of amounts you owe us).

The Franchise Agreement requires mediation. The mediation will occur at the office of the American Arbitration Association Office closest to our principal executive offices. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

OUR WEBSITE (**www.PrimeIVHydration.com**) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

## REQUIRED BY STATE OF CONNECTICUT

1. If the seller fails to deliver the products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within forty-five days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

2. Provide all legal notices to the following:

Prime I.V. Hydration & Wellness, Inc.
Attention: Amy Neary, CEO
1434 Kelly Johnson Blvd.
Colorado Springs, CO 80920

AGENT FOR SERVICE OF PROCESS:

Registered Agents, Inc.
2389 Main St., Ste. 100
Glastonbury, CT 06033

## REQUIRED BY THE STATE OF HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Item 20 of this Disclosure Document will be amended by the addition of the following paragraph:

As of the dates listed in Attachment 1, this franchise offering is or will be effective in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin. No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises. The proposed registration of these franchises has not been involuntarily withdrawn in any state.

**Additional Disclosure Required by State of Hawaii:**

A review of the applicant's audited financial statements indicate that the Franchisor’s liabilities exceed its assets. The State of Hawaii Business Registration Division requires that the Franchisor defer the Initial Franchise Fee until its obligations to the Franchisee are met and the business is open.

## REQUIRED BY THE STATE OF ILLINOIS

Item 17 of this disclosure document is supplemented by the addition of the following paragraphs at the end of the chart:

State Law

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act. any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois franchise Disclosure Act or any other law of Illinois is void.

ILLINOIS PROHIBITS THE CORPORATE PRACTICE OF MEDICINE UNLICENSED INDIVIDUALS AND ENTITIES ARE PROHIBITED FROM OWNING. OPERATING AND MAINTAINING AN ESTABLISHMENT FOR THE STUDY, DIAGNOSIS AND TREATMENT OF HUMAN AILMENTS AND INJURIES, WHETHER PHYSICAL OR MENTAL. See Medical Corporation Act, 805 ILCS 15/2, 5 (West 2018) and Medical Practice Act of 1987, 225 ILCS 60/(West 2018).

IF YOU ARE NOT LICENSED/CERTIFIED IN ILLINOIS TO PROVIDE SERVICES OF THE NATURE DESCRIBED IN THIS DISCLOSURE DOCUMENT, YOU MUST NEGOTIATE THE TERMS OF A MANAGEMENT AGREEMENT WITH LICENSED PROFESSIONALS WHO WILL PROVIDE THE SERVICES THAT YOUR FRANCHISED BUSINESSOFFERS. RETAIN AN EXPERIENCED ATTORNEY WHO WILL LOOK OUT FOR YOUR BEST INTERESTS IN THIS BUSINESS VENTURE.

Payment of the Initial Franchise Fee will be deferred until Franchisor has met its initial obligations to franchisee and the franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

## REQUIRED BY THE STATE OF INDIANA

The Franchise Agreement contains a covenant not to compete that extends beyond the termination of your franchise. This provision may not be enforceable under Indiana law.

Indiana law makes unilateral termination of your franchise unlawful unless there is a material violation of the Franchise Agreement and the termination is not done in bad faith.

If Indiana law requires the Franchise Agreement and all related documents to be governed by Indiana law, then nothing in the Franchise Agreement or related documents referring to Colorado law will abrogate or reduce any of your rights as provided for under Indiana law.

Indiana law prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.

Although the Franchise Agreement requires mediation to be held at the office of the American Arbitration Association closest to our principal executive offices, mediation held pursuant to the Franchise Agreement must take place in Indiana if you so request. If you choose Indiana, we have the right to select the location in Indiana.

## REQUIRED BY THE STATE OF MARYLAND

Item 17 of the FDD is amended as follows:

The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Any provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

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

This franchise agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Item 5 of the FDD is amended as follows:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

## REQUIRED BY THE STATE OF MINNESOTA

We will protect your right to use the Marks and/or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the Marks.

Minn. Rule 2860.4400D prohibits us from requiring you to assent to a general release. Any release you sign as a condition of renewal or transfer will not apply to any claims you may have under the Minnesota Franchise Law.

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C. 14, subds, 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice in advance of termination (with 60 days to cure) and 180 days' notice in advance of nonrenewal of the Franchise Agreement.

Minn. Stat. § 80C.17, Subd. 5, states that no civil action pertaining to a violation of a franchise rule or statute can be commenced more than three years after the cause of action accrues

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in this Disclosure Document or the Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Under Minnesota law, we cannot require you to consent to inunction relief; however, we may seek injunctive relief from the Court.

Minn. Rule Part 2860.4400J prohibits us from requiring you to waive your rights to a jury trial or waive your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes.

## REQUIRED BY STATE OF NEW JERSEY

Liquidated damages are void if unreasonable under the totality of the circumstances, including whether a statute governs the relationship and concerns liquidated damages clauses; and the common practice in the industry.

## REQUIRED BY THE STATE OF NEW YORK

Registration of this franchise by New York State does not mean that New York State recommends it or has verified the information in the Disclosure Document.

We may, if we choose, negotiate with you about items covered in the Offering Prospectus. However, we cannot use the negotiating process to prevail upon a prospective franchisee to accept terms which are less favorable than those set forth in the Offering Prospectus.

All references to "Disclosure Document" will be deemed to include the term "Offering Prospectus" as used under the General Business Law of New York.

Item 3 of the Offering Prospectus is supplemented with the following:

Except as provided in Item 3 of the Offering Prospectus, neither we nor any person identified in Item 2 of the Offering Prospectus, or an affiliate offering franchises under our principal trademark:

A. Has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act or 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

Item 4 of this Offering Prospectus is supplemented with the following:

Except as provided in Item 4 of the Offering Prospectus, neither we, our affiliates, nor any officer or general partner has at any time during the ten year period immediately before the date of the Offering Prospectus: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within one year after our officer or general partner held this position in the company or partnership.

Under the Franchise Agreement, the Manuals we issue may be modified and you are bound by such modifications. However, no such modifications may impose an unreasonable economic burden on you.

Provisions of general releases are mentioned in the Offering Prospectus and specified in the Franchise Agreement. These releases are limited by the following: all rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued under this law will remain in force, it being the intent that the non-waiver proviso of the General Business Law of the State of New York Sections 687.4 and 687.5 be satisfied.

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

The choice of law of the Franchise Agreement should not be considered a waiver of any right conferred upon either you or us by the General Business Law of the State of New York, Article 33.

Item 17 of the Offering Prospectus, the summary column of part (d), is modified to include the following sentence:

You can also terminate the Franchise Agreement on any grounds available by law.

**REQUIRED BY NORTH CAROLINA**

3. If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

4. Provide all legal notices to the following:

Prime I.V. Hydration & Wellness, Inc.
Attention: Amy Neary, CEO
1434 Kelly Johnson Blvd.
Colorado Springs, CO 80920

AGENT FOR SERVICE OF PROCESS:

Registered Agents, Inc.
4030 Wake Forest Rd., Ste. 349
Raleigh, NC 27609

**REQUIRED BY THE STATE OF NORTH DAKOTA**

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of your franchise. This provision may not be enforceable under North Dakota law.

Although the Franchise Agreement provides that the place of mediation will be located at the office of the American Arbitration Association closest to our principal executive offices, we agree that the place of mediation will be a location that is in close proximity to the site of your Franchised Business.

The Franchise Agreement requires that you consent to the jurisdiction of a court in close proximity to our principal executive offices. This provision may not be enforceable under North Dakota law because North Dakota law precludes you from consenting to jurisdiction of any court outside of North Dakota.

Although the Franchise Agreement provides that it will be governed by and construed in accordance with the laws of the State of Colorado, we agree that the laws of the State of North Dakota will govern the construction and interpretation of the Franchise Agreement.

A contractual requirement that you sign a general release may be unenforceable under the laws of North Dakota.

Although the Franchise Agreement requires the franchisee to consent to a waiver of trial by jury, the Commissioner has determined that a requirement requiring the waiver of a trial by jury to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. This provision is not enforceable in North Dakota.

Although the Franchise Agreement requires the franchisee to consent to a waiver of exemplary and punitive damages, the Commissioner had determined these types of provisions to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. This provision is not enforceable in North Dakota.

Although the Franchise Agreement requires the franchisee to consent to a limitation of claims period within one year, the Commissioner had determined this to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The limitation of claims period is therefore governed by North Dakota law.

To the extent any provision of the Franchise Agreement requires you to consent to a waiver of exemplary or punitive damages, the provision will be deemed null and void.

## REQUIRED BY THE STATE OF RHODE ISLAND

Even though our Franchise Agreement says the laws of Colorado apply, § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

## REQUIRED BY SOUTH CAROLINA

1. If the seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be cancelled.

2. Provide all legal notices to the following:

   Prime I.V. Hydration & Wellness, Inc.
   Attention: Amy Neary, CEO
   1434 Kelly Johnson Blvd.
   Colorado Springs, CO 80920

   AGENT FOR SERVICE OF PROCESS:

   Registered Agents, Inc.
   6650 Rivers Ave., Ste. 100
   Charleston, SC 29406

## REQUIRED BY THE STATE OF WASHINGTON

The state of Washington has a statute, RCW 19.100.180 which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail.

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.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable."

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

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 provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

These requirements must be included in an addendum to the Franchise Agreement you sign for the State of Washington.

The Department of Financial Institutions for the State of Washington requires that the payment of the Initial Franchise Fee be deferred until we have completed our initial obligations and you open for business.

# EXHIBIT J

## REQUIRED VENDOR AGREEMENTS

**None at this time**

# EXHIBIT K

## FORM OF TRANSFER AGREEMENT AND GENERAL RELEASE AGREEMENT

**PRIME I.V. HYDRATION & WELLNESS, INC.**
**TRANSFER AGREEMENT**

THIS TRANSFER AGREEMENT (the "Agreement") is made and entered into and effective as of the ____ day of _____, 20__ ("the Effective Date"), by and between PRIME I.V. HYDRATION & WELLNESS, INC., a Wyoming corporation ("Franchisor"), and _____ ("Assignor" or "Franchisee"), and each undersigned owner of Assignor/Franchisee and his or her spouse (individually, a "Assignor or Franchisee Owner," and collectively, the "Assignor or Franchisee Owners"), and _____ ("Assignee"), and each undersigned owner of Assignee and his or her spouse (individually, an "Assignee Owner," and collectively, the "Assignee Owners") (collectively, Franchisor, Franchisee/Assignor, Franchisee/Assignee Owners, Assignee, and Assignee Owners are referred to hereinafter as the "Parties").

Recitals

WHEREAS, Franchisor and Franchisee previously entered into that certain Franchisee Agreement dated _____ and any and all addenda thereto (collectively the "FA"), granting to Franchisee that certain Prime IV Hydration & Wellness® Unit Franchise in _____ (hereinafter the "Franchise");

WHEREAS, the FA provides as follows with respect to the Transfer (as defined below) of the FA, the Franchise, or any interest therein:

a. Section 14.2(a) of the FA states that any Transfer (as defined below) of the Franchisee's interest in the FA or of Franchisee's rights or privileges under the FA must be approved by Franchisor in writing before such Transfer may be made or become effective;

b. Section 14.2(b) of the FA sets forth certain terms and conditions that must be complied with, or that Franchisor may require be complied with, before any Transfer may be made or become effective; and

WHEREAS, Franchisee and/or each undersigned Franchisee Owner wish(es) to Transfer (as set forth in Section 14 of the FA) to Assignees the following interest (the "Transferred Interest"):

_____

_____

WHEREAS, Franchisor is willing to consent to the above Transfer of the Transferred Interest, and the Parties desire that the Transfer be made in accordance with the following terms and conditions;

NOW, THEREFORE, in consideration of the mutual agreements, covenants and undertakings herein contained and other valuable consideration, the adequacy of which is acknowledged by all Parties, the Parties hereby agree as follows:

1. Recitals. The above recitals are hereby incorporated into and made part of this Agreement.

2. Consent to Transfer. Franchisor hereby consents to the Transfer of the Transferred Interest as described in the Recitals. The following conditions apply to the transfer:

A. The Assignee/Franchisee represents and warrants that the conditions for approval of Transfer as set forth in Section 14 of the FA, except to the extent such requirements have been otherwise addressed by the Parties, have been fully and completely satisfied to Franchisor's satisfaction.

B. Notwithstanding the foregoing, the Assignor and Assignee understand a transfer fee ("the Transfer Fee") must be paid before the Transfer will be approved, and before Franchisor will countersign this Agreement.

3. Release. Franchisee and/or each undersigned Franchisee Owner, and their present or former affiliated entities, officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through them (the "Releasing Entities"), hereby fully release Franchisor and its present or former affiliated entities, and their respective officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through it (the "Released Entities") from any and all liabilities, claims, demands, debts, damages, obligations and causes of action of any nature or kind, whether presently known or unknown, which the Releasing Entities may have against the Released Entities, whether arising prior to or after the date this Agreement is executed, and which are related to or arise out of the Transferred Interest in the FA.

4. Non-Competition ; Non-Solicitation ; Confidentiality.

A. Definitions. Wherever used in this Section 5, the term "Franchisor" shall refer to Franchisor and any affiliate, subsidiary, or any successor or assign of Franchisor. Wherever used in this Section, the phrase "directly or indirectly" includes, but is not limited to, acting, either personally or as principal, owner, shareholder, employee, independent contractor, agent, manager, partner, joint venturer, consultant, or in any other capacity or by means of any corporate or other device, or acting through the spouse, children, parents, brothers, sisters, or any other relatives, friends, trustees, agents, or associates of any of the undersigned parties. Wherever used in this Section, the term "employees" shall refer to employees of Franchisor; any affiliate, subsidiary, or any successor or assign of Franchisor; and any franchisee of Franchisor existing as of the date of this Agreement and, to the extent allowable by law, any other person that has been an employee (as defined above) in the twelve (12) months preceding the date of this Agreement. Whenever used in this Section, the term "Confidential Information" shall be defined as provided in Section 9.1 of the FA, which provisions are hereby incorporated by reference.

B. Consideration. The undersigned Parties acknowledge that consideration for this Agreement has been provided and is adequate. The consideration includes, but is not limited to, the granting of the Franchise to Franchisee and/or each undersigned Owner, and Franchisor's consent to the Transfer of the Transferred Interest as provided in this Agreement.

C. Need for this Agreement. The undersigned Parties recognize that in the highly competitive business in which Franchisor and its affiliates and franchisees are engaged, preservation of Confidential Information is crucial and personal contact is important in securing new franchisees and employees, and retaining the goodwill of present franchisees, employees, customers, and suppliers. Personal contact is a valuable asset and is an integral part of protecting the business of Franchisor. Franchisee and/or each undersigned Owner recognize that it has had substantial contact with Franchisor's employees, customers, and suppliers and Confidential Information. For that reason, Franchisee and/or each undersigned Owner may be in a position to take for his or her benefit the Confidential Information and goodwill Franchisor has with its employees and Confidential Information now or in the future. If Franchisee and/or each undersigned

Owner, after the Transfer of the Transferred Interest as provided in this Agreement, takes advantage of such Confidential Information or goodwill for Franchisee's and/or each undersigned Owner's own benefit, then the competitive advantage that Franchisor has created through its efforts and investment will be irreparably harmed.

D. Non-Competition with Franchisor. Franchisee and/or each undersigned Owner of Franchisee agrees that for twenty-four (24) months following the date of this Agreement, neither Franchisee, nor any Owner, nor any member of Franchisee's or an Owner's immediate family will have any direct or indirect interest (e.g., through a spouse) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent, or in any other capacity, in any Competitive Business located or operating: (a) within fifty (50) miles of the Franchisee's current location(s); or (b) within fifty (50) miles of any Prime IV Hydration & Wellness® franchise in operation or development on the date of this Agreement. The term "Competitive Business" means any business which derives more than Ten Thousand and No/100 Dollars ($10,000.00) of revenue per year from the performance of providing customized nutrient IV hydration therapy and cryotherapy services, or any other related services, or any business which grants franchises or licenses to others to operate such a business, other than a Prime IV Hydration & Wellness® franchise operated under a franchise agreement with us.

E. Non-Solicitation of Franchisor's Employees. Franchisee and/or each undersigned Owner agrees that for two (2) years after the date of this Agreement, it will not directly or indirectly: (a) induce, canvas, solicit, or request or advise any employees of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise to accept employment with any person, firm, or business that competes with any business of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise; or (b) induce, request, or advise any employee of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise to terminate such employee's relationship with Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise; or (c) disclose to any other person, firm, partnership, corporation or other entity, the names, addresses or telephone numbers of any of the employees of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise, except as required by law.

F. Non-Solicitation of Franchisor's Customers. Franchisee and/or each undersigned Owner agrees that for two (2) years after the date of this Agreement, it will not directly or indirectly: (a) induce, canvas, solicit, or request or advise any customers of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise to become customers of any person, firm, or business that competes with any business of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise; or (b) induce, request or advise any customer of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise to terminate or decrease such customer's relationship with Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise; or (c) disclose to any other person, firm, partnership, corporation or other entity, the names, addresses or telephone numbers of any of the customers of Franchisor, the Franchise, or any Prime IV Hydration & Wellness® franchise, except as required by law.

G. Confidential Information. Franchisee and/or each undersigned Owner agrees at all times following the date of this Agreement, to hold the Confidential Information in the strictest confidence and not to use such Confidential Information for Franchisee's and/or each undersigned Owner's personal benefit, or the benefit of any other person or entity other than Franchisor, or disclose it directly or indirectly to any person or entity without Franchisor's express authorization or written consent. Franchisee and each undersigned Owner fully understand the need to protect the Confidential Information and all other confidential materials and agree to use all reasonable care to prevent unauthorized persons from obtaining access to Confidential Information at any time.

5. Subordination. Franchisee and/or each undersigned Owner and Assignee each agrees that all of Assignee's obligations to make any installment payments to or for the benefit of Franchisee and/or an

undersigned Owner in connection with the Transfer of the Transferred Interest as provided under this Agreement shall be subordinate to Assignee's obligations under the FA or any New FA (as defined below) to pay to us or our affiliates any fees and payments provided for therein.

**[PICK ONE OF OPTIONS BELOW BASED ON WHAT THEY SELECT IN SECTION 2.B.]**

***[6. No New FA. Assignee agrees that in connection with the Transfer of the Transferred Interest to it, Assignee shall be bound by all of the terms and conditions of the existing FA and that a new FA will not be executed by the Assignee. As such, any and all deadlines in the FA shall remain unchanged. Assignee will also be bound by the terms of any and all addenda to the FA, which are attached as Exhibit A hereto. Each principal owner of the Assignee ("Assignee Owner") shall execute the Guaranty and Assumption of Obligations in the form attached as Exhibit B hereto. The executed Guaranty and Assumption of Obligations shall be submitted to Franchisor with an executed copy of this Agreement.]***

***OR***

***[6. New FA. Assignee agrees that in connection with the Transfer of the Transferred Interest to it, Assignee shall sign a New FA along with all applicable exhibits, including but not limited the Guaranty and Assumption of Obligations.]***

7. Guaranty of Obligations. In consideration of, and as an inducement to, the execution of this Agreement by Franchisor, each of the undersigned Assignee Owners hereby personally and unconditionally guarantees to Franchisor and its successors and assigns that the Assignee Owners will punctually pay and perform each and every undertaking, agreement and covenant of Assignees set forth in the FA; and agrees to be personally bound by, and personally liable for the breach of, each and every provision in the FA, including without limitation, monetary obligations, the obligations to take or refrain from taking certain actions and arbitration of disputes. Each of the undersigned Assignee Owners waives (1) protest and notice of default, demand for payment or nonperformance of any obligations guaranteed by this Section 8; (2) any right the Assignee Owners may have to require that an action be brought against Franchisor or any other person as a condition of the Assignee Owners' liability; (3) all right to payment or reimbursement from, or subrogation against, Franchisor which Assignee Owners may have arising out of this guaranty of Assignee; and (4) any and all other notices and legal or equitable defenses to which Assignee Owners may be entitled in its capacity as guarantor. Each of the undersigned Assignee Owners consents and agrees that (1) its direct and immediate liability under this Section shall be joint and several; (2) it will make any payment or render any performance required under the FA on demand if Assignee fails or refuses to do so when required; (3) its liability will not be contingent or conditioned on our pursuit of any remedies against Assignees or any other person; (4) its liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Assignee or to any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims; and (5) the guaranty under this Section will continue and be irrevocable during the term of the FA and afterward for so long as Assignee has any obligations under the FA. If Franchisor is required to enforce the guaranty provided for under this Section in a judicial or arbitration proceeding, and prevail in such proceeding, then each of the undersigned Assignee Owners agrees that Franchisor will be entitled to reimbursement of its costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If Franchisor is required to engage legal counsel in connection with any failure by any undersigned Assignee Owner to comply with the guaranty provisions of this Section, then the Assignee Owners shall reimburse Franchisor for any of the above-listed costs and expenses incurred by Franchisor.

8. Breach. The Parties hereby agree that each of the matters stated herein are important, material, and confidential, and substantially affect the effective and successful conduct of the business of Franchisor and its reputation, and goodwill. Any breach of the terms of this Agreement is a material breach of this Agreement, which will result in substantial and irreparable injury to Franchisor, for which the breaching Party may be preliminarily and permanently enjoined and for which the breaching Party shall also pay to Franchisor all damages (including, but not limited to, compensatory, incidental, consequential and lost profits damages) which arise from the breach, together with interest, costs and Franchisor's reasonable attorneys' fees (through final unappealable judgment) to enforce this Agreement. This Agreement does not limit any other remedies available at law or in equity available to Franchisor.

9. No Waiver. Franchisor may waive a provision of this Agreement only in writing executed by an authorized representative. No Party shall rely upon any oral representations as to a waiver of any provision of this Agreement. No waiver by a Party of a breach by another Party of any provision of this Agreement shall operate or be construed as a waiver of any subsequent breach by the breaching Party.

10. Assignment. This Agreement is fully transferable by Franchisor. Franchisee and/or each undersigned Franchisee Owner, Assignee and Assignee Owner shall not assign, convey, sell, delegate, or otherwise transfer this Agreement or any right or duty hereunder without obtaining Franchisor's prior written consent.

11. Binding Agreement. This Agreement shall be binding upon the Parties' heirs and legal representatives. This Agreement shall be enforceable by the successors and assigns of Franchisor, any person or entity which purchases substantially all of the assets of Franchisor, and any subsidiary, affiliate or operation division of Franchisor.

12. Headings. The paragraph headings of this Agreement are not a substantive part of this Agreement and shall not limit or restrict this Agreement in any way.

13. Choice of Law and Venue. This Agreement shall be construed in accordance with and governed for all purposes by the laws of Colorado. If any action or proceeding shall be instituted by any Party, or any representative thereof, all Parties and their representatives hereby consent and will submit to the jurisdiction of, and agree that venue is proper in El Paso County, State of Colorado.

14. Severance and Reformation. In case any one or more of the provisions or restrictions contained in this Agreement, or any part thereof, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions or restrictions of this Agreement. In case any one or more of the provisions or restrictions contained in this Agreement shall, for any reason, be held to be unreasonable, improper, overbroad or unenforceable in any manner, it is agreed that they are divisible and separable and should be valid and enforceable to the extent allowed by law. The intention of the Parties is that Franchisor shall be given the broadest protection allowed by law with respect to this Agreement.

15. Entire Agreement. No change, addition, deletion or amendment of this Agreement shall be valid or binding upon any Party unless in writing and signed by the Parties. Insofar as matters within the scope of this Agreement are concerned, this Agreement is the entire Agreement between the Parties and replaces and supersedes all prior agreements and understandings pertaining to the matters addressed in this Agreement. There are no oral or other agreements or understandings between the Parties affecting this Agreement.

16. Counterparts. This Agreement may be executed in any number of counterparts, all of which shall be deemed to constitute one and the same instrument, and each counterpart shall be deemed an original.

17. Opportunity to Seek Independent Advice. The undersigned Parties recognize that this Agreement is an important document that affects their legal rights. For this reason, the Parties may wish to seek independent legal advice before accepting the terms stated herein. The undersigned Parties acknowledge that they have had an opportunity to seek such independent legal advice. They acknowledge that they have read and understand the provisions contained herein and acknowledge receipt of a copy of this Agreement.

***[Signatures Appear on the Following Page]***

IN WITNESS WHEREOF, the Parties hereto affix their signatures and execute this Agreement as of the day and year first above written.

**FRANCHISOR:**

PRIME I.V. HYDRATION & WELLNESS, INC., a Wyoming corporation

By:_____

Its:_____

**ASSIGNOR/FRANCHISEE:**

_____

By: _____

Print Name: _____

Title:_____

**ASSIGNEE:**

_____

By: _____

Print Name: _____

Title:_____

**ASSIGNOR/FRANCHISEE OWNERS:**

By: _____

Print Name: _____

By: _____

Print Name: _____

**ASSIGNEE OWNERS:**

By: _____

Print Name: _____

By: _____

Print Name: _____

**EXHIBIT A**
**TO TRANSFER AGREEMENT**

**FRANCHISE AGREEMENT AND ADDENDA (IF ANY)**

**(Attached)**

**EXHIBIT B**
**TO TRANSFER AGREEMENT**

# GUARANTY AND ASSUMPTION OF OBLIGATIONS

**(If Assuming Existing Franchise Agreement)**

## GUARANTY AND ASSUMPTION OF OBLIGATIONS

In consideration of, and as an inducement to, the execution of the Transfer Agreement dated _____ _____, 20___, by and between Prime I.V. Hydration & Wellness, Inc., a Wyoming corporation ("us"), _____, ("Assignor"), and _____ ("Assignee") for relating to the Franchise Agreement dated _____, and all addenda thereto (collectively the "FA"), each of the undersigned owners of the Assignee and their respective spouses (the "Assignee Owners" or "you"), hereby personally and unconditionally agree to perform and keep during the terms of the FA, each and every covenant, obligation, payment, agreement, and undertaking on the part of Assignee contained and set forth in the FA. Each of you agree that all provisions of the FA relating to the obligations of Assignee, including, without limitation, the covenants of confidentiality and non-competition and other covenants set forth in the FA, shall be binding on you.

Each of you waives (1) protest and notice of default, demand for payment or nonperformance of any obligations guaranteed by this Guaranty; (2) any right you may have to require that an action be brought against Assignee or any other person as a condition of your liability; (3) all right to payment or reimbursement from, or subrogation against, the Assignee which you may have arising out of your guaranty of the Assignee's obligations; and (4) any and all other notices and legal or equitable defenses to which you may be entitled in your capacity as guarantor.

Each of you consents and agrees that (1) your direct and immediate liability under this Guaranty shall be joint and several; (2) you will make any payment or render any performance required under the FA on demand if Assignee fails or refuses to do so when required; (3) your liability will not be contingent or conditioned on our pursuit of any remedies against Assignee or any other person; (4) your 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 Assignee or to any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims; and (5) this Guaranty will continue and be irrevocable during the term of the FA and afterward for so long as the Assignee has any obligations under the FA.

If we are required to enforce this Guaranty in a judicial or arbitration proceeding, and prevail in such proceeding, we will be entitled to reimbursement of our costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Guaranty, you agree to reimburse us for any of the above-listed costs and expenses incurred by us.

**This Guaranty may be executed in counterparts, all of which shall be deemed to constitute one and the same instrument, and each counterpart shall be deemed an original.**

This Guaranty is now executed as of the Agreement Date.

ASSIGNEE OWNER:

_____
Print Name: _____

ASSIGNEE OWNER'S SPOUSE:

_____
Print Name: _____

ASSIGNEE OWNER:

_____
Print Name: _____

ASSIGNEE OWNER'S SPOUSE:

_____
Print Name: _____

**PRIME I.V. HYDRATION & WELLNESS, INC.**

**GENERAL RELEASE AGREEMENT**

THIS GENERAL RELEASE AGREEMENT ("Release") is made and entered into this _____ day of _____, 20__, by and between Prime I.V. Hydration & Wellness, Inc., a Wyoming corporation ("Franchisor"), and _____, a _____ corporation/limited liability company/partnership (circle one) ("Franchisee"), and each owner of Franchisee and his or her spouse (individually, an "Owner," and collectively, the "Owners") (collectively, Franchisor, Franchisee, and Owners are referred to hereinafter as the "Parties").

WITNESSETH

WHEREAS, the Parties previously entered into that certain Franchise Agreement dated _____, 20___ (the "Agreement"), granting Franchisee the right to operate a Franchise Business of Franchisor ("Center") for a specific Term (as defined in the Agreement); and

WHEREAS, Franchisee desires to renew the Agreement for an additional Term (as defined in the Agreement); and

WHEREAS, Section 2.4(c) of the Agreement requires Franchisee and each of its Owners and their respective spouses to execute, in favor of Franchisor and its officers, directors, agents, and employees, and Franchisor's affiliates and their officers, directors, agents, and employees, as a condition to renew the Agreement, a general release from liability of all claims that Franchisee, its Owners, and their respective spouses may have against Franchisor, its affiliates, and their respective owners, officers, directors, employees, and agents; and

WHEREAS, the Parties desire to enter into this Release to comply with the requirements of the Agreement and preserve Franchisee's eligibility to renew the Agreement.

NOW, THEREFORE, in consideration of the mutual agreements contained herein and other valuable consideration, the Parties hereby agree as follows:

1. Recitals. The foregoing Recitals are incorporated into and made part of this Release.

2. Release. Franchisee, each Owner and his or her spouse, and their present or former affiliated entities, officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through them (the "Releasing Entities"), hereby fully release Franchisor and its present or former officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, and Franchisor's affiliates and their respective present or former officers, directors, shareholders, partners, members, employees, contractors, agents, predecessors, successors, assigns, attorneys, representatives, heirs, personal representatives and any spouses of each, as well as all other persons, firms, corporations, limited liability companies, associations or partnerships or other affiliated entities claiming by or through Franchisor (the "Released Entities") from any and all liabilities, claims, demands, debts, damages, obligations and causes of action of any nature or kind, whether presently known or unknown, which the Releasing Entities may have against the Released Entities as of the date this Release is executed.

3. Miscellaneous.

A. This Release contains the entire agreement and representations between the Parties hereto with respect to the subject matter hereof. This Release supersedes and cancels any prior understanding or agreement

between the parties hereto whether written or oral, express or implied. No modifications or amendments to this Release shall be effective unless in writing, signed by all Parties.

B. In the event any provision hereof, or any portion of any provision hereof shall be deemed to be invalid, illegal or unenforceable, such invalidity, illegality, or unenforceability shall not affect the remaining portion of any provision, or of any other provision hereof, and each provision of this Release shall be deemed severable from all other provisions hereof.

C. This Release shall be governed by the laws of the State of Colorado. Any litigation or court action arising under or related to this Release shall be filed in state or federal court in El Paso County, State of Colorado.

D. In the event a court action is brought to enforce or interpret this Release, the prevailing Party in that proceeding or action shall be entitled to reimbursement of all of its legal expenses, including, but not limited to, reasonable attorneys' fees and court costs incurred. The prevailing Party shall be entitled to reimbursement of all such expenses both in the initial proceeding or action and on any appeal therefrom.

E. This Release is binding on the Parties hereto and their respective successors, heirs, beneficiaries, agents, legal representatives, and assigns, and on any other persons claiming a right or interest through the Parties.

F. This Release may be executed in any number of counterparts, all of which shall be deemed to constitute one and the same instrument, and each counterpart shall be deemed an original.

IN WITNESS WHEREOF, the Parties hereto affix their signatures and execute this Release as of the day and year first above written.

FRANCHISOR:

**PRIME I.V. HYDRATION & WELLNESS, INC.**
**A Wyoming corporation**

_____
By:_____
Its:_____

FRANCHISEE:

_____

_____
By:_____
Title:_____

OWNERS:

| | | |
|---|---|---|
| | Owner's Residential Address: | Owner's % Ownership: |
| _____<br>Signature of Owner | _____ | |
| _____<br>Printed/Typed Name of Owner | _____<br>Owner's Title/Position with Franchisee: | _____% |
| _____<br>Signature of Owner's Spouse | _____ | |
| _____<br>Printed/Typed Name of Spouse | Date: _____, 200__ | |

**[The remainder of this page is intentionally left blank]**

# EXHIBIT L

## STATE EFFECTIVE DATES

## State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

| State | Effective Date |
|---|---|
| California | Exempt |
| Hawaii | Not Registered |
| Illinois | Not Registered |
| Indiana | Not Registered |
| Maryland | Not Registered |
| Michigan | Not Registered |
| Minnesota | Not Registered |
| New York | Not Registered |
| North Dakota | Not Registered |
| Rhode Island | Not Registered |
| South Dakota | Not Registered |
| Virginia | Not Registered |
| Washington | Not Registered |
| Wisconsin | Not Registered |

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

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# EXHIBIT M

## RECEIPTS

**RECEIPT**

**(YOUR COPY – RETAIN FOR YOUR FILES)**

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 Prime I.V. Hydration & Wellness, Inc. offers you a franchise, it must provide this Disclosure Document to you fourteen (14) 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, or sooner if required by applicable law.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this Disclosure Document at least 10 business days before the execution of any binding franchise agreement or other agreement or the payment of any consideration, whichever occurs first.

If Prime I.V. Hydration & Wellness, Inc. 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 applicable state agency listed in Exhibit A.

The franchisor is Prime I.V. Hydration & Wellness, Inc., located at 1434 Kelly Johnson Blvd., Colorado Springs, CO 80920. Its telephone number is (719) 375-1413.

The following franchise seller(s) will represent us in connection with the sale of our franchises: Amy Neary, Chief Executive Officer, at 1434 Kelly Johnson Blvd., Colorado Springs, CO 80920 and (719) 375-1413; and
(Name) _____ (Address)_____ (Phone) _____.

Date of Issuance: April 7, 2023

See Exhibit A for our registered agents authorized to receive service of process.

I have received a Franchise Disclosure Document dated April 7, 2023. This Disclosure Document included the following Exhibits:

A. State Administrators/Agents for Service of Process
B. Franchise Agreement for Unit Franchises
C. Operations Manual: Table of Contents
D. Financial Statements of Franchisor
E. Non-Disclosure Agreement, Confidentiality Agreement, and Brand Protection Agreement
F. List of Franchisees
G. Form UCC-1 Financing Statement
H. Amendment to Waive Management Agreement
I. State-Specific Disclosures
J. Required Vendor Agreements
K. Form of Transfer Agreement and General Release Agreement
L. State Effective Dates
M. Receipts

_____
Signature of Potential Franchisee

_____ _____
Date Print Name of Potential Franchisee

You may return the signed receipt either by signing, dating, and mailing it to us at Prime I.V. Hydration & Wellness, Inc., located at 1434 Kelly Johnson Blvd., Colorado Springs, CO 80920 or sending a copy via email to Franchising@PrimeIVHydration.com.

**RECEIPT**

**(OUR COPY – SIGN, DATE AND RETURN TO US)**

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M. Receipts

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Signature of Potential Franchisee

_____ _____
Date Print Name of Potential Franchisee

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