FRANCHISE DISCLOSURE DOCUMENT

PROFILE FRANCHISING, LLC
A South Dakota Limited Liability Company
1305 W 18th Street, P.O. Box 5039
Sioux Falls, South Dakota 57117-5039
877-373-6069
franchise@profileplan.com
www.profileplan.com

You will offer individualized weight management programs, goods, and services from a retail location. We also offer area development rights to develop and operate multiple locations within a specific development area under individual franchise agreements.

The total investment necessary to begin operation of a single PROFILE® franchise ranges from $399,000 to $656,000 for a stand-alone store, and from $197,000 to $376,700 for an in-facility store. This includes $206,500 to $246,500 for a stand-alone store, and $119,500 to $150,700 for an in-facility store, that must be paid to the franchisor or affiliate.

Our initial franchise fee for a single unit is $49,500. However, if you commit and are approved to develop three to five units within a development area, the initial franchise fee is $45,000 for the first unit, and $40,000 for each additional unit. If you commit and are approved to develop six to nine units within a development area, the initial franchise fee is $35,000 for each unit. If you commit and are approved to develop 10 or more units within a development area, the initial franchise fee is $30,000 for each unit. When you sign franchise agreements for each of the locations, a portion of your development fee payment will be credited against the respective initial franchise fee so that no additional initial franchisee fee will be payable at that time.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

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

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

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

Issuance Date: March 25, 2022

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 an 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 D.
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 C 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 PROFILE® 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 in involved in material litigation or bankruptcy proceedings.
What's it like to be a PROFILE® franchisee?	Item 20 or Exhibit D 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 E.

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

Special Risks to Consider About *This* Franchise

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

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

MICHIGAN NOTICE

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 against you joining an association of franchisees.

(b) A requirement that you assent to a release, assignment, novation, waiver or estoppel, which would deprive you of rights and protections provided under the Michigan Franchise Investment Law. This does not preclude you, after entering into a franchise agreement, from settling any and all claims.

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

(d) A provision that permits the franchisor to refuse to renew your franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures and furnishings. Personalized materials, which have no value to the franchisor, and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business, are not subject to compensation. This provision applies only if:

(i) The term of the franchise is less than five years; and

(ii) You are prohibited by the Franchise Agreement or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise, or if you do not receive at least six months advance notice of the franchisor's intent not to renew the franchise.

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

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

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

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

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

(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 you to resell to the franchisor items that are not uniquely identified with the franchisor. This does not prohibit a provision that grants the 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 it 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 you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in (c), above.

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

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

Any questions concerning this notice should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Franchise Section, 525 W. Ottawa Street, G. Mennen Williams Building, 1st Floor, Lansing, Michigan 48913, (517) 373-7117.

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EXHIBITS:

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

To simplify the language in this disclosure document "we," "us," or "our" means Profile Franchising, LLC, the franchisor. "You" or "your" means the person or persons, including legal entities and their owners, who buy the franchise.

The Franchisor and any Parents, Predecessors, and Affiliates

We are a South Dakota limited liability company formed on September 27, 2013. We do business only under the trade name and service mark "PROFILE" and under our legal name. Our principal business address is 1305 W 18th Street, PO Box 5039, Sioux Falls, South Dakota 57117-5039. Our agents for service of process and their addresses are listed in Exhibit E.

We were founded by Sanford Frontiers, which started operating a system of facilities offering weight management programs in October 2012 in Sioux Falls, South Dakota. It expanded to several additional locations, which it operated until January 1, 2014, when it transferred the facilities to Profile Development, LLC ("Profile Development"). We acquired the right to use our trademarks and systems from Sanford Frontiers and its subsidiary. Our affiliate Profile Products, LLC ("Profile Products") was formed in 2013 to provide to our franchisees food products and other merchandise for resale, branded items, and equipment.

Our parent company is Profile Plan, LLC, a Delaware limited liability company ("Profile Plan"), which is affiliated with Ten Oaks Group, a family investment office based in Charlotte, North Carolina. Our parent and predecessor and other affiliates described all share our principal business address of 1305 W 18th Street, PO Box 5039, Sioux Falls, South Dakota 57117-5039.

We have been offering franchises of the type described in this disclosure document since February 2014. We do not engage in any other business activities. Neither we nor any of our affiliates have offered franchises in any other line of business. We have never operated a business of the type described in this disclosure document, but Profile Development had operated similar businesses since January 2014, as described above.

The Franchise Offered

We franchise the operation of a business offering weight management services, using our business system, know-how, and trademarks. You will offer and provide weight management programs and services, and sell our meal replacement products, wireless Smart Body Scale, mobile application technology, coaching services to coach members on designing and implementing their weight loss and exercise plans, and selling customers customized "Profile® Plans." The "Profile® Plans" differ from many competing weight loss programs because the protocols have been designed by qualified physicians and dieticians and implemented only by Profile Certified Coaches. While each plan will be different, they will contain specific direction on nutrition, activity, and lifestyle modification including the use of meal replacement products, daily caloric intake, and specific caloric expenditures for daily recommended activity.

Some locations will be stand-alone stores, generally in or near retail malls. Other facilities may be in-facility stores, generally located within medical centers, hospitals, fitness centers or other larger businesses. Our facilities currently do not have weight training equipment, but you will use equipment to monitor your client's weight and health. Coaches are available for program support and for exercise programs.

If you qualify, we may offer you the right to open multiple units in a defined area, pursuant to the multi-unit area development agreement. Under that agreement you will commit to open a minimum number of units under individual franchise agreements. When you begin developing a unit, you will sign our then-current form of franchise agreement, which may have materially different terms than the franchise agreement described in this disclosure document.

Market and Competition

You will offer and provide services to the general public as well as to "Corporate Account Clients" with whom we have negotiated an arrangement. A Corporate Account Client may be a business entity or an association of business entities or individuals and may include, for example, a corporation with multiple employees or an association of independently-owned businesses engaged in the same trade, industry, or line of business. If we enter into a special arrangement with a Corporate Account Client, you will provide services to eligible participants in your trade area in accordance with the conditions, standards, procedures, policies, and pricing that we have negotiated for that Corporate Account Client.

The market for your products or services is competitive and developed. You will compete with national and local businesses offering similar products and services, including weight loss chains and sellers of diet foods. There are no guarantees of your success as there exist both typical and special business risk factors, including, without limitation: changing market conditions; competition; cost of supplies, equipment, real estate and improvements, capital and labor; your own health and continuity of your management; continuation of sources of supply; quality and availability of labor; availability of financing; recession or depression locally, nationally, or internationally; wars; governmental acts; strikes; emergencies; natural and man-made disasters; pandemics; epidemics; litigation; and liability and casualty losses. Risks of the business include industry and market developments, such as pricing policies of competitors, and supply and demand. This is not an exhaustive list of risk and loss factors; other factors may apply.

Industry-Specific Regulation

You must comply with all laws, codes, ordinances and regulations that apply to retail and service businesses generally, such as labor and employment laws. These include federal, state, and in most instances, city, county, parish, borough, municipality or other local laws.

Some laws that might apply to weight loss centers include consumer protection laws dealing with fair advertising, and with the marketing and operation of weight loss goods and services; federal laws regarding packaging and labeling of pre-packaged foods; state and local health and sanitation laws regarding proper storage and handling of frozen foods and other foods; state and local laws regarding dietetics and nutrition; and state laws applying to prepaid contracts and memberships requiring specific notices and procedures and possible bonding.

If you offer Profile Precise at your location, you must comply with all applicable laws regarding genetic testing and laboratory tests. Profile Precise is not available in all states. State and federal laws on genetic testing and laboratory tests are subject to change, and such change may result in you no longer being able to offer Profile Precise at your location.

You are responsible for identifying and complying with all laws that apply to the franchised business in your jurisdiction. You should research all of these requirements before you invest, and you should consult with your own legal counsel.

ITEM 2
BUSINESS EXPERIENCE

Chairman: Stephen Phillips

Stephen Phillips has served as our Chairman since January 2022. Stephen is also an Operating Partner with Ten Oaks Group. From May 2019 to February 2022, Stephen served as President and Chief Executive Officer of Exacta Land Surveyors, LLC, located in Cleveland, Ohio. From June 2018 to January 2019, Stephen served as Chief Financial Officer of Ervin Equipment Company located in Toledo, Ohio. From

June 2012 to June 2018, Stephen served as President of Berkshire Hathaway HomeServices, located in Irvine, California.

Chief Executive Officer: Nate Malloy

Nate Malloy has served as our Chief Executive Officer since March 2016, and since March 2016, he has also served as Chief Executive Officer of Profile Development and Profile Products. From February 2013 through February 2016, he served as our Chief Operating Officer, and as Chief Operating Officer of Profile Development, and Profile Products.

Vice President: Andrew Lovrovich

Andrew Lovrovich has served as our Vice President since January 2022. Andrew is also Partner with Ten Oaks Group and serves as Vice President of several other companies within Ten Oaks Group. From February 2018 to March 2021, Andrew served as Chief Operating Officer of Tennessee Industrial Electronics located in Nashville, Tennessee. From August 2017 to March 2021, Andrew also served in an executive role with Summit Park located in Charlotte, North Carolina.

Vice President, General Counsel, and Secretary: Curtis Griner

Curtis Griner has served as our Vice President, General Counsel, and Secretary since January 2022. Curtis is also Partner and General Counsel with Ten Oaks Group and serves as General Counsel and Vice President of several other companies within Ten Oaks Group. From September 2010 to April 2021, Curtis was a corporate attorney with McGuireWoods LLP, located in Charlotte, North Carolina.

Chief Operations Officer of Profile: Kevin Betts

Kevin Betts has served as our Chief Operating Officer since April 2019 and has also served as the Chief Operating Officer of Profile Development and Profile Products since that time. From July 2014 to March 2019, he served as Vice President of Franchise Operations for Wellbiz Brands, LLC in Englewood, CO.

Director of Franchise Development: Reagan Clemensen

Reagan Clemensen has served as our Director of Franchise Development since August of 2019. Prior to that, Mr. Clemensen served as Franchise Development Manager since November 2016, and he has been with Sanford Frontiers, Profile Development, and Profile Products since July 2013. From July 2013 to October 2016, he held numerous roles within the company including Business Development Specialist, Profile Operations Manager, and Business Development Manager.

Director of Strategic Growth: Kendall Thurlow

Kendall Thurlow has served as our Vice President and Director of Strategic Growth since January 2022. Kendall is also an Operating Partner with Ten Oaks Group and serves as Vice President of another company within Ten Oaks Group. From August 2016 to December 2021, Kendall was with Deloitte Consulting, in Dallas, Texas, where she started as a consulting manager and was promoted to Manager – Chief of Staff for Deloitte's healthcare sector.

Chief Marketing Officer: Brooke Fitts

Brooke Fitts has served as our Chief Marketing Officer since January 2020. She served as Senior Director of Creative and Digital Strategy for Sanford Health Marketing in Sioux Falls, South Dakota from July 2018 to March 2020. From February 2016 to July 2018, she served as Vice President of Operations for Central Payments, a Division of Central Bank of Kansas City, in Dell Rapids, South Dakota.

Chief Products Officer: Corey Condon

Corey Condon has served as Chief Products Officer since April 2017. From August 2014 to April 2017, Mr. Condon served as our Product Development Project Manager, and as Product Development and Project Manager of Profile Development and Profile Products.

ITEM 3
LITIGATION

Kenwood Investment Group, Inc., Jordan Richards and Nelson Richards v. Profile Franchising, LLC – Case Number 01-21-0000-1614. On January 12, 2021, Jordan Richards and Nelson Richards and their operating entity, Kenwood Investment Group, Inc. ("KIG"), former franchisees who closed their California location during the COVID pandemic, instituted arbitration proceedings with the American Arbitration Association in San Ramon, California. In their statement of claim, they alleged that we fraudulently induced the sale of the franchise, misrepresented material facts about the franchise opportunity, and failed to provide franchise support services. We filed a counterclaim seeking recovery of monies owed that they owed to us. On January 11, 2022, the parties entered into a settlement agreement, under which we paid KIG $325,000 and indemnified the franchisee parties from liabilities owing to K-2 Capital, Jordan Richards and Nelson Richards agreed to a two-year noncompete obligation, and the parties exchanged mutual releases. Sanford Frontiers has agreed to indemnify us for all losses arising out of this matter.

No other 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

<u>Initial Franchise Fee</u>

You must pay us an initial franchise fee when you sign the franchise agreement. Our standard initial franchise fee is $49,500.

We currently discount the initial franchise fee to $44,500 (i.e., a $5,000 discount) to veterans who have received a discharge (other than dishonorable), as well as any active-duty personnel. If the franchisee is a corporation, limited liability company, or other legal entity, the veteran participant must maintain at least a 51% ownership interest in the entity to qualify for this discount. To apply for the discount, you must provide us a copy of form DD-214, reflecting your military status, before the franchise agreement is signed. The military veteran's discount is only available on the first franchised business.

If you commit to develop multiple units under a development agreement, the initial franchise fee will be discounted as follows:

- If you commit to develop three to five units within a development area, the initial franchise fee is $45,000 for the first unit, and $40,000 for each additional unit.
- If you commit to develop six to nine units within a development area, the initial franchise fee is $35,000 for each unit.
- If you commit to develop 10 or more units within a development area, the initial franchise fee is $30,000 for each unit.

The initial franchise fee is nonrefundable upon payment. Except for the discounts offered above, the initial franchise fee is uniform for all franchisees. Some of our franchisees have paid different amounts in the past.

<u>Development Fee</u>

If we grant you the right to develop three or more units under a multi-unit area development agreement, you will sign our multi-unit area development agreement and pay us a development fee. The development fee is calculated as the sum of the initial franchise fees due for each unit, calculated according to the discount formula described above. For example:

- If you commit to develop three to five units within a development area, the development fee ranges from $125,000 (for three units) to $205,000 (for five units) ($45,000 for the first plus $40,000 for each additional unit);
- If you commit to develop six to nine units within a development area, the development fee is equal to $35,000 per unit and ranges from $210,000 (for six units) to $315,000 (for nine units); or
- If you commit to develop 10 or more units within a development area, the development fee is equal to $30,000 per unit: $300,000 (for 10 units) plus $30,000 for each additional unit.

Except for the discounts described above, the development fee is calculated uniformly for all new franchisees and is nonrefundable upon payment.

The development and operation of each unit developed under the multi-unit development agreement will be governed by a separate franchise agreement. As each franchise agreement is signed, we will credit a portion of your development fee payment to fully satisfy the initial franchise fee due under the franchise agreement, so that no additional initial fee is payable at that time.

Profile Start-Up Kit.

On or before opening, you must purchase from us or from our affiliate or designee a Profile Start-Up Kit. The Profile Start-Up Kit includes furniture (e.g., chairs), fixtures (e.g., shelving and built-in workspace furnishings), and equipment (e.g., computer system and body scanning equipment) to start the franchised business. The current cost is estimated to be $112,500 to $134,500 for a stand-alone store, and $62,500 to $81,500 for an in-facility store, depending on the size and configuration of your premises, and this fee is non-refundable and is to be in a lump sum. The Profile Start-up Kit is currently purchased from our affiliate, Profile Products or its designee(s).

Initial Product Inventory, Exterior Signage.

You must also purchase from us or from our affiliate or designee your initial product inventory and exterior signage. The cost of the initial product inventory is currently estimated to range from $20,000 to $25,000 for a stand-alone store and $12,500 to $20,000 for an in-facility store and is non-refundable and is to be paid in a lump sum prior to opening. The product inventory, meals, and other food items are currently all purchased from our affiliate Profile Products, but some may be purchased from third party vendors. The cost of the exterior signage is currently estimated to be $9,000 to $13,000 for a stand-alone store and $0 to $7,500 for an in-facility store and is non-refundable. The exterior signage is currently purchased from our affiliate Profile Products, but some may be purchased from third party vendors.

Specific Build-Out Materials.

Prior to opening, you must purchase from us or from our affiliate or designee the flooring, lighting, and graphics that we specify. We estimate that the purchase of these specific build-out materials will range from $25,500 to $29,500 for a stand-alone store, and $5,000 to $7,200 for an in-facility store. These materials are currently purchased from our affiliate, Profile Products.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	5% of weekly Gross Revenue	Weekly	See Notes 1 and 2.

Type of Fee	Amount	Due Date	Remarks
Marketing Fund Contribution	2% of weekly Gross Revenue	Weekly	See Note 3.
Multi-Area Marketing, marketing cooperatives, or local marketing	Amount we designate, not to exceed 2% of Gross Revenue	At such times and manner as we specify, or as required by any cooperative	
Technology Fee	Then-current fees, currently estimated to be $150 to $400 per month	At such times and manner as we specify, currently expected to be monthly	We have the right to impose a fee for the development and use of system technology.
ProfileOne – Web-based Profile® Center Management system	Then-current fees, currently $995 per month per franchised business (includes licensing for up to 5 employees). Additional user licenses can be purchased according to the fee schedule in Note 4.	At such times and manner as we specify, currently monthly on the fifth day of each month	See Note 4. Subject to annual increase.
Profile Coaches - Coach Education Fees	Then-current fees, currently: $250 per person for new coach certification; $20 per month per coach ongoing	Upon demand	If you hire a new coach, $250 will be charged to train the new coach. A fee of $20 is charged per month per coach to maintain the certification. In addition, if the training is conducted exclusively for your attendees other fees may apply. See Note 6 and Note 10.
Profile Manager – Manager Education and Training Fees (includes Business Development and Sales Training)	Then-current fees, currently: $500 per person for new manager training; after 12 months, $250 per year for ongoing manager training.	Upon demand	Manager training fees are in addition to required coach certifications and fees. Manager training fees include Business Development education. If the training is conducted exclusively for your attendees other fees may apply. See Note 7 and Note 10.
Business Development Personnel – Education Fees	Then-current fees, currently: $125 per person for new business development training.	Upon demand	Business development training fees are charged for specialty training on business development activities. Annual and updated training may be offered at your expense.

Type of Fee	Amount	Due Date	Remarks
Sales Training Education – Educational Fees	Then-current fees, currently: $125 per person for new sales training.	Upon demand	Sales training fees are charged for specialty training on business development activities. Annual and updated training may be offered at your expense.
Additional or Advanced Training	Then-current fees, currently up to $1,000 per person per training session	Upon demand	If the training is conducted exclusively for your attendees, other fees may apply. See Note 8 and Note 10.
Audits	Cost of audit plus interest at the maximum rate allowable by law	Immediately upon receipt of invoice	Payable only if an audit reveals that you have underreported to us. See Note 5.
Administrative Fee	$250 per enforcement effort (i.e., written or verbal notification and follow up) for noncompliance with Profile System standards, and $250 per week for each week that the issue remains unresolved	Upon Demand	We may assess an administrative fee to compensate us for our time.
Transfer Fee	50% of the then existing initial fee; or up to $15,000 if transferee is a current franchisee; plus a 10% commission on the gross transfer price (excluding real property), if we found the buyer for you	Upon application for consent to transfer	Payable when you transfer your franchise. See below for Securities Offering Costs.
Renewal Fee	$5,000 for first renewal; variable for subsequent renewals	At least six months before the end of the initial or any renewal term,	The fee for each subsequent renewal will be determined by the renewal agreement.
Damages, Liquidated Damages, Costs and Attorneys' Fees	Will vary under circumstances.	As incurred	Payable only if we incur damages or expenses, or if we prevail in arbitration or litigation. You pay liquidated damages of $500 per day for each day you continue to operate the Franchised Business using our Marks or systems, after expiration, termination, or transfer.

Type of Fee	Amount	Due Date	Remarks
Credit Card Convenience Fee	Will vary under circumstances, but typically 2.5% - 3% of total amount billed	As incurred	For payments of royalties, fees, products and other amounts billed to you under the Franchise Agreement, we may charge a pass-through credit card convenience fee as permitted by applicable law.
Late Charges and Interest	$100 per late payment or late report; plus 18% per annum; or the maximum amounts allowed by law	Upon demand	Payable if you fail to pay amounts owed to us when due, or file late reports.
Indemnification	Will vary under the circumstances	As incurred	You must indemnify us if we are held liable for claims by others arising out of or relating to your franchise business or your operations.
Supplier Review Fee	Our direct and indirect costs, subject to a minimum non-refundable fee of $2,000	$2,000 due upon submission of your request; remainder due as incurred	Our costs include third party testing cost, and a reasonable reimbursement of our time for us to evaluate your request.
Upgrading, Modernization and Maintenance Costs	Your costs and expenses will vary, but are estimated at from $500 to $5,000 annually.	Upon demand	Renovation is required every five years, and six months before the time of each renewal to our specifications. You must maintain, and upgrade annually Computer Systems, as we may prescribe.
Securities Offering Costs	Varies, see comments column	Upon demand	If you offer securities, we must review the prospectus or other offering documents and you will pay our costs. There is a minimum non-refundable fee of $5,000 that you will pay upon submitting an application for our review.
Management Fees if we must operate your facility as a result of your default	Our expenses, plus $500 per franchised business per day	Upon demand	We may operate one or more of your franchised businesses if you are in default under your franchise agreement.
Payments for Mandatory Goods, Services and Programs	Varies and may include reasonable processing fees	Upon purchase or billing	See Note 9.

All fees are non-refundable and all fees are uniformly imposed except as stated above.

Note 1: "Gross Revenue" is defined in the franchise agreement as "the gross amount, whether in money or other form of consideration, earned or received by you from any source in connection with the operation of the franchised business or with this franchise, or with any similar or related activity, whether on or off your business premises, and whether for goods or services or promotions. "Gross Revenue" excludes only sales tax receipts that you must by law collect from customers and that you pay to the government, and any customer refunds, allowances or discounts actually paid or credited by you according to our policies; and the transfer of substantially all assets of the franchised business not in the ordinary course of business. "Gross Revenue" also excludes income received from the sale of gift cards or stored value cards. All proceeds from the sale of gift cards or stored value cards belong to us, and we will collect and hold them. When you accept a gift card or stored value card as payment, we will reimburse you the redemption value, and such amount will be included in "Gross Revenue" at that time.

Note 2: Payment will be submitted by electronic funds transfer or any other means that we designate, and at the times that we designate. The royalty begins the first day that you begin business and continues throughout the duration of the franchise. In the event you pay amounts we bill to you via credit card, we will pass through to you a credit card convenience fee of up to 3% to the extent permitted by applicable law.

Note 3: We require you to contribute 2% of Gross Revenue to the Marketing Fund. See Item 11.

Note 4: ProfileOne is a suite of applications designed to provide a franchise owner with the core software needed to operate a store. Contained within the ProfileOne package are the following systems.

Software Package	Description
Retail and Scheduling	An online solution to manage member scheduling, inventory, and retail transactions.
CRM Systems	Web-based application used to nurture leads and manage members.
Profile Coaching Application	An online system used by both Profile employees and members to track and manage a member's overall progress.

In addition to the systems lists above, ProfileOne includes:

- Microsoft Windows licensing for computers provided by Profile
- Microsoft Office Word, Excel, Outlook, and OneNote (license type varies by employee)
- Microsoft Teams
- Streaming music subscription for your store
- IT support and helpdesk for the applications included in ProfileOne
- Remote management of your network, including intrusion detection and automated virus/malware scanning
- Online electronic faxing service

Licensing fees are inclusive of Microsoft operating systems, supporting applications, network equipment and VoIP phones. Evaluation of these fees is based on the staffing of five employees. Monthly licensing and subscription fees are subject to change. Additional license fees vary depending on the type of license required.

Additional License Package	Amount	Description
Email - Basic	$25 per user per month	A 50 GB email account with access to online versions of Outlook, Word and Excel. For use by coaches and sales representatives.

Additional License Package	Amount	Description
Email – Premium	$40 per user per month	A 100 GB email account with access to both online and desktop versions of Outlook, Word and Excel. For use by store owners and managers.
VoIP Phone	$160 one-time fee plus $30 per device per month	A single VoIP telephone connected to the Profile virtual PBX.

Subscription and service-based fees for up to 5 VoIP business phones are included in the ProfileOne fee. Phones purchased in addition to those provided with your initial store setup are charged per the fee schedule listed above. The purchase and service fees associated with your internet connection, mobile devices and mobile service carriers are not included.

Note 5: We will bear the cost of the audit, unless you fail to report as required, or you understate Gross Revenue by either 2% or more or by $500 or more for any reported time period, in which case you will pay the audit cost. Audit costs may vary from $0 (if understatement is less than 2% and less than $500) to more than $20,000 (in the case of your bad accounting practices).

Note 6: Initial coach certification is included for no extra cost for the first five coach-certified staff. Each of your Profile coaches must successfully complete the Profile Coach Certification Program before coaching members. Persons in addition to the five who attend the initial coach certification training, and any additional new coach certified staff you hire, you must pay us a fee (currently $250 per coach) in advance of the training. To maintain their Profile Coach Certification, all certified Profile coaches must complete the Continuing Education Units (CEUs) that we require every year (currently equates to approximately 15 hours) through Profile approved training seminars. Coaches with expired certification (i.e., those who have not completed their required CEUs), will not be allowed to coach members. A fee (currently $20) is charged per month per coach-certified staff. At our discretion the certification or training may occur at a designated location that we choose. A person from your staff must complete and maintain training in on-boarding coaches to our satisfaction as we deem appropriate. If necessary, you are responsible for your incurred expense for travel, food, accommodations, and other costs for all of your attendees.

Note 7: If you hire a new manager, you must pay the then-current fee (currently $500) to send the manager through manager training and the then-current fee (currently $250) to send the manager through Profile Coach Certification before that person starting work as a manager or coach. You or your designated manager must also attend manager training, no less than one time per year, in addition to any other training that we require described in Note 8 to this Item. Such training will occur at a designated location that we choose. The cost for annual designated manager training will be a training fee (currently $250) per person, subject to reasonable increase by us, plus travel, food, and accommodations and all other necessary expenses for all your attendees.

Note 8: You, your designated manager, and your other employees must complete to our satisfaction any additional or advanced training that we may reasonably require at any time. We require a minimum hours of employee development related to the sales and service path. The sales path is defined as member lead management conversion and service path is defined as member onboarding through member journey. If you do not complete to our satisfaction, you are subject to Administrative Fees and in default under the franchise agreement. We may require such training if we develop new aspects of our systems, new programs, or new training requirements, and we may require such training if you are underperforming in any way, or you are in default under the franchise agreement (in addition to our other remedies on default). Such training will be held at a location of our choice. We may charge a reasonable fee for such training (currently up to $1,000 per person) subject to reasonable increase by us, plus travel, food, and accommodations and all other necessary expenses for all your attendees. We currently do not require any additional or advance training.

Note 9: We may develop mandatory services, goods, and multi-area marketing programs. Multi-area marketing programs may include marketing to multi-area customers, Internet marketing, events, directories, affinity marketing, vendor programs, loyalty and gift card programs, and co-branding programs. Currently you must buy your product inventory from us, our affiliate, or our designee. You must also buy certain proprietary and branded merchandise from us, our affiliate, or our designee. The cost of these items will vary depending on your revenues and number of customers. Generally, items purchased from us are shipped immediately and invoiced upon receipt (you pay for freight, insurance and materials before shipping.) You also should consider the potential effect of inflation on future costs.

Note 10: At your request, or as we deem it necessary, we may provide this training, and we may charge you an amount up to $5,000 subject to reasonable increase by us to cover our related costs.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT FOR A STAND-ALONE STORE

Type of Expenditure	Amount(1)	Method of Payment	When Due	To Whom Payment Is to Be Made
Initial Franchise Fee(2)	$49,500	Lump sum	Upon signing of franchise agreement	Us
Profile Start-up Kit(3)	$112,500 to $134,500	Lump sum	Upon receipt of invoice	Us, our affiliate, or our designees
Initial Product Inventory(4)	$15,000 to $20,000	Lump sum	Upon receipt of invoice	Us, our affiliate, or our designees
Exterior Signage(5)	$9,000 to $13,000	As arranged	As arranged	Us, our affiliate, or our designees
Specific Build-out Materials	$20,500 to $29,500	As arranged	As arranged	Us, our affiliate, or our designees
Real Estate Leasehold Improvements(6)	$93,000 to $160,000	As arranged	As arranged	Us or our affiliate or our designees, Landlord, contractors, lender and vendors
Store Rent(7)	$5,000 to $19,500	As arranged	As arranged	Landlord
Lease and Utility Security Deposits(8)	$1,000 to $9,500	As arranged	Before opening	Landlord and utility companies
Initial Promotional Campaign(9)	$45,000 to $90,000	As arranged	As arranged	Approved suppliers
Insurance(10)	$2,000 to $4,000	As arranged	As arranged	Insurers

Type of Expenditure	Amount(1)	Method of Payment	When Due	To Whom Payment Is to Be Made
Training-related Expenses(11)	$2,500 to $6,000	As arranged	As arranged	Hotels, restaurants, and transportation providers.
Professional Fees(12)	$1,000 to $12,000	As arranged	As arranged	Your attorneys and other professionals
Architectural & Engineering(13)	$12,500 to $16,000	As arranged	As arranged	Approved suppliers
Licenses(14)	$500 to $2,500	Lump sum	As arranged	State, County and City
Additional Funds(15) (3-month period)	$30,000 to $90,000	As arranged	As incurred	Employees and suppliers
TOTAL	$399,000 to $656,000			

YOUR ESTIMATED INITIAL INVESTMENT FOR AN IN-FACILITY STORE

Type of Expenditure	Amount(1)	Method of Payment	When Due	To Whom Payment Is to Be Made
Initial Franchise Fee(2)	$49,500	Lump sum	Upon signing of franchise agreement	Us
Profile Start-up Kit(3)	$52,500 to $71,500	Lump sum	Upon receipt of invoice	Us or our affiliate or our designees
Initial Product Inventory(4)	$12,500 to $15,000	Lump sum	Upon receipt of invoice	Us or our affiliate or our designees
Exterior Signage(5)	$0 to $7,500	As arranged	As arranged	Us or our affiliate or our designees
Specific Build-out Materials	$5,000 to $7,200	As arranged	As arranged	Us, our affiliate, or our designees
Real Estate Leasehold Improvements(6)	$26,000 to $72,000	As arranged	As arranged	Us or our affiliate or our designees, Landlord, contractors, lender and vendors
Rent(7)	$2,000 to $6,000	As arranged	As arranged	Landlord

Type of Expenditure	Amount(1)	Method of Payment	When Due	To Whom Payment Is to Be Made
Lease and Utility Security Deposits(8)	$1,000 to $8,500	As arranged	Before opening	Landlord and utility companies
Initial Promotional Campaign(9)	$30,000 to $60,000	As arranged	As arranged	Approved suppliers
Insurance(10)	$1,000 to $2,000	As arranged	As arranged	Insurers
Training-related Expenses(11)	$1,500 to $6,000	As arranged	As arranged	Hotels, restaurants, and transportation providers.
Professional Fees(12)	$1,000 to $12,000	As arranged	As arranged	Your attorneys and other professionals
Architectural & Engineering(13)	$5,000 to $7,000	As arranged	As arranged	Approved suppliers
Licenses(14)	$0 to $2,500	Lump sum	As arranged	State, County and City
Additional Funds(15) (3-month period)	$10,000 to $50,000	As arranged	As incurred	Employees and suppliers
TOTAL	$197,000 to $376,700			

YOUR ESTIMATED INITIAL INVESTMENT
MULTI-UNIT AREA DEVELOPMENT AGREEMENT
(FOR THREE UNITS STAND ALONE OR IN-FACILITY)

Type of Expenditure	Amount(1)	Method of Payment	When Due	To Whom Payment Is to Be Made
Development Fee for a Commitment to Develop a minimum of Three Franchised Businesses (2)	$125,000	Lump sum	Upon signing of development agreement	Us, but will be credited against initial franchisees payable under the corresponding franchise agreements.
TOTAL	$125,000			

General Notes:

These amounts are estimates only; your actual costs will vary depending upon local market conditions, which are outside our control, and upon your choice of suppliers and locations. Your costs will also depend on how closely you follow our system standards, your management skill, local economic conditions, market fluctuations, regulations, tariffs, acceptance by local consumers, prevailing wage rates, competition and other factors. We cannot guarantee that your costs will not be higher. You should review the figures carefully with a business advisor before making any decision to purchase the franchise.

You should also allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing, macro and local market conditions, tariffs, and unforeseen events (such as storms, fire, traffic disruptions, technology problems, and strikes), which can be highly variable and can result in substantial, rapid and unpredictable increases in costs.

We occasionally may sell an operating company-owned business, and when doing so, we may charge for goodwill, other intangibles, and other items that add value to an existing ongoing business. Franchisees may also sell their existing businesses. These amounts are not included in this disclosure document as they vary, are specific to any operating unit to be sold, and are difficult to predict.

Except as disclosed in Item 10, we do not offer financing. The availability and terms of third-party financing depend on a number of factors, including availability of financing generally, your creditworthiness and available collateral, lending institutions' policies concerning the type of business you operate, and other factors. We cannot estimate your loan repayments to third parties.

To compile these estimates, we relied on our affiliates' experience in operating similar businesses.

Specific Notes:

Note 1. All payments are nonrefundable unless otherwise permitted by a third-party supplier.

Note 2. The current initial franchise fee for a single franchise is $49,500. With respect to the development fee, if you commit to develop three to five units within a development area, the development fee ranges from $125,000 (for three units) to $205,000 (for five units) ($45,000 for the first plus $40,000 for each additional unit). If you commit to develop six to nine units within a development area, the development fee is equal to $35,000 per unit and ranges from $210,000 (for six units) to $315,000 (for nine units). If you commit to develop 10 or more units within a development area, the development fee is equal to $30,000 per unit; $300,000 (for 10 units) plus $30,000 for each additional unit. The development fee will be credited against the initial franchisee fee payable under each corresponding franchise agreement. We anticipate that your initial investment for each type of store you develop will be the same as reflected in the corresponding charts shown above.

Note 3. The Profile Start-Up Kit includes equipment, computer equipment, furnishings and fixtures to start the franchised business. The equipment, such as scales, body scanning equipment and software, is used to monitor a customer's weight. There is currently no exercise equipment. See Item 5 above for a description of the Profile Start-Up Kit. We, our affiliate, or our designated vendors may be the only source for these items. The Profile Start-up Kit is currently purchased from our affiliate, Profile Products, or its designee(s). Cost of the Profile Start-Up Kit is subject to change based on local economic conditions, market fluctuations, regulations, tariffs, acceptance by local consumers, prevailing wage rates, competition and other factors beyond our control.

Note 4. You must purchase from us or from our affiliate or designee your initial product inventory that we specify. The product inventory, meals, and other food items are currently all purchased from our affiliate Profile Products, but some may be purchased from third party vendors.

Note 5. You must purchase from us or our affiliate or designee one exterior sign, monument signage and reserved parking signs that we specify. The exterior signage, monument signage and reserved parking signage are currently purchased from our affiliate Profile Products, but some may be purchased from third party vendors. Additional signage is at the owner's discretion. Cost of the specific build-out materials is subject to change based local economic conditions, market fluctuations, regulations, tariffs, acceptance by local consumers, prevailing wage rates, competition and other factors beyond our control.

Note 6. The costs of construction and leasehold improvements depend upon the size and condition of the premises, the nature and extent of required leasehold improvements, the local cost of contract work and your location. In some cases, your landlord may agree to pay for some of the leasehold improvements as part of your lease negotiations. The figures in this table include a reasonable and customary amount net of tenant improvement allowance. We must approve your site selection before you develop your store. We require a number of mandatory provisions in your lease agreement, and you and your lessor must sign an addendum to your lease in the form attached as Exhibit G, or other form that we approve. The contract for the build-out will be between you and the general contractor, and our internal development management team will provide space planning assistance and construction coordination services. The estimated costs for the specific build-out materials consisting of the flooring, lighting, and graphics that we designate are included in the low/high range in Item 8.

Note 7. The rent figures represent estimated three months' rent. Stand-alone store rent estimate assumes 1,500 square feet at approximately $13 PSF on the low range and approximately $52 PSF on the high range. These figures represent base rent plus NNN expenses (Property Taxes, Insurance, and other operating expenses that may be charged by your landlord). The rental expense may vary widely based on geographic location, size of the premises, local rental rates and other factors. A typical stand-alone store occupies from 1,200 to 1,500 square feet of commercial space, and a typical in-facility store occupies from 500 to 600 square feet of commercial space. For an in-facility store, rent may be in the form of a flat rate or a percentage of gross sales.

Note 8. Landlords may require a last month's rent and security deposit, and utility companies may require that you place a deposit before installing telephone, gas, and electricity and related utility services. A typical utility security deposit is one month's expense. A typical lease deposit will be an amount equal to one month's rent. These deposits may or may not be refundable according to the conditions of the agreements made with the utility companies and landlord.

Note 9. You must conduct an initial promotional campaign that complies with our standards. The minimum amount required to be spent is $45,000 for a stand-alone store and $30,000 for an in-facility store.

Note 10. Estimated three-month's premiums for insurance that we specify. See Item 8. Third parties, such as landlords, Medicare, and medical insurance carriers will have their own requirements. Their requirements and ours will change over time.

Note 11. You must make arrangements and pay the expenses for you and your staff to attend our training program, including transportation, lodging and meals. Your costs will depend, in part, on the distance you must travel and the type of accommodations you choose. The high figure represents the estimated cost of airfare to and from the training locale, lodging expenses (assuming double occupancy for five nights), and dining expenses for five people attending four and a half days of training. The low figure assumes the five individuals will carpool from home to the training locale in the same vehicle, and includes fuel costs, lodging expenses (assuming double occupancy for four nights), and dining expenses.

Note 12. We recommend that you engage your own attorney to help you evaluate this franchise offering, to identify the laws and regulations that may apply to your franchised business, to help you set up a business entity, to review and negotiate your lease, to assist you in adapting the membership agreement to laws and regulations in your state or locality, and for whatever other purpose you deem appropriate. You may also desire to engage a lease consultant, an accountant, and other professionals.

Note 13. You must sign an architectural agreement with our vendor to provide architectural and engineering services. The amount of the agreement is an estimate only; your actual costs will vary depending on local and state permitting agencies. The scope of the architectural agreement includes all architectural and engineering services required to produce a set of construction documents, manage the permitting process, and provide construction administration on a time and materials basis.

Note 14. This is an estimate of various licensing fees you may pay in your first three months of operation, which may include music licensing, software licenses, state health center or health membership club registration and bonding, and state and local business licenses.

Note 15. This is the estimated amount of working capital you will need to cover other initial operating expenses for a period of three months. These figures are estimates, and we cannot guarantee you will not have additional expenses starting the business, or that you will ever achieve profitability. These figures do not represent an expected period to break-even on your store. If you are not profitable or have low net cash flow, your working capital needs will be higher. Expenses not included are rent and other estimates in other rows in the chart above, and owner draw, profit or salary, and interest or other cost of debt or equity financing. To compile this estimate of additional funds, we relied on our affiliates' experience in operating similar businesses. As described above in this footnote, the factors and basis for such estimate will vary from location to location, including such factors as location, demographics of surrounding area, competition, and your skills and effort.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Purchases or Leases; Required and Approved Suppliers.

You must purchase certain goods and services from approved or designated sources. We may offer or designate others to offer certain supplies or services, and our affiliates or we may become approved suppliers or the only approved supplier for other goods and services.

You must purchase from us, or our affiliates or designees, the Profile Start-up Kit, which will contain certain equipment and goods, branded merchandise, copyrighted works, and inventory; forms, manuals, templates and checklists (in whatever medium). We may be the only supplier for certain multi-area marketing programs, such as Internet marketing, national accounts, co-branding programs, and loyalty programs. We or our affiliates or designees may be the only approved supplier of meals, shakes, bars, other nutrition products, and for certain proprietary and branded merchandise. We or our affiliates or our designees may be the only approved supplier for exterior signage and certain specific build-out materials included in the overall leasehold improvement items (e.g., flooring, lighting, and graphics). We or our affiliate or our designee may be the only approved supplier for certain customer technology relating to remote coaching and for your services and products including customized "Profile® Plans."

We or our affiliates are currently the only approved supplier for:

- Profile Start-up Kit, which is currently purchased from our affiliate, Profile Products, or its designee(s);
- Certain site selection services and site development services;
- All customer coaching and plans, including customized "Profile® Plans";
- All Internet marketing (including social media), and all marketing materials and programs;
- Product inventory, such as meals, shakes, bars, and nutrition products, scales and equipment, and accessories; which is currently purchased from our affiliate, Profile Products;
- Exterior signage, which is currently purchased from our affiliate, Profile Products; and
- Specific build-out materials which are currently purchased from our affiliate, Profile Products.

Except as noted above, neither we nor our affiliates are currently approved suppliers for any other goods or services. None of our officers own an interest in any privately-held suppliers, or a material interest in any publicly-held suppliers, of the Profile Franchising franchise system. Occasionally, our officers may own non-material interests in publicly-held companies that may be suppliers to our franchise system.

You must obtain the insurance that we specify, in addition to any specified by landlords, health insurers and others. Our insurance requirements may be changed by us in our discretion, but currently are summarized below:

(i) commercial general liability insurance (occurrence form) with a minimum policy limit of $1,000,000 per occurrence or such greater amount as we may reasonably specify;

(ii) commercial automobile liability insurance, including owned, non-owned, and hired automobiles, with a minimum policy limit of $1,000,000 per occurrence or such amount as we may reasonably specify;

(iii) any legally required insurance (such as workers' compensation insurance);

(iv) umbrella/excess liability insurance with a minimum limit of $1,000,000;

(v) commercial property insurance coverage (special form), including spoilage and business interruption in an amount sufficient to replace the Franchised Business;

(vi) to the extent reasonably available, we may require you to obtain in such amount as we may reasonably specify: (A) employment practices liability insurance; (B) professional liability and errors and omissions insurance with minimum liability limits of $1,000,000; and (C) Network security/privacy liability coverage, including media coverage; and

(vii) any other insurance we may reasonably require.

Landlords, Medicare, and medical insurance carriers will have their own insurance requirements.

You must acquire computers, mobile smart devices, smart processors in hardware including point of sale devices, software and related hardware, accounting systems, and systems to access the Internet, all as we specify (collectively, the "Computer Systems"), at a cost described in Item 11.

<u>Alternative Supplier Approvals</u>.

We base our specifications and product and supplier approvals on our discretionary determination of quality, value and appearance. We grant and revoke approval of alternative suppliers in our sole discretion. We have no written criteria for supplier approval, but we will consider the interests of customers and our system, including economies of scale and consistency and quality. You may not purchase from alternative suppliers until the suppliers are approved by us. The time period in which franchisees will be notified of approval or disapproval, is normally about 30 days, but may take more time if reasonable. Approvals may be revoked at any time by us in our sole discretion by notifying you in writing; and we consider the interests of customers and the system, including economies of scale and consistency and quality, in exercising that discretion. Specifications are generally issued only to suppliers who sign our form of non-disclosure agreement, and are not issued to franchisees, and whether the franchisor's specific criteria for supplier approval are not available to franchisees. If you want to purchase any product of an unapproved brand, you must notify us, and must pay us a supplier review and testing fee equal to our direct and indirect costs, but at least $2,000. We will, within a reasonable time, determine whether the unapproved brand has performance characteristics, quality, appearance, reliability, and other relevant characteristics similar to the product brands then approved by us. We may require your suppliers to sign a non-disclosure agreement, guarantee our level of quality, and produce sufficient samples to allow us to test the samples at your expense.

<u>Preferred Suppliers</u>

We may have relationships with certain suppliers which we allow you to opt into and receive reduced or discounted rates on goods, supplies, or services. You are not required to use these preferred suppliers. In the event you elect to use these preferred suppliers, some of them may require you to sign a membership agreement, participation agreement, or other similar agreement in order to qualify for reduced rates or discounts. If you elect to use such suppliers and we are required to pay on your behalf or guaranty payment, you will reimburse us for goods or services you purchase or consume and any incidental costs, expenses or fees incurred on your behalf.

Our Specifications and Standards.

You must operate the business according to our standards and specifications, which will be communicated to you via our manual and in other documentation we may issue from time to time. Your store lease and equipment leases, fixtures, equipment, inventory, systems, multi-area marketing programs, and other goods and services, and materials required for the operation of the franchised business must conform to our standards and specifications. We may modify our standards and specifications at our discretion, to comply with changes in technology, laws and markets, and for any other reason that we deem appropriate.

Revenue Derived from Franchisee Purchases and Leases.

Our suppliers may make payments to us or to our affiliates based on purchases by our franchisees. These payments may be in the form of commissions, promotional fees, advertising allowances, rebates, our annual convention promotions, or other payments.

We or our affiliates may derive revenue, profit, or markups from sales or leases to you for goods or services that we or our affiliates supply.

Based on our audited financial statements, during our last fiscal year (ended December 31,2020), we derived $0 of consideration resulting from purchases or leases of products and services by our franchisees. During our last fiscal year, our affiliate Profile Products derived $11,913,899 in revenue as a result of franchisee purchases or leases. This included revenue derived from the sale of meal replacement and other products.

Estimated Proportion of Required Purchases and Leases to all Purchases and Leases.

We estimate that required purchases and leases (meaning purchases and leases from us, our designated suppliers and purchases and leases of items meeting our specifications) will account for approximately 80-90% of your purchases and leases in establishing the Franchised Business and approximately 70-90% of your purchases and leases in operating the Franchised Business.

Description of Purchasing Cooperatives; Purchasing Arrangements.

There are no franchise purchasing or distribution cooperatives. We do not promise to negotiate purchase arrangements with suppliers for the benefit of franchisees. You will not receive any material benefit based solely on your use of designated or approved sources.

ITEM 9
FRANCHISE OBLIGATIONS

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

	Obligation	Section in Franchise Agreement	Section in Area Development Agreement	Disclosure Document Item
a	Site selection and acquisition/lease	Sections 2.2, 2.10 and 3.2;	Section 4.1	Items 5, 7, 8, 11 and 12
b	Pre-opening purchases/leases	Sections 2.9 and 2.11	Not Applicable	Items 5, 6, 7, 8 and 11
c	Site development and other pre-opening requirements	Sections 2.10, 3.2, and 5.4	Not Applicable	Items 5, 6, 7, 8 and 11

	Obligation	Section in Franchise Agreement	Section in Area Development Agreement	Disclosure Document Item
d	Initial and ongoing training	Sections 3.4-3.8	Section 4.1	Item 11
e	Opening	Sections 2.9 and 3.7	Section 2.1	Items 11 and 12
f	Fees	Sections 2.10, 3.5, 3.6, 3.8 4.1-4.5, 4.7-4.8, 4.11-4.13, 4.15, 4.17, 6.1, 7.2(a)(vii), 7.3(h), 7.5, and 8.6	Sections 2.1, 3.1, 8.1	Items 5, 6 and 7
g	Compliance with standards and policies/manual	Sections 2.7, 2.8, 2.10-2.13, 3.1, 6.1, and 6.4	Not Applicable	Items 8, 11 and 16
h	Trademarks and proprietary information	Sections 2.1, 2.8, 3.1, and 6.1	Section 5.2	Items 13 and 14
i	Restrictions on products/services offered	Sections 3.3 and 6.1	Not Applicable	Items 8 and 16
j	Warranty and customer service requirements	Sections 5.7, 6.1-6.2 and 6.4	Not Applicable	Item 16
k	Territorial development and sales quotas	Section 2.6;	Sections 2.1 and 2.4	Item 12
l	Ongoing product/service purchases	Section 6.1	Not Applicable	Item 8
m	Maintenance, appearance and remodeling requirements	Sections 2.10, 2.12, 3.3 and 6.1-6.2	Not Applicable	Item 11
n	Insurance	Section 5.6	Not Applicable	Item 6
o	Advertising	Sections 2.5, 2.12-2.13, 3.3, 4.5, and 6.1	Not Applicable	Items 6 and 11
p	Indemnification	Sections 5.8 and 9.18	Section 5.4	Item 6
q	Owner's participation/ management/staffing	Sections 3.5-3.8, 5.1(c) and 6.1(i)	Not Applicable	Items 11 and 15
r	Records and reports	Section 4.12	Not Applicable	Item 6
s	Inspections and audits	Sections 4.13, 6.1(e), and 7.4(e)	Not Applicable	Items 6 and 11
t	Transfer	Sections 7.5, and 7.8	Sections 8.1-8.2	Item 17
u	Renewal	Section 7.2	Not Applicable	Item 17
v	Post-termination obligations	Sections 7.3, 7.4, 8.1, and 9.6	Section 7.3	Item 17
w	Non-competition covenants	Section 8.1	Not Applicable	Item 17
x	Dispute resolution	Sections 8.2-8.3	Section 9.6	Item 17
y	Other: Guarantee	Schedule 2	Not Applicable	Item 15
z	Other: Collateral Assignment	Section 4.16	Not Applicable	Item 10

ITEM 10
FINANCING

SUMMARY OF FINANCING OFFERED

We do not offer direct or indirect financing. We will not guarantee any of your debts, notes, leases or other obligations.

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

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

Before you open your business, we will:

1. Approve your designated territory (Sections 2.1-2.2, franchise agreement).
2. Provide feedback on site selection for the Store, and will provide space planning assistance, all as we deem appropriate (Section 3.2, franchise agreement).
3. Approve your site selection for the Store (Section 3.2, franchise agreement).
4. Specify or approve the goods, services, lease, fixtures, inventory, equipment, software, marketing, trademarks, and trade dress to be utilized in the franchised business (Sections 3.3, 4.5-4.9, franchise agreement).
5. Train you in the training program (Sections 3.4-3.5, franchise agreement). Also, see below in this Item 11 for information on the training program.
6. Lend you or allow you electronic access to a copy of the confidential manual, which embodies our systems, and which may be amended, supplemented, or replaced by us at any time. (Section 3.1, franchise agreement). This manual is confidential and remains our property, and we may modify it at any time. The table of contents of the manual with the number of pages for each section as of our latest fiscal year-end (unless another date is stated) is attached as <u>Exhibit J</u>. The manual currently contains 217 pages.
7. Supply you with The Profile Start-Up Kit, your initial product inventory, exterior signage and certain specific build-out materials included in the overall leasehold improvements items under terms described in Item 7 above; and with certain proprietary and branded merchandise; and with certain customer technology relating to remote coaching and to customized "Profile® Plans." (Sections 4.2 and 4.3, franchise agreement).
8. Provide on-site start up assistance for up to four days or a period of time we deem appropriate. (Section 3.7, franchise agreement).

After you open your business, we will, at no additional charge, except as described below:

1. Continue to offer advice, guidance and experience to you, answer your questions and provide ongoing consultation (Sections 3.4, 3.6 and 3.8-3.9, franchise agreement).
2. Continue efforts to develop the systems, and lend you or allow you access to any amendments, supplements or replacements to the confidential manual (as described above), and any amendments. We will notify you if there are any changes made to policies or procedures, so all changes that do not require expenditures by you must be adopted immediately upon notification. Those changes requiring expenditures must be adopted within 90 days of notification (Sections 6.1(d), 6.1(g) and 7.2(a)(vi), franchise agreement).
3. Review and approve advertising and marketing materials submitted to us by you (Sections 4.5 and 4.7-4.9, franchise agreement).

4. Administer the marketing account, which will be placed in a separate account, and provide an annual accounting of such funds, and to expend those funds on development of marketing and promotion (see below and Sections 4.5 and 4.7-4.8, franchise agreement). We may charge the fund a reasonable fee to administer the fund and for our overhead costs.

5. Provide supplemental training of you and your employees, at your cost (Sections 3.4, 3.6, and 3.8 of franchise agreement).

6. We may negotiate and enter into accounts with Corporate Account Clients and require you to provide services according to the terms, including price terms, that we have negotiated (Section 4.18, franchise agreement).

7. To the extent permitted by law, we may set your maximum and minimum prices to customers, require promotional pricing, and determining pricing strategy of Multi-Area Marketing Programs (Section 4.19, franchise agreement).

Length of Time between Signing of Franchise Agreement and Opening

The typical length of time between the signing of the franchise agreement or the first payment of any consideration for the franchise, and the opening of the franchised business has historically been approximately four to twelve months. The factors that affect this length of time are the time it takes to select a site, negotiate a lease, perform the build out, order and install initial equipment and supplies, and to mutually schedule and satisfactorily train you before the opening of business, and the length of time of your pre-opening preparations.

You must open within 12 months of signing the franchise agreement or, if applicable, in accordance with any multi-unit area development agreement. If you fail to open within this required time period, we may terminate the franchise agreement.

Marketing Fund

We require you to contribute to the Marketing Fund an amount equal to 2% of your weekly Gross Revenue.

The Marketing Fund is administered by us or by our designee. We may use the Marketing Fund for marketing, promotion, and advertising; marketing research and development; franchisee individual or group advertising or marketing; local, regional, national, or international marketing; marketing on the Internet; administration of advertising or marketing (including salaries, accounting, collection, legal, and other direct and indirect costs); related expenses; and any media or agency costs. Expenditures may or may not be proportionate to contributions or provide any direct benefit to any franchisee. We have the discretion how to spend the Marketing Fund, and have no fiduciary duty with regard to the Marketing Fund. We make no representations that any particular expenditure made or benefit given for particular programs, particular franchisees, or particular locations or regions. The media where advertising may be disseminated may be print, mail, telephone, radio, television, computer, Internet, or any other media. Coverage of the media may be local, regional, or national. An in-house advertising department or a national or local advertising agency may produce the advertising. Marketing Fund contributions also may be spent for activities that are principally a solicitation for the sale of franchises. Monies that are not spent within the fiscal year in which they accrue may be accumulated and spent in subsequent years. During our last fiscal year, the marketing fund was used 34% on production, 64% on placement, and 2% on administrative expenses.

All franchisees contribute to the Marketing Fund at the same rate. Although not contractually obligated, our company-owned stores contribute to the Marketing Fund in the same manner as our franchisees. The Marketing Fund need not be audited. At your request, we will provide you with an annual unaudited summary of Marketing Fund receipts and expenditures within 120 days after the end of each of our fiscal years.

Advertising Council

There is no multi-area marketing council or cooperative yet formed to advise us on marketing policies.

Multi-Area Marketing Fund and Marketing Cooperative Contribution

We may also require you to join, participate in and pay into multi-area marketing programs, regional marketing cooperatives, or to spend an equivalent amount of money on your own local marketing. The cost of such programs will not exceed 2% of your Gross Revenue. If directed by us, you will participate, at your expense, in multi-area marketing programs as determined by us. We may under such programs require franchisees to refer certain customers to or from one another or us.

Regional franchisee cooperatives may be established and administered by a majority vote of the franchisees in that region, and must be approved by us in our discretion. The purpose of the franchisee cooperative will be solely to develop and implement cooperative marketing and special promotions within the region. The amount of contribution and type of marketing or promotions approved will be set by majority vote of the members of the cooperative, but we will not approve a contribution of more than 2% of your Gross Revenue. Each member, whether you, us, or our affiliate, must contribute in the same manner and in the same amount established by the cooperative. We must approve the formation of the cooperative, amount of contribution, franchisees that must join, regions covered, governing documents, and all marketing and promotions, and we have the exclusive right to administer the cooperatives. No franchisee cooperative has yet been created and, therefore, no governing documents are available for your review. The cooperative must prepare annual unaudited financial statements, which must be delivered to us and other franchisees in the cooperative within 120 days after our fiscal year end. We may form, change, dissolve, or merge any cooperative.

You must make reasonable efforts to participate in and cooperate with all advertising and marketing programs selected by us or any approved group of franchisees, (including Internet marketing programs).

Franchisee's Minimum Marketing or Promotion

You will spend a minimum of 2% of your Gross Revenue each month on marketing and promotion, in such media and such times as we approve. You will receive credit against the 2% minimum for amounts spent for multi-area marketing programs or regional marketing cooperatives. You will spend the amount determined by us on an initial promotional campaign before or within three months of opening. All such expenditures will be reported to us at such times and in such manner as we specify. The initial promotional campaign is described in Item 7 above, and the minimum amount required to be spent is $45,000 for a stand-alone store and $30,000 for an in-facility store.

Our Approval

All advertising, marketing and promotion by you must be approved by us in advance in writing (email will suffice). Our approval will normally take 7 to 10 days. You are responsible for all expenses of your independent marketing. You must follow our trademark and copyright usage directions. You will be subject to Administrative Fees for any use of unapproved marketing materials until the materials have been reviewed and approved for market placement or for any deviancy in brand standards as determine by us in our sole and absolute discretion. We control all Internet (including mobile and social media) access, marketing, and usage, and you may not advertise on the Internet without our prior consent.

Computer and Communications Systems

You must acquire, maintain, and upgrade Computer Systems, including software and hardware, point of sale system, accounting systems, and a web-based coach application. The estimated cost of purchasing your Computer Systems is $36,000 to $40,000 for a stand-alone store, and $13,000 to $21,000 for an in-facility store. You must maintain, upgrade and update your Computer Systems during the term of the franchise, as we periodically determine, at your expense. There are no limits on the cost or frequency of your obligation to do so. This estimated ongoing cost is estimated to be approximately $500 to $1,000 per year.

Your Computer Systems will be used to report to and communicate with us, and with your customers for the web-based coach application, and for other tasks that we may designate. We may have independent access to the information required in our reports and information generated and stored in your Computer Systems, without limitation. You must transmit information to us in real time or at intervals that we specify in the form and manner that we specify.

Computer Systems are vital to us and to you, and are vulnerable in varying degrees to problems such as viruses, worms, spy-ware, power and access disruptions, Internet content failures, hardware and software failures, and cyber security breaches, and attacks by hackers and other unauthorized intruders. It is your responsibility to protect yourself from these problems. This may include taking reasonable steps to secure your Computer Systems and other systems (including using and continually updating firewalls, access code protection, and anti-virus systems), to use backup systems, and to comply with privacy and data security laws. If you discover a data breach requiring notification to any third party, you must also simultaneously notify us.

Methods Used to Select the Location. We will provide feedback on the location for your Store that meets our site selection criteria, and will mutually agree on the final site. Our site selection criteria includes factors such as cost, distance between locations, population and demographics of the surrounding area, traffic patterns, accessibility, visibility, nearby tenants, and similar factors which we analyze based on our experience and our own subjective judgment. We cannot predict, represent, or warrant success, suitability, or income levels for any location.

Within 30 days after all requested information concerning the site has been obtained, we will notify you whether or not the site is approved. If you and we do not agree on a site in time for you to open within the time frame required under the franchise agreement, you will be in default, and the franchise agreement may be terminated without a refund.

Initial Training

The initial mandatory Owner Training, Manager Training Program and Coach Training and Certification Program will take place in Sioux Falls, South Dakota, or at another location that we choose. All or a portion of the programs may be conducted virtually. Owners are required to attend the initial, 2-day, owner training within 90 days of signing the franchise agreement (For multi-owner groups, at least 1 owner must attend). Your designated manager must complete the initial Manager, Sales, and Business Development Training Program (which includes the Coach Training and Certification Program) to our satisfaction. The initial mandatory Manager Training Program is normally about 12 weeks, including both classroom and on-the-job training. Each of your Profile coaches and manager is required to successfully complete the Profile Coach Certification Program before coaching members. The Profile Coach Certification program includes a combination of 40-80 hours of guided on-the-job training and online training modules followed by 3.5 days of classroom training concluding with successful completion of the Coach Certification Examination. The Coach Certification classroom training will occur in Sioux Falls, South Dakota, or another location that we choose. All or a portion of the training may be conducted virtually. All initial training will take place after the signing of the franchise agreement and payment of the initial franchise fee, but before the franchised business opens. Initial manager and coach certification is included for no extra cost for the first five coach-certified staff. Persons in addition to the five may attend the initial Coach Training and Certification Program at the rate detailed in Item 6 – Other Fees. You must pay for travel, food, accommodations and other costs for all your attendees.

If required training is not completed to our satisfaction, you may be subject to Administrative Fees in our sole discretion. In addition, we may also terminate your franchise agreement, and all post-termination covenants will remain in effect. If this is your second franchise location, we will provide the initial Manager Training Program to your new manager of that location. If this is your third or subsequent franchise location, Profile may, at its option, (i) require you to provide the Manager Training Program, or (ii) we will provide the Manager Training Program at the costs detailed in Item 6 – Other Fees.

Our initial training program includes instruction in the following subjects:

NEW OWNER TRAINING PROGRAM

Subject	Profile Support	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Kick off calls (4 – one-hour): Real Estate, Construction, Business Development Overview, Staffing	District Manager or Regional Trainer	0	4	By phone/video
In-person training: Build your Store, Build your Team, Build your Base	HQ Staff	16	0	Profile Corporate Office in Sioux Falls, SD or designated location and/or virtual classroom
Pre-opening calls (est. 10 – one-hour):	District Manager or Regional Trainer	0	10	By phone/video
Total		16	14	

PROFILE MANAGER, TRAINING PROGRAM:

Subject	Profile Support	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Module 1: In-Store Shadowing	District Manager or Regional Trainer	10	30	Company owned outlet or designated franchise location and/or virtual classroom
Module 2: Coach Training	Learning & Development Team	38	2	Profile Corporate Office in Sioux Falls, SD or designated location and/or virtual classroom
Module 3: Manager Training 1:	District Manager or Regional Trainer	14	26	Company owned outlet or designated franchise location and/or virtual classroom
Module 4: Manager Training 2	District Manager or Regional Trainer	14	26	Company owned outlet or designated franchise location and/or virtual classroom
Module 5: Manager Training 3: Sales Training	District Manager or Franchise Sales Specialist	5	115	New Franchise Market
Module 6: Manager Training 4: Business Development	District Manager or Franchise Sales Specialist	5	115	New Franchise Market

Subject	Profile Support	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Module 7: New Store Setup	District Manager or Setup Team	8	32	New Franchise Location
Module 8: New Store Go-Live	District Manager or Regional Trainer	0	40	New Franchise Location
Total		94	386	

PROFILE MANAGER, AND BUSINESS DEVELOPMENT TRAINING PROGRAM:

Subject	Hours Of Classroom Training	Hours Of On-The-Job Training	Location
Week 1: Shadow in Manager Mentor market	8	32	Company owned outlet and/or virtual classroom
Week 2: Coach Training	31	40-80	Our corporate offices in Sioux Falls, South Dakota and/or virtual classroom
Week 3: Manager Training 1	20	20	Company owned outlet in Sioux Falls, South Dakota or other company owned outlet and/or virtual classroom
Week 4: Manager Training 2 – Mentor store	8	32	Company owned outlet in Sioux Falls, South Dakota or other company owned outlet and/or virtual classroom
Week 5: Manager Training 3 – In Market/Sales Training	5	35	Company owned outlet or designated franchise location and/or virtual classroom
Week 6: Manager Training 4 – In Market/Business Development	5	35	Company owned outlet or designated franchise location and/or virtual classroom
Week 7: New Store Setup/Regional Manager or Corporate staff onsite.	8	32	Company owned outlet or designated franchise location and/or virtual classroom
Week 8: New Store Go-Live – Regional Manager or Corporate Staff onsite	0	40	Company owned outlet or designated franchise location and/or virtual classroom
Total	85	266-306	

PROFILE COACH TRAINING AND CERTIFICATION PROGRAM:

Subject	E-learning Training Hours	Practical Application Hours	Location
Welcome to Profile	2		Online/digital, company owned outlet or designated franchise location
Protocols and Phases	4	4	Online/digital, company owned outlet or designated franchise location

Subject	E-learning Training Hours	Practical Application Hours	Location
Coaching Skills	2	2	Online/digital, company owned outlet or designated franchise location
Profile Systems	1	2	Online/digital, company owned outlet or designated franchise location
Profile Solutions	1	2	Online/digital, company owned outlet or designated franchise location
Legal & Ethics	1		Online/digital, company owned outlet or designated franchise location
Service Path and Journey Mapping 1-6	1	2	Online/digital, company owned outlet or designated franchise location
Store Operations		2-8	Online/digital, company owned outlet or designated franchise location
Shadow Appointments		2-8	Online/digital, company owned outlet or designated franchise location
Co-coaching Appointments		2-8	Online/digital, company owned outlet or designated franchise location
Role Play	2	2	Online/digital, company owned outlet or designated franchise location
Exam	1		Online/digital, company owned outlet or designated franchise location
Total	15	20-38	

We do not maintain a formal training staff. Training will be conducted under the supervision of Nate Malloy and Kevin Betts whose experience with us and in the industry is disclosed in Item 2.

<u>On-Site Start-Up Assistance and Training</u>. In consideration of the initial franchise fee, we will provide a representative to assist you on-site for up to four days or for a period of time we deem appropriate.

<u>Subsequent Manager Training; Annual Training</u>. If you hire a new manager you must pay us the then-current fee (currently $500) to send the manager through the Owner/Manager Training Program and the then-current fee (currently $250) to send the manager through Profile Coach Certification Program, before that person starting work as a manager or coach. New managers may be required to obtain job shadowing/training at your location or another Profile Store location. You or your designated manager must also attend manager training no less than one time per year, in addition to any other training that we require described in Note 8 to this Item. Such training will occur at a designated location that we choose. The cost for annual designated manager training is currently $250 per person, plus travel, food, and accommodations and all other necessary expenses for all your attendees, subject to reasonable increase by us. Failure to complete any subsequent Manager or Annual Training may result in Administrative Fees in our sole discretion.

<u>Coach Certification and Training; Continuing Education</u>. Initial coach certification is included for no extra cost for the first five coach-certified staff. Each of your Profile coaches must successfully complete the Profile Coach Certification Course before being scheduled for appointments and coaching members. Persons in addition to the five who complete the initial coach certification training, and any new coaches you hire after the initial five, must pay us our then-current fee (currently $250) per coach. To maintain their Profile Coach Certification, all certified Profile coaches must complete the Continuing Education Units (CEUs) that

we require every year (currently equates to approximately 15 hours) through Profile approved training experiences. Coaches with expired certification (i.e., those who have not completed their required CEUs), will not be allowed to coach members. A fee (currently $20) is charged per month per coach-certified staff to cover continued education and to maintain a Profile Coach Certification. Such certification or training may occur at a designated location that we choose, at your expense for travel, food, accommodations and other costs for all your attendees. Most CEUs are available in Empower U.

Additional or Advance Training. You, any designated manager, and any employee who you hire must complete to our satisfaction any additional or advanced training we may at any time reasonably require. We may require such training if we develop new aspects of our systems, new programs, or new training requirements, and we may require such training if you are underperforming in any way, or you are in default under the franchise agreement (in addition to our other remedies on default). The current cost for all such training will be up to $1,000 per person. Such training may occur at a designated location that we choose, at your expense for travel, food, accommodations and other costs for all your attendees.

Program and Protocol Adherence. All franchisee employees, managers, owners, and agents must adhere to the Profile Service path programs/protocols as outlined above. Failure to do so may result Administrative Fees in our discretion or in default under your franchise agreement.

ITEM 12
TERRITORY

Franchise Agreement

You will not receive an exclusive territory for your buildout and site selection under the franchise agreement. 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 will operate the store at a mutually agreed upon location. When the location is identified, we will identify an area surrounding the store, which we refer to as your "territory." For a stand-alone store, the territory will be defined as a radius from the store premises. A minimum territory will be a radius of three miles or an area encompassing a population of 50,000, whichever is less. For in-facility stores, we normally calculate the territory as including the entire location of the larger facility in which the store is located (e.g., a hospital) plus one-quarter of a mile radius from any part of the larger facility. We will describe the territory, or attach a map, and will identify the location as stand-alone or in-facility, in Schedule 1 to the franchise agreement.

You may operate the franchised business only within your territory from the premises. You may relocate the store with our prior written approval, which will not be unreasonably withheld, as long as the new premises is not within one mile of any boundary to your territory. We may reduce your territory one time after five years from the date of the franchise agreement, with 90 days written notice to you. Such reduction may only be in proportion to any population increase that has occurred from the date of the franchise agreement to the date that we reduce your territory.

During the franchise term, neither we nor our affiliates will own, operate, or franchise a fixed location for a business providing weight management programs and services in your territory. We and our franchisees, however, have the right to solicit, sell, and provide service anywhere (including in your territory) in large destinations or complexes with "captive markets," including: hospitals, schools and colleges, entertainment and sports complexes, convention centers, airports, train and bus stations, military bases and government facilities, trade shows, large hotels, shops within large box retailers and chain retailers.

We also have the right to serve regional and national accounts and implement other multi-area marketing programs in and outside of your territory, but you will have the option to deliver the services within your territory under terms that we determine. If you do not service a customer developed by a multi-area marketing program, we may make other arrangements to do so. You will not receive any compensation for sales solicited or accepted in your territory.

We have the right to develop and operate, and grant others the right to develop and operate, competitive businesses under any name outside your territory, regardless of their proximity to your territory. We also have the right to provide dissimilar goods or services anywhere. We also have the right to sell products and services using the Internet, and sell any product or service anywhere (including within your territory) through channels of distribution other than a fixed location. The Internet is a channel of distribution reserved exclusively to us. There is no limitation on our right to solicit or sell products; however, we will share with you a portion of the profits generated by Internet sales that are attributable or allocable to your unit, or if your store was designated as a customer's home store.

There are no restrictions on where you may solicit business, but you may accept orders and conduct business only at the store location. You may advertise in media whose circulation is primarily inside your territory, even if it also reaches outside your territory (for example you may use catalog sales, telemarketing, or other direct marketing). All Internet marketing is a part of Multi-Area Marketing Programs. You may not independently market or sell using the Internet or acquire a domain name or website, without our written approval.

Continuation of your territory for the franchised business depends on your achieving Gross Revenue volume each fiscal quarter that is equal to or greater than $100,000 ("Minimum Sales") beginning with the first full fiscal quarter following the first 12 months that the franchised business is in operation. If you fail to achieve the Minimum Sales for two consecutive fiscal quarters, we may, at our option: (a) terminate your territorial protection and thereafter own, operate, or franchise additional fixed locations for businesses providing weight management programs and services in your territory; or (2) reduce the geographic scope of your territory; or (3) terminate the franchise agreement upon 120 days' written notice.

Each franchise agreement is location specific, and therefore, we do not grant you any options, rights of first refusal, or similar rights under the franchise agreement to acquire additional locations. You may only obtain rights to develop additional locations by entering into a Multi-unit Area Development Agreement with us.

Multi-unit Area Development Agreement

If you sign an area development agreement, we will agree on the size and boundaries of your "development area" when the area development agreement is signed. The size of the development area will depend on the number of Profile businesses we believe the proposed development area can support and the number and type of franchised businesses you commit to develop.

During the term of the area development agreement, neither we nor our affiliates will own, operate, or franchise a fixed location for a business providing weight management programs and services in the development area. We reserve the right, however, to serve regional and national accounts and implement other multi-area marketing programs in and outside of the development area, and to solicit customers anywhere. We have the right to develop and operate, and grant others the right to develop and operate, competitive businesses under any name outside the development area, regardless of their proximity to the development area. We also reserve the right to provide dissimilar goods or services anywhere, and to distribute products and services through alternative channels of distribution, including Internet sales.

If you fail to meet your development obligations, we can terminate the area development agreement. Upon termination or expiration of the area development agreement, all territorial protection under the area development agreement will end, but you will still have any territorial protection granted under any franchise agreements signed before the area development agreement terminated or expired. The fees paid by you for your development area are nonrefundable.

ITEM 13
TRADEMARKS

Profile Plan owns the following trademarks and federal trademark registrations. The trademarks are registered on the Principal Register and all required affidavits and renewals have been filed.

Mark	Registration Number	Registration Date	International Class
profile	4432098	November 12, 2013	9, 10, and 44
profile precise	5688990	March 5, 2019	44
Profile Precise	5683723	February 26, 2019	44
profile PERFORM	5437209	April 3, 2018	32
Profile Perform	5433154	March 27, 2018	32
profile	4432098	November 12, 2013	29

There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board, the trademark administrator of any state where this disclosure document is required, or any court, or any pending infringements, opposition, or cancellation proceeding or any pending material litigation involving our principal trademarks.

Profile Plan licenses to us the right to use and to sublicense to our franchisees the right to use our trademarks pursuant to a Trademark License Agreement. The Trademark License Agreement is for a 20-year term, and may be terminated by Profile Plan if we breach the agreement. If the Trademark License Agreement is terminated, you may be required to stop using these trademarks. Except for the Trademark License Agreement, there are no agreements currently in effect that significantly limit our rights to use or license the use of our trademarks in a manner material to the franchise.

You must notify us immediately of any infringement of, or challenge to, your use of our trademarks. We are not obligated by the franchise agreement to protect your rights to use these trademarks or to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving our trademarks or if the proceeding is resolved unfavorably to you, but may defend, prosecute or settle these claims or litigation. However, we may control any administrative proceedings or litigation involving a trademark licensed by us to you. You must modify or discontinue the use of any trademarks or use one or more substitute trademarks if we request you to. Our only obligation will be to reimburse you for 50% of the tangible costs of new signs. You may not contest our ownership, title, right or interest in our trademarks that are part of the business. Upon termination of the franchise agreement for any reason, you must cease using these trademarks in any manner.

You may not use any of our trademarks as part of your business entity name, your Internet (including mobile and social media) domain or account names or any similar Internet identifier or account name, or on any employee forms.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the principal trademarks in the state where the franchised business is to be located.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents, pending patent applications, or registered copyrights material to the franchise. However, we claim copyright protection for our manual, any software, website content, marketing materials, designs, creative works, and other original works in any media.

We claim trade secret protection with respect to our knowledge, trade secrets, methods, products, systems, information, customer, prospect and supplier lists, manual, proprietary software (if any), confidential electronic and other communications, methods of Internet and trademark usage, marketing programs, and research and development.

You and your employees must maintain the confidentiality of our confidential and trade secret information. You must follow our security procedures, including you and any agent or employee who is allowed access signing any non-disclosure, and Intranet, Extranet, and Internet usage agreements that we require. The signed original non-disclosure agreements must be delivered to us within one week of any access of any person to confidential information. You must promptly tell us when you learn about unauthorized use of our proprietary information. You must convey to us any new developments or intellectual property rights you acquire arising out of or related to the franchised business or any of the systems.

There are no currently effective material determinations of the PTO, the United States Copyright Office, or any court regarding any copyright material to the franchise business. We have no obligation to protect our copyrights, or to defend you against claims arising from your use of our copyrighted works.

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

Your personal supervision, participation, and example are essential to the success of the franchised business. You or your designated manager approved by us must participate personally and full-time in the franchised business. If you are a corporation, LLC, or other legal entity, you or your designated manager, who must be approved by us, must personally manage the Franchised Business. Your designated manager does not need to hold an equity interest, but must be approved by us. Each person or entity that directly or indirectly owns any of the equity or voting control of the franchised business and their spouses or legal domestic partners must guarantee the terms of the franchise agreement by signing a guarantee agreement that we specify. Any newly designated owner must obtain our approval in writing, sign (along with the new owner's spouse or legal domestic partner) an individual guarantee of the franchise agreement, and satisfactorily complete the training program at your expense. A copy of the Guaranty is attached to the franchise agreement.

You, or in the case of an entity, the designated participating owner and designated manager, must satisfactorily complete training. If an entity franchisee wishes to change its designated full-time manager or owner, you must notify us of this fact and we must approve it in writing. Your new designated full-time manager or owner must satisfactorily complete the training program at your expense.

Each owner, designated manager, and other person who obtains access to confidential information must sign an agreement to maintain confidentiality and a covenant not to compete, attached to this disclosure document.

If we may terminate this Agreement as provided elsewhere in this Agreement (because you have not cured a curable default or because no opportunity to cure is required), we may also or instead manage or operate the business on your behalf, for up to six months. During the time in which we manage or operate your business, you will continue to pay all operating expenses for the Store, maintain all employees necessary to operate the Franchised Business, maintain all books and records for the Franchised Business, and otherwise comply with this Franchise Agreement. In the event you fail to pay such expenses or fail maintain the Franchised Business, we may pay your operating expenses, hire employees to operate the Franchised Business, and take all action necessary to manage and operate the Store ("Our Management Expenses"). We will submit Our Management Expenses to you on a monthly basis, and you will pay us Our Management Expenses within 10 days of submission to you. You expressly agree that all of Our Management Expenses shall be considered fees, expenses, and amounts arising from and related to this Franchise Agreement, shall be reimbursable by you and the Owner under the Franchise Agreement guaranty, and shall be subject to 18% interest if not timely paid by you. In addition, you agree that reasonable compensation for our management services will be an amount that we determine, up to $500 per day per Franchised Business ("Our Management Fee"). Our Management Fee shall be considered part of Our Management Expenses.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must follow our directions concerning the services and products you provide. You are not limited in the customers to whom you may sell except as to a multi-area marketing program, and as described above in Item 12. You may sell only those approved services and products consistent with the image and product line as have been expressly approved by us. You must sell all products and services we authorize. We may change the types of goods or services we authorize. There are no limits on our right to do so.

We may recommend your prices to your customers, set minimum resale prices, maximum resale prices and other resale prices, and determine pricing strategy of multi-area marketing programs, each to the extent permitted by law.

We also may negotiate rates or other special arrangements with clients we call "Corporate Account Clients." A Corporate Account Client may be a business entity or an association of business entities or individuals and may include, for example, a corporation with multiple employees or an association of independently-owned businesses engaged in the same trade, industry, or line of business. If we enter into a special arrangement with a Corporate Account Client, you agree to provide services to eligible participants in your trade area in accordance with the conditions, standards, procedures, policies, and pricing that we have negotiated for that Corporate Account Client. If you fail or refuse to honor these arrangements, we may provide the services ourselves or direct participants to another location, and you must reimburse us for any costs that we incur in procuring or providing the services. Your failure or refusal to honor these agreements is also a material breach of the franchise agreement.

You must honor customer warranties from us and our affiliates. For example, currently we have a "no questions asked" 30-day product exchange for like kind products and a one-year warranty on all devices.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Franchise Agreement

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 7.1	10 years.

Provision	Section in Franchise Agreement	Summary
b. Renewal or extension of the term	Section 7.2	Two terms of 10 years each unless we decide not to renew in certain circumstances, and give you 180 days' notice.
c. Requirements for you to renew or extend	Section 7.2	You must give proper notice, pay a fee, be free from default, fully comply, and sign a new franchise agreement that may have materially different terms than the original franchise agreement. We may refuse to renew the franchise if: (a) you have breached the franchise agreement; (b) you do not pay timely the renewal fee; (c) you do not have continued right to possession of the premises or of substitute premises approved by us; (d) you have failed to renovate the business premises building, signs, and equipment; (e) and if: (i) the franchise is terminable by law or under the franchise agreement; (ii) you fail to give timely written notice of exercise of your renewal option; (iii) we are withdrawing from, or not offering franchises in, the market area that you serve and we waive your post-termination non-competition covenant; (iv) you fail to satisfy our then-current standards for new franchisees; (v) you are in default under this Agreement; or (vi) we permit you to continue to operate under a different trade name in the same trade area or otherwise to realize the value of the business. Alternatively, if at the time for renewal we are not offering franchises in the U.S. or cannot by law offer a then-current renewal franchise to you, your existing franchise agreement will be extended for a one-year period; if at the end of the one-year extension we still have not offered franchises in the U.S. or still cannot by law offer a then-current renewal franchise to you, the franchise agreement will expire and you will not have any further renewal or extension rights.
d. Termination by you	Sections 7.3(a)	You may terminate if we are in default of a material provision of franchise agreement, and you give us 90 days' written notice and we do not make progress toward a cure, and you mediate.
e. Termination by us without cause	No provision	Not Applicable.
f. Termination by us with cause	Sections 7.3(b) - (g)	We can terminate if you default.

Provision	Section in Franchise Agreement	Summary
g. "Cause" defined - curable defaults	Section 7.3(d)(i) – (v) and Section 7.3(f)	10 days to cure a default for failure to obtain or maintain insurance, failure to pay amounts due to us, failure to pay creditors, failure to pay any amounts advanced by us on your behalf, violation of our Marks, or violation of the Franchise Agreement concerning quality of Services. 30 days to cure default for all other curable defaults.
h. "Cause" defined – non-curable defaults	Section 7.3(c)	Upon written notice and without opportunity to cure for the following defaults: failure to complete training, failure to open by the Opening Date, abandonment of the franchise, lose any license to operate the business or right to occupy the Premises, you or your Owner are convicted of or plead no contest to a felony, crime of moral turpitude or any other crime or offense that we believe adversely effects the system, unauthorized transfer, failure to comply with confidentiality or non-compete, material misrepresentation, endangerment of public health or safety, understate payment by 2% or more than twice in two years, keep false books or records, unauthorized product or service sales, purchase of product from unapproved sources, failure to pass quality assurance checks, or 3 or more notices of prior defaults within the last year.
i. Your obligations on termination/non-renewal	Section 7.4	De-identification, payment of past due and future amounts, non-disclosure, non-competition, return manuals and proprietary materials, allow our inspection and audit, assignment of lease, phone, Internet and other directory numbers and listings, facilitate our right of first refusal and options. We have a security interest in your business assets and may foreclose on our interests to secure your obligations to us.
j. Assignment of contract by us	Section 7.7	No restriction.
k. "Transfer" by you - defined	Section 7.5	Includes transfer of contract, assets, location or lease, or ownership change.
l. Our approval of transfer by you	Section 7.5	We have the right to approve all transfers but will not unreasonably withhold or delay approval if conditions are met.

Provision	Section in Franchise Agreement	Summary
m. Conditions for our approval of transfer	Section 7.5	Provide us at least 60 days' prior notice of intent to Transfer, accompanied by required information; new franchisee qualifies and successfully completes training, payment of transfer fee, signs our then-current form of agreement with then-current terms; you indemnify us for any securities law issues, and you sign release (see also r. below).
n. Our right of first refusal to acquire your business	Section 7.5(d)	We can match any offer for your business, for 30 days.
o. Our option to purchase your business	Section 7.4(f)	Upon termination or expiration, we have an option to buy all of the assets of your business.
p. Your death or disability	Section 7.8	Franchise must be assigned by estate to approved buyer within 90 days, and in the interim managed by your heirs or legal representative, trained at estate's cost. Your heirs or legal representative may apply to us to be accepted as a transferee. Standard conditions of transfer apply, but no transfer fee for an approved transfer to your heirs or legal representative.
q. Non-competition covenants during the term of the franchise	Section 8.1	No involvement in competing business, non-disclosure of confidential information, non-solicitation of customers and employees
r. Non-competition covenants after the franchise is terminated or expires	Section 7.2-7.4	No competing business for two years within a 20-mile radius of us, of our affiliates, of a franchisee, or of your territory, and on the Internet; non-solicitation, of customers and of employees
s. Modification of the agreement	Section 9.10	Only by mutual agreement in writing.
t. Integration/ merger clause	Section 9.3	Only the terms of the franchise agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable. We may change the manual and systems.
u. Dispute resolution by arbitration or mediation	Section 8.2	Except for certain claims for immediate relief, all disputes must be first negotiated, then mediated and arbitrated in the city of our headquarters, currently Sioux Falls, South Dakota (subject to state law).
v. Choice of forum	Section 8.4	City in which our headquarters is located, currently Sioux Falls, South Dakota (subject to state law).

Provision	Section in Franchise Agreement	Summary
w. Choice of law	Section 9.1	Delaware law, U.S. Federal Arbitration Act, and U.S. Federal Trademark Act (Lanham Act) (subject to state law).

Area Development Agreement

Provision	Section in Area Development Agreement	Summary
a. Length of the franchise term	Article VI	Until the date the last franchise to be developed is to be opened
b. Renewal or extension of the term	Section 6.2	You have an option to extend the term.
c. Requirements for you to renew or extend	Section 6.2	You must have met your development obligations, the development area must be able to support more franchises, and we must agree on a new development schedule. You also must sign a general release.
d. Termination by you	No provision	Not applicable
e. Termination by us without cause	No provision	Not applicable
f. Termination by us with cause	Sections 2.1, 7.1-7.3, 8.2	We can terminate if you default.
g. "Cause" defined - curable defaults	Sections 7.1-7.3	60 days to cure a default, except for non-curable defaults defined in h. below.
h. "Cause" defined – non-curable defaults	Sections 2.1, 8.2	No agreement on a revised development schedule, failure to meet revised development schedule, unauthorized transfer.
i. Your obligations on termination/non-renewal	Section 7.3	You may not develop any franchised business for which a franchise agreement has not been executed before termination.
j. Assignment of contract by us	Section 8.3	No restriction
k. "Transfer" by you - defined	Section 8.1	Includes transfer of contract, assets, location or lease, or ownership change.
l. Our approval of transfer by you	Section 8.1	We have the right to approve all transfers but will not unreasonably withhold or delay approval if conditions are met.

Provision	Section in Area Development Agreement	Summary
m. Conditions for our approval of transfer	Section 8.1	Provide us at least 60 days' prior notice of intent to Transfer, accompanied by required information; new franchisee qualifies and successfully completes training, payment of transfer fee, signs our then-current form of agreement with then-current terms; you indemnify us for any securities law issues, and you sign release (see also r. below).
n. Our right of first refusal to acquire your business	No provision	Not applicable.
o. Our option to purchase your business	No provision	Not applicable.
p. Your death or disability	No provision	Not applicable.
q. Non-competition covenants during the term of the franchise	No provision	Not applicable.
r. Non-competition covenants after the franchise is terminated or expires	Not Applicable	Not Applicable
s. Modification of the agreement	Section 9.6(a)	Only by mutual agreement in writing.
t. Integration/ merger clause	Section 9.6(a)	Only the terms of the area development agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the disclosure document and area development agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 9.6(c)	Except for certain claims for immediate relief, all disputes must be first negotiated, then mediated and arbitrated in the city of our headquarters, currently Sioux Falls, South Dakota (subject to state law).
v. Choice of forum	Section 9.6(c)	City in which our headquarters is located, currently Sioux Falls, South Dakota (subject to state law).
w. Choice of law	Section 9.6(b)	Delaware law, U.S. Federal Arbitration Act, and U.S. Federal Trademark Act (Lanham Act) (subject to state law).

ITEM 18
PUBLIC FIGURES

We do not use any public figure or personality to promote the 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 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.

As of December 31, 2021, there were 147 Profile locations operating in 36 states (Alabama, Arkansas, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Massachusetts, Maryland, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, West Virginia, and Wisconsin). Forty-five locations were owned and operated by our affiliate, Profile Development, LLC and in some cases, previously owned and operated by our parent company, Sanford Frontiers. 102 locations were owned and operated by franchisees. 98 locations operated for the full 52-week period ended December 31, 2021.

This financial performance representation contains one-year actual unaudited gross sales information of 35 affiliate-owned and operated locations and 63 franchise-owned and operated locations that were in operation for the full 52-week period ending December 31, 2021. It also contains three-year actual unaudited gross sales for 22 affiliate-owned locations and 41 franchise locations that have been open for three years or longer and in operation for the full 52-week period ending December 31, 2021. Locations were classified as affiliate-owned or franchise-owned based on their status as of December 31, 2021.

The financial performance representation figures below do not reflect the costs of sales or operating expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your store.

<u>Unaudited Average and Median Sales and Membership</u>

Affiliate-Owned Profile Locations Operated 1 Year or Longer and 3 Years or Longer

	Stores Open One Year or Longer[1]	Number and Percentage of Stores that have Met or Exceeded the Average/Median	Stores Open More than Three Years[2]	Number and Percentage of Stores that have Met or Exceeded the Average/Median
Average Sales	654,860	12 (35%)	850,197	9 (41%)
Median Sales	443,038	17 (50%)	737,157	11 (50%)

<u>Note 1</u>: These figures include 35 affiliate-owned locations that have operated for at least one year as of December 31, 2021 and that operated a full 52 weeks in 2021. Actual gross sales for these Stores ranged from $124,910 to $2,067,812.

Note 2: These figures include 22 affiliate-owned locations that have operated for 3 or more years as of December 31, 2021 and that operated a full 52 weeks in 2021. Actual gross sales for these Stores ranged from $257,585 to $2,067,812.

Note 3: These figures were obtained from unaudited financial statements.

Note 4: "Gross Sales" includes sales from memberships, food products, accessories, devices, and other services. It does not include sales tax collected.

Note 5: These affiliate-owned outlets have reasonably similar operations to those being offered. We know of no factors that might make sales differ significantly, other than your own skills and effort.

Note 6: Cost of goods sold as a percentage of Gross Sales for Affiliate-owned and operated Profile locations was 32.4%. Cost of goods sold is based on moving average costs and excludes freight and delivery charges. Gross Margin as a percentage of Gross Sales was 67.6%.

Some outlets have sold these amounts. Your individual results may differ. There is no assurance that you will sell as much.

Franchise-Owned Profile Locations Operated 1 Year or Longer and 3 Years or Longer

	Stores Open One Year or Longer[1]	Number and Percentage of Stores that have Met or Exceeded the Average/Median	Stores Open More than Three Years[2]	Number and Percentage of Stores that have Met or Exceeded the Average/Median
Average Sales	552,692	26 (41%)	599,624	19 (46%)
Median Sales	450,268	32 (51%)	559,813	21 (51%)

Note 1: These figures include 63 franchise-owned locations that have operated for at least one year as of December 31, 2021 and that operated a full 52 weeks in 2021. Actual gross sales for these Stores ranged from $135,985 to $1,447,228.

Note 2: These figures include 41 franchise-owned locations that have operated for 3 or more years as of December 31, 2021 and that operated a full 52 weeks in 2021. Actual gross sales for these Stores ranged from $173,960 to $1,447,228.

Note 3: These figures were obtained from unaudited financial statements.

Note 4: "Gross Sales" includes sales from memberships, food products, accessories, devices, and other services. It does not include sales tax collected.

Some outlets have sold these amounts. Your individual results may differ. There is no assurance that you will sell as much.

Written substantiation for the financial performance representation and member numbers will be made available to you upon reasonable request.

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 Nate Malloy, Profile Franchising, LLC, 1305 W 18th Street, PO Box 5039, Sioux Falls, SD 57117-5039, (877) 373-6069, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1

System wide Outlet Summary
For Years 2019 to 2021

Outlet Type	Year	Outlets Operating at the Start of the Year	Outlets Operating at the End of the Year	Net Change
Franchised	2019	61	128	+51
	2020	128	102	-26
	2021	102	63	-39
Company-Owned	2019	29	29	+0
	2020	29	45	+16
	2021	45	35	-10
Total Outlets	2019	90	157	+67
	2020	157	147	-10
	2021	147	98	-49

TABLE NO. 2

Transfers of Operating Outlets from Franchisees to New Owners (other than Us)
For Years 2019 to 2021

State	Year	Number of Transfers
Arizona	2019	0
	2020	2
	2021	0
California	2019	0
	2020	2
	2021	0
Florida	2019	1
	2020	0
	2021	0
Illinois	2019	1
	2020	0
	2021	0
Iowa	2019	0
	2020	3
	2021	0
Kansas	2019	0
	2020	2
	2021	0
Kentucky	2019	2
	2020	0

	2021	0
Missouri	2019	1
	2020	0
	2021	0
Montana	2019	1
	2020	0
	2021	0
North Carolina	2019	0
	2020	2
	2021	0
Nevada	2019	1
	2020	0
	2021	0
Ohio	2019	0
	2020	4
	2021	0
Oklahoma	2019	0
	2020	1
	2021	0
Pennsylvania	2019	0
	2020	1
	2021	0
South Carolina	2019	1
	2020	0
	2021	1
Tennessee	2019	0
	2020	1
	2021	0
Texas	2019	3
	2020	0
	2021	0
Wisconsin	2019	0
	2020	1
	2021	0
West Virginia	2019	0
	2020	1
	2021	0
Total	2019	11
	2020	20
	2021	1

TABLE NO. 3
Status of Franchised Outlets

State	Year	Outlets Operating at Start of Year	Outlets Opened	Termi-nations	Non-Renewals	(Re)acquired from (by) Franchisor	Ceased Operations - Other Reasons	Outlets Operating at End of Year
Alabama	2019	1	3	0	0	0	0	4
	2020	4	0	0	0	1	2	1
	2021	1	0	0	0	0	1	0
Arizona	2019	2	0	0	0	0	0	2
	2020	2	1	0	0	0	0	3
	2021	3	0	0	0	0	1	2
Arkansas	2019	2	0	0	0	1	0	1
	2020	1	0	0	0	1	0	0
	2021	0	0	0	0	0	0	0
California	2019	0	5	0	0	0	0	5
	2020	5	1	0	0	0	3	3
	2021	3	0	0	0	0	3	0
Colorado	2019	1	5	0	0	0	0	6
	2020	6	0	0	0	0	3	3
	2021	3	0	0	0	2	1	0
Florida	2019	2	3	0	0	1	0	4
	2020	4	1	0	0	1	1	3
	2021	3	0	0	0	0	1	2
Georgia	2019	1	6	0	0	0	0	7
	2020	7	0	0	0	4	0	3
	2021	3	0	0	0	1	1	1
Idaho	2019	0	2	0	0	0	0	2
	2020	2	0	0	0	0	2	0
	2021	0	0	0	0	0	0	0
Illinois	2019	1	2	0	0	0	0	3
	2020	3	1	0	0	0	0	4
	2021	4	0	0	0	0	1	3
Indiana	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	2	0	3
	2021	3	0	0	0	0	0	3
Iowa	2019	6	1	0	0	0	0	7
	2020	7	0	0	0	2	0	9
	2021	9	0	0	0	0	0	9

State	Year	Outlets Operating at Start of Year	Outlets Opened	Termi-nations	Non-Renewals	(Re)acquired from (by) Franchisor	Ceased Operations - Other Reasons	Outlets Operating at End of Year
Kansas	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	1	0	3
	2021	3	0	0	0	1	0	2
Kentucky	2019	1	2	0	0	0	0	3
	2020	3	0	0	0	1	0	2
	2021	2	0	0	0	0	1	1
Louisiana	2019	0	0	0	0	0	0	0
	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Maryland	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	1	0
	2021	0	0	0	0	0	0	0
Massachusetts	2019	0	1	0	0	1	0	0
	2020	0	1	0	0	0	0	1
	2021	1	0	0	0	1	0	0
Michigan	2019	1	2	0	0	0	0	3
	2020	3	0	0	0	2	0	1
	2021	1	0	0	0	0	1	0
Minnesota	2019	7	1	0	0	2	0	10
	2020	10	0	0	0	0	0	10
	2021	10	0	0	0	0	1	9
Missouri	2019	1	2	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Montana	2019	1	1	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	1	1
Nebraska	2019	5	0	0	0	0	0	5
	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	1	4
Nevada	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	1	0
New Jersey	2019	0	1	0	0	0	0	1
	2020	1	2	0	0	0	0	3

State	Year	Outlets Operating at Start of Year	Outlets Opened	Termi-nations	Non-Renewals	(Re)acquired from (by) Franchisor	Ceased Operations - Other Reasons	Outlets Operating at End of Year
	2021	3	0	0	0	0	0	3
New York	2019	0	2	0	0	0	0	2
	2020	2	0	0	0	2	0	0
	2021	0	0	0	0	2	0	0
North Carolina	2019	3	2	0	0	0	0	5
	2020	5	0	0	0	1	2	2
	2021	2	0	0	0	1	0	1
North Dakota	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Ohio	2019	1	5	0	0	0	0	6
	2020	6	0	0	0	1	0	5
	2021	5	0	0	0	0	2	3
Oklahoma	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	1	0	2
	2021	2	0	0	0	0	1	1
Pennsylvania	2019	0	6	0	0	0	0	6
	2020	6	0	0	0	1	2	3
	2021	3	0	0	0	0	1	2
South Carolina	2019	1	2	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
South Dakota	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Tennessee	2019	3	1	0	0	0	0	4
	2020	4	1	0	0	1	0	6
	2021	6	0	0	0	0	3	3
Texas	2019	10	6	0	0	1	0	17
	2020	17	0	0	0	10	1	6
	2021	6	0	0	0	4	2	0
Utah	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	1	2
Virginia	2019	0	1	0	0	0	0	1

State	Year	Outlets Operating at Start of Year	Outlets Opened	Termi-nations	Non-Renewals	(Re)acquired from (by) Franchisor	Ceased Operations - Other Reasons	Outlets Operating at End of Year
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	1	0
Wisconsin	2019	2	2	0	0	0	0	4
	2020	4	1	0	0	1	0	4
	2021	4	0	0	0	1	2	1
West Virginia	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Totals	2019	61	67	0	0	0	0	128
	2020	128	10	0	0	19	17	102
	2021	102	0	0	0	10	29	63

TABLE NO. 4

Status of Company Owned Outlets
For Years 2019 to 2021

State	Year	Outlets Operating at Start of Year	Outlets Opened	Termi-nations	Non-Renewals	(Re)acquired from (by) Franchisor	Ceased Operations - Other Reasons	Outlets Operating at End of Year
Alabama	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	1	0	1
	2021	1	0	0	0	0	0	1
Arkansas	2019	0	0	0	0	1	0	1
	2020	1	0	0	0	1	0	2
	2021	2	0	0	0	0	2	0
Colorado	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	2	2	2
Florida	2019	0	0	0	0	1	0	1
	2020	1	0	0	0	1	0	2
	2021	2	0	0	0	0	2	0
Georgia	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	4	0	4
	2021	4	0	0	0	1	3	2
Idaho	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1

State	Year	Outlets Operating at Start of Year	Outlets Opened	Termi-nations	Non-Renewals	(Re)acquired from (by) Franchisor	Ceased Operations - Other Reasons	Outlets Operating at End of Year
Indiana	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	(2)	0	1
	2021	1	0	0	0	0	1	0
Iowa	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	(2)	0	0
	2021	0	0	0	0	0	0	0
Kansas	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	(1)	0	0
	2021	0	0	0	0	0	0	0
Kentucky	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	1	0	1
	2021	1	0	0	0	0	0	1
Massachusetts	2019	0	0	0	0	1	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	1	0	2
Michigan	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	2	0	2
	2021	2	0	0	0	0	(1)	1
Minnesota	2019	6	0	0	0	(2)	0	4
	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
New York	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	2	0	2
	2021	2	0	0	0	0	0	2
North Carolina	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	1	(1)	0
	2021	0	0	0	0	1	(1)	0
North Dakota	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Ohio	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	1	0	1
	2021	1	0	0	0	0	0	1
Oklahoma	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	(1)	0	0

State	Year	Outlets Operating at Start of Year	Outlets Opened	Termi-nations	Non-Renewals	(Re)acquired from (by) Franchisor	Ceased Operations - Other Reasons	Outlets Operating at End of Year
	2021	0	0	0	0	0	0	0
Pennsylvania	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	1	0	1
	2021	1	0	0	0	0	(1)	0
South Dakota	2019	7	0	0	0	0	0	7
	2020	7	0	0	0	0	(1)	6
	2021	6	0	0	0	0	0	6
Tennessee	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	(1)	0	1
	2021	1	0	0	0	0	0	1
Texas	2019	1	0	0	0	(1)	0	0
	2020	0	0	0	0	10	0	10
	2021	10	0	0	0	4	(7)	7
Wisconsin	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	1	(1)	0
	2021	0	0	0	0	1	0	1
Totals	2019	29	0	0	0	0	0	29
	2020	29	0	0	0	19	(3)	45
	2021	45	0	0	0	10	(20)	35

TABLE NO. 5

Projected Openings As Of December 31, 2021

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	0	0
Alaska	0	0	0
Arizona	0	0	0
Arkansas	0	0	0
California	0	0	0
Colorado	0	0	0
Connecticut	0	0	0
Delaware	0	0	0
Florida	2	0	0
Georgia	5	0	0
Hawaii	0	0	0
Idaho	0	0	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Illinois	0	0	0
Indiana	3	0	0
Iowa	0	0	0
Kansas	1	0	0
Kentucky	0	0	0
Louisiana	3	0	0
Maine	0	0	0
Maryland	0	0	0
Massachusetts	1	0	0
Michigan	5	0	0
Minnesota	0	0	0
Mississippi	0	0	0
Missouri	1	0	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	0	0	0
New Hampshire	0	0	0
New Jersey	0	0	0
New Mexico	0	0	0
New York	0	0	0
North Carolina	0	0	0
North Dakota	0	0	0
Ohio	0	0	0
Oklahoma	0	0	0
Oregon	0	0	0
Pennsylvania	0	0	0
Rhode Island	0	0	0
South Carolina	0	0	0
South Dakota	0	0	0
Tennessee	0	0	0
Texas	0	0	0
Utah	1	0	0
Vermont	0	0	0
Virginia	0	0	0
Washington	1	0	0
West Virginia	0	0	0
Wisconsin	0	0	0
Wyoming	0	0	0
Total	23	0	0

Exhibit D reflects the name of each of our franchisees as of December 31, 2021, and the address and telephone number of each operating outlet. Exhibit D also includes the names of those franchisees who signed a franchise agreement but were not opened as of December 31, 2021.

Exhibit D also reflects the name and last known city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who has had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the period January 1, 2021 through December 31, 2021, 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. Your contact information is also disclosed to prospective buyers while you are a franchisee.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Profile. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

There are no known franchisee organizations associated with the franchise being offered.

ITEM 21
FINANCIAL STATEMENTS

Exhibit C contains our audited balance sheets and the related statements of operations and other comprehensive loss, changes in member equity, and cash flows as of December 31, 2021, 2010, and 2019 and for the years then ended and the related notes to the financial statements.

ITEM 22
CONTRACTS

Attached to this disclosure document are the following contracts:

Exhibit A	Franchise Agreement, with Exhibits, Schedules and State-Specific Addenda
Exhibit B	Multi-Unit Area Development Agreement Exhibits and State-Specific Addenda
Exhibit F	Telephone and Online Presence Contingent Assignment Agreement
Exhibit G	Lease Addendum
Exhibit H	Extranet Agreement
Exhibit I	Confidentiality and Non-Competition Agreement for Franchisee Employees Agents
Exhibit K	Acknowledgment of Receipt of Completed Agreements
Exhibit L	General Release (Sample Form)

ITEM 23
RECEIPT

Two copies of a receipt of this disclosure document appear as Exhibit N. Please return one signed and dated copy to us and retain the other for your records.

EXHIBIT 1

STATE APPENDIX

HAWAII

The following is added to the Cover Page:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED IN THIS DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS BEFORE THE EXECUTION BY YOU, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY YOU, 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 US AND YOU.

ILLINOIS

Item 5 is supplemented by the following:

Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and 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.

Item 17 is supplemented by the following:

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 Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your 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.

Notwithstanding the provisions of the Franchise Agreement and the Multi-unit Area Development Agreement that Delaware law shall govern, Illinois law shall apply to and govern any claim between the parties under the Franchise Agreement and the Multi-unit Area Development Agreement that alleges violation of the Illinois Franchise Disclosure Act.

MINNESOTA

Item 13 is supplemented by the following:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Section 80C.12, Subd. 1(g), which requires us to protect your right to use the trademarks, service marks, and trade names, and indemnify you from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of same.

Item 17 is supplemented by the following:

With respect to franchises governed by Minnesota Law, we will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause. 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.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Section 80C.22.

Minn. Rule 2860.4400J prohibits us from requiring you to consent to a franchisor obtaining injunctive relief. We may seek injunctive relief. In addition, a court will determine if a bond is required.

Minn. Stat. Section 80C.17, Subd. 5 provides that no action may be commenced for violation of the Minnesota Franchises Act more than three (3) years after the cause of action accrues.

NEW YORK

1. The following information is added to the cover page of the franchise disclosure document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT E OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NYS DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisors principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such person has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency, or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliates, its predecessors, officers, nor general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c) titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

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

6. The following is added to the end of the "Summary" sections of Item 17(d) titled "**Termination by franchisee**":

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" sections of Item 17(j) titled "**Assignment of contract by franchisor**":

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v) titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

Item 17 is supplemented by the following:

Any provision in the Franchise Agreement or Multi-unit Area Development Agreement requiring you to consent to the jurisdiction of courts outside of North Dakota or providing for resolution of disputes to be outside North Dakota may not be enforceable under North Dakota law.

Any provision in the Franchise Agreement or Multi-unit Area Development Agreement requiring you to arbitrate or mediate disputes may require you to consent to a waiver of trial by jury. A waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

Any provision in the Franchise Agreement or Multi-unit Area Development Agreement requiring that such agreement is to be construed according to the laws of a state other than North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

Any provision requiring you to sign a general release upon renewal of the Franchise Agreement may not be enforceable North Dakota law.

Any provision in the Franchise Agreement or Multi-unit Area Development Agreement requiring you to consent to termination or liquidated damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

Any provision in the Franchise Agreement or Multi-unit Area Development Agreement requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law.

Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to the statute, have been determined to be unfair, unjust, or inequitable in North Dakota and may not be enforceable.

RHODE ISLAND

Item 17 is supplemented by the following:

Under § 19-28.1-14 of the Rhode Island Franchise Investment Act 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.

VIRGINIA

Item 17(h) is supplemented by the following:

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

The following paragraph is added to the disclosure document:

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

WISCONSIN

Item 17 is supplemented by the following:

The Wisconsin Fair Dealership Law applies to most franchise agreements in the state and prohibits termination, cancellation, nonrenewal or substantial change in the competitive circumstances of a dealership agreement without good cause. The Law further provides that 90 days' prior written notice of the proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is so cured the notice is void. The Wisconsin Fair Dealership Law, to the extent applicable, supersedes any provisions in the Franchise Agreement and the Multi-unit Area Development Agreement that are inconsistent with that Law. Wis. Stats. Ch. 135, The Wisconsin Fair Dealership Law. SEC 32.06(3), Wis. Adm. Code.

EXHIBIT A

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT

PROFILE®
FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

SUMMARY PAGE

EFFECTIVE DATE:	____________________
FRANCHISEE(S):	____________________
ADDRESS FOR NOTICES:	____________________
Telephone Number:	____________________
Email Address:	____________________
SITE SELECTION AREA:	____________________
INITIAL FEE:	☐ $49,500
	☐ $40,000
	☐ $35,000
	☐ $30,000
	☐ $_________
ROYALTY FEE:	5% of Gross Revenue
MARKETING FUND CONTRIBUTION:	2% of Gross Revenue
RENEWAL FEE:	$5,000 for the first renewal; an amount to be determined for subsequent renewals.
TRANSFER FEE:	Up to $15,000 if transferee is an existing Profile franchisee. 50% of our then-current initial fee for all other transfers.
PROFILE FRANCHISING, LLC ADDRESS FOR NOTICE:	1305 W. 18th Street Sioux Falls, South Dakota 57117

FRANCHISE AGREEMENT
TABLE OF CONTENTS

PROFILE®

FRANCHISE AGREEMENT

This Franchise Agreement ("**Agreement**") is effective as of the Effective Date reflected in the Summary Page ("**Effective Date**"), between Profile Franchising, LLC, a South Dakota limited liability company with an address at 1305 W. 18th Street, Sioux Falls, South Dakota ("**we**," "**us**," "**our**," or "**Franchisor**"), and the franchisee identified in the Summary Page ("**you**," "**your**," or the "**Franchisee**").

RECITALS

Through significant expenditure of time, skill, effort, and money, our affiliates or we have developed and own unique and proprietary Systems (as defined in Article I below) relating to the establishment, development, and operation of facilities offering weight management programs and services (the "**Franchised Business**").

We have the right to use and to license others to use the Systems and Marks (as defined in Article I below), to use the goodwill associated with the Marks, and to enforce our rights to the Marks.

You desire to obtain a license to use the Marks and the Systems in connection with operation of a PROFILE® franchise. We desire to grant you the rights necessary to do so, on the terms and conditions set forth in this Agreement.

AGREEMENT

The parties agree as follows:

ARTICLE I
DEFINITIONS

"**Assets**" means all of the assets of the Franchised Business, including all inventories, supplies, furnishings, equipment, fixtures, any land, buildings and improvements; cash and equivalents, receivables, instruments and securities, intangibles other than our Marks, customer, supplier and prospect lists, business records, phone number and any directory listings, and other assets used by or needed by the Franchised Business.

"**Computer Systems**" means computers, mobile smart devices, smart processors in hardware including point of sale devices, software and related hardware, and systems to access the Internet.

"**Franchised Business**" has the meaning set forth in the Recitals.

"**Gross Revenue**" means the gross amount, whether in money or other form of consideration, earned or received by you from any source in connection with the operation of the Franchised Business or with this franchise, or with any similar or related activity, whether on or off your business Premises, and whether for goods or services or promotions. "Gross Revenue" shall exclude only sales tax receipts that you must by law collect from customers and that you pay to the government, and any customer refunds, allowances or discounts actually paid or credited by you according to our policies; and the transfer of substantially all Assets of the Franchised Business not in the ordinary course of business made in accordance with this Agreement. "Gross Revenue" also excludes income received from the sale of gift cards or stored value cards. All proceeds from the sale of gift cards or stored value cards belong to us, and we will collect and hold them. When you accept a gift card or stored value card as payment, we will reimburse you the redemption value, and such amount will be included in "Gross Revenue" at that time.

"**Guarantor**" means any person or entity that signs this Agreement or signs a guaranty relating to this Agreement, and that is bound by this Agreement.

"**Internet**" means any present or future interactive system for electronic communications, using lines, cables, wireless, satellite, radio or any other technology; and which involves one or more of the following: the system of interconnected computer networks that use the internet protocol suite (TCP/IP) or its successor; websites or similar remotely-accessible electronic information sources (whether password protected or not); use of domain names, other locators, or emails that use the Trademarks; internet phone services; cellular or similar messaging; mobile applications; social networks or social media; or wikis, podcasts, online content sharing communities, or blogging.

"**Manual**" means any embodiment of the Systems, including notices of new standards and techniques; and any amendments, supplements, derivative works, and replacements; whether embodied in electronic or other media.

"**Marketing Fund**" means the separate fund used by us for the purposes specified in this Agreement. The Marketing Fund is not a trust or escrow account, and is managed by us in our sole discretion.

"**Marks**" means our owned or licensed trade names, trademarks, service marks, logos, decor, trade dress, lay out, and commercial symbols, and similar and related words or symbols, now or in the future associated with us, you, the Systems or the Franchised Business, whether or not they are registered, including "PROFILE®."

"**Multi-Area Marketing Programs**" means regional, national, or international programs designed to increase business, such as marketing to multi-area customers, Internet marketing, events, sweepstakes, contests, directories, affinity marketing, vendor programs, loyalty and gift card programs, and co-branding programs. Such programs may require your cooperation (including refraining from certain channels of marketing and distribution), participation (including payment of referral fees and software fees), and adherence to our pricing to the extent permitted by law. For example, loyalty and gift card programs may require that you buy equipment and supplies, and pay for activation, processing, transactions and maintenance. All such programs, and related customer and prospect lists, are our proprietary trade secrets.

"**Owner**" means each individual or entity holding a beneficial ownership in the Franchisee. It includes all shareholders of a corporation, all members of a limited liability company, all general and limited partners of a limited partnership, and the grantor and the trustee of the trust. If any person required to sign a guaranty is a corporation or other business entity (an entity other than a natural person), then its owners, their spouses or legal domestic partners and parent entities also shall execute the guaranty; it being the intent of the parties that each entity in the chain of ownership, and each natural person holding a beneficial interest in the franchise, either directly or indirectly through business entities, will be considered an "Owner" under this Agreement.

"**Premises**" means the one location within the Territory and as described in Schedule 1 at which you may operate the Franchised Business using the Systems.

"**Systems**" means our proprietary methods and resources for establishing, developing, and operating the Franchised Business and related weight management programs and services. The Systems include our unique and valuable know how, information, trade secrets, methods, Manuals, standards, designs, methods of usage of Marks and of copyrightable works, products and service sources and specifications, proprietary software, confidential electronic and other communications, methods of Internet usage, marketing programs, technology programs, supplier programs, and research and development connected with the operation and promotion of the Franchised Business; all as may be developed or modified by us at any time. We expect that changes to technology, laws and markets will result in changes that we will make to the Systems. All such modifications become our property. You acknowledge that the Systems are not generally known and are beyond your present skills and experience; and that to develop the Systems would be expensive, time consuming, and difficult.

"**Territory**" means the territory described in Schedule 1 to this Agreement, subject to any reservations or exceptions contained in this Agreement.

"**Transfer**" by you means to voluntarily or involuntarily, directly or indirectly, transfer, assign, sell, or encumber or grant a lien or security in, any interest in or ownership or control of: (i) any franchisee entity;

(ii) any entity that owns or controls any franchise entity, directly or indirectly; (iii) substantial Assets of the Franchised Business; (iv) the location or lease; (v) this Agreement; or (vi) of the Franchised Business.

ARTICLE II
GRANT OF PROFILE® FRANCHISE

2.1. General Grant. We grant to you a license to operate the Franchised Business in the Territory using the Systems and the Marks, for the term of this Agreement, and subject to this Agreement. This Agreement grants you no right to subfranchise, to cobrand with another concept, or to distribute products through wholesale channels, such as supermarkets, health food stores, convenience stores, or online sales except in strict accordance with this Agreement and as approved by us.

2.2. Territory. You may operate the Franchised Business only within the Territory from the Premises. You may relocate the Premises with our prior written approval, which will not be unreasonably withheld, as long as the new Premises is not within one mile of any boundary to the Territory. We may reduce the Territory one time after five years from the Effective Date, with 90 days written notice to you. Such reduction may only be in proportion to any population increase that has occurred from the Effective Date to the date that we reduce the Territory. Franchised Business locations are of one of two types, stand-alone or in-facility, which will be identified on Schedule 1 to this Agreement. In-facility Premises generally have smaller rented retail areas, smaller protected territories, and lower total initial investment because they are generally located within existing medical centers, hospitals, fitness centers or other larger businesses.

2.3. Territory Protection. Neither we nor our affiliates will own, operate, or franchise a fixed location for a business providing weight management programs and services in the Territory, except as described in this Agreement.

2.4. Territory Exceptions. Exceptions to your Territory protection and rights we reserve are as follows. We or our affiliates may:

(a) Purchase or be purchased by, or merge or combine with, competing businesses wherever located;

(b) Establish, operate, own, license or franchise any business, including competitive businesses, at any location outside the Territory;

(c) Provide dissimilar goods or services anywhere;

(d) Serve regional and national accounts and implement other Multi-Area Marketing Programs in and outside of the Territory, and solicit customers anywhere, but you will have the option to deliver the services within your Territory under terms that we determine. If you do not service a customer developed by a Multi-area Marketing Program, we may make other arrangements to do so;

(e) Sell products and services using the Internet, and sell any product or service anywhere (including within the Territory) through channels of distribution other than a fixed location. The Internet is a channel of distribution reserved exclusively to us. You may not independently market or sell using the Internet, without our written consent and only in the manner that we prescribe; and

(f) We or our franchisees may solicit, sell, and service anywhere (including in the Territory) in large destinations or complexes with "**captive markets**", including: hospitals, schools and colleges, entertainment and sports complexes, convention centers, airports, train and bus stations, military bases and government facilities, trade shows, large hotels, shops within large box retailers and chain retailers.

2.5. Solicitation. There are no limits on the area in which you or we may solicit, except as you may be limited by any Multi-Area Marketing Program, and by our reservation of rights contained in this

Agreement. You may advertise in media whose circulation is primarily inside your Territory, even if it also reaches outside your Territory. All Internet marketing is a part of Multi-Area Marketing Programs, and you may not market independently on the Internet or acquire a domain name or website, unless approved by us in writing.

2.6. Minimum Performance Requirements. You must achieve a Gross Revenue volume each fiscal quarter that is equal to or greater than $100,000 ("**Minimum Sales**") beginning with the first full fiscal quarter following the first 12 months that the Franchised Business is in operation. If you fail to achieve the Minimum Sales for two consecutive fiscal quarters, we may, at our option: (a) terminate your territorial protection and thereafter own, operate, or franchise additional fixed locations for businesses providing weight management programs and services in the Territory; or (b) reduce the geographic scope of the Territory; or (c) terminate this Agreement upon 120 days' written notice.

2.7. Marks, Internet, and Systems.

(a) You will conduct and diligently promote the Franchised Business under the name PROFILE® or other Marks we specify, throughout the term of this Agreement. You will follow our usage directions as to the Marks. If you cannot lawfully use the name Marks in the Territory, you must obtain our written approval for another name.

(b) Although you must use the Marks as your trade name, in the manner that we specify, you must also have and use a separate legal entity name. You may not use the Marks or any similar marks or words in your legal entity name.

(c) We retain the sole right to market and to use the Marks on the Internet, including all use of websites, domain names, URL's, linking, marketing, and co-branding arrangements, unless we consent to the contrary in writing. You will provide us content for our Internet marketing, and sign our Intranet and Internet usage agreements. You may not market the Franchised Business on the Internet, nor use any website, domain name, address, directory, locator, link, metatag, or search, unless we consent to the contrary in writing. You must follow all applicable laws, and our policies concerning data collection and privacy, if any.

2.8. Conditions to Use of Systems; Intellectual Property; Confidentiality. You must obtain our prior written approval for any use of any item of printed, audio, visual, Internet, electronic media, multimedia material, or any other type of media of any kind bearing any of the Marks, unless we supplied the item. You must follow our copyright usage directions. You will indicate to third parties that the Franchised Business is "independently owned and operated", that we own or have rights to the Marks, and that you use the Marks under a license from us. The rights granted to you in this Agreement are subject to the following obligations:

(a) You must convey to us any new developments or intellectual property rights you acquire arising out of or related to the Franchised Business or any of the Systems.

(b) Any documents, contracts, licenses, permits, and official documents will be in your separate business name, and if they refer to the Marks, will state that your trademark use is limited by this Agreement.

(c) You must notify us immediately if there is any infringement or challenge to your use of the Marks. We are not obligated to protect your right to use the Marks and may direct you not to use the Marks, and to change the Marks at your expense. We will reimburse you only for tangible costs of new signage and stationery that we require as a result of changed Marks.

(d) We will own the Marks and all goodwill associated with the Marks.

(e) You must keep the Manual and confidential aspects of the Systems confidential, and not disclose them other than to your employees and only to the extent necessary for those employees to perform authorized duties. You must follow our security procedures, which include the execution of approved non-disclosure agreements, and Intranet, Extranet and Internet usage agreements, by you and any employee or agent who is allowed access. Unauthorized use of the Manual or the Systems will constitute a breach of this Agreement and an infringement of our proprietary rights, including trade secrets and copyrights. The signed original non-disclosure agreements must be delivered to us within one week of any access of any person to confidential information. You must promptly tell us when you learn about unauthorized use of our proprietary information.

2.9. Opening Date. You must commence operation of the Franchised Business within 12 months after you sign this Agreement or, if applicable, in accordance with any Multi-Unit Area Development Agreement.

2.10. Location and Design; Security Interest. You will cooperate with us in choosing the location of your Premises within the Territory, entering into any necessary lease, obtaining permits, and opening for business. You must use reasonable efforts to do so. You will deliver to us a copy of the proposed lease and an option to assume the lease signed by the lessor in favor of us in a form acceptable to us. You must deliver to us a fully executed copy of the lease within 10 days after your receipt from the landlord. If you own the Premises, you agree not to mortgage, pledge, or otherwise give as security the Premises without our prior written approval, which approval will not be unreasonably withheld. The secured party must agree that in the event of any default by you, we shall have the right and option (but not the obligation) to be substituted as obligor to the secured party and to cure any default. We must approve all plans for and improvements to the Premises and you must cooperate with our internal development management team in the build out of the Store.

2.11. Lease from Us. We may require you to lease from us or our affiliate, if integral to the Systems.

2.12. Signage. All signage must be in accordance with our then current signage standards.

2.13. Telephone and Directories. You must have a separate business telephone number. We may specify the phone system and supplier of the phone system. We may grant you permission to market on the Internet, or to use a domain name, Internet directory links, or an email address. All telephone, email, Internet domain name, Internet directory, and listings of all kinds for the Franchised Business are our property, and will revert to us on termination or expiration, at our option.

2.14. E-Commerce; Internet Sales. Notwithstanding anything to the contrary in this Agreement, including, without limitation, Section 2.4(e), Franchisor will share with Franchisee Franchisee's Percentage of the Profits generated by e-commerce or Internet Sales Attributable to Franchisee. For purposes of this provision, "Profit," will be calculated by Franchisor, in its sole discretion, as sales (excluding shipping, handlings, sales tax, and similar taxes and expenses) less costs of good and other costs and expenses relating to procuring and fulfilling orders, which may include a portion of Franchisor's or its Affiliate's general and administrative costs associated therewith). "Franchisee's Percentage" means a percentage, not less than 80%. "Attributable to Franchisee" will be determined in accordance with Franchisor's "E-commerce Guidelines," as determined from time to time by Franchisor, and may be determined by, among other things, the buyer's designation of Franchisee's store as buyer's "home store" or other variables.

ARTICLE III
FRANCHISOR'S DUTIES

3.1. Operation and Manuals. We will lend you or allow you access to the confidential Manual for the initial franchisee training session and if you satisfactorily complete training, for the term of this Agreement. We may maintain our Manual on a password-protected portion of our website. We will allow you access to portions of the Manual at the initial franchisee training session, and if you satisfactorily complete training, for the term of this Agreement. Any additional services that we offer will be made available to you and to your clients via the Internet and other Multi-Area Marketing Programs. For example, some customers will want to purchase our weight loss program virtually, online, through our website. We will first attempt to schedule them with the closest Profile® store to the customer. If there are no appointment times available, or if the customer prefers to obtain the service online, we may provide the services virtually. For all members that receive coaching virtually in your Franchised Business, we reserve the right to implement a centralized product fulfillment Profile® center whereby all orders for product placed by virtual members will be sold by us. If this is your Franchised Business, we will receive a reasonable handling, storage and shipping fee and a reasonable profit, and you will receive any excess revenue less the cost of goods sold.

3.2. Location of Premises. We will provide feedback on the site for the Store and will provide space planning assistance, all as we deem appropriate. The location must meet our site selection criteria, and we will mutually agree on the final site. Neither our determination that a proposed site meets our site selection guidelines, nor our acceptance of a site, constitutes a representation of the success, availability, or earnings potential of a location; it means only that the proposed site meets our minimum site selection requirements. We will provide you with standard sample floor layouts and architectural plans, which must be adapted by you to the space at your expense. We must approve in advance in writing all preliminary plans, final construction plans, and the Premises as completed. You must use the services of our internal development management team and approved service providers for space planning, design, and project management services.

3.3. Equipment, Marketing and Other Services. We will review and approve marketing and your other approval requests pursuant to this Agreement, including, without limitation, Section 4.8, and will not unreasonably delay our approvals or disapprovals allowed or required by this Agreement.

3.4. Initial and Ongoing Training and Assistance. We will provide initial and ongoing training and assistance, as we may reasonably determine to be appropriate and at your expense.

3.5. Initial Training Program. We will provide an initial training program at the city in which our headquarters is located or at another location of our choosing. Initial training is comprised of an initial owner training, initial manager training program and a coach training and certification program. All initial training will take place after the signing of this Agreement and payment of the initial franchise fee, but before the Franchised Business opens. We provide this initial training without charge to your Owners, managers, and coaches, up to five total persons. Persons in addition to five who attend the coach certification portion of the initial training you must pay us our then-current fee (currently $250) per person in advance of attending the training. You must pay for travel, food, accommodations and other costs for all your attendees. Your individual majority owner and your designated manager must complete the initial training program to our satisfaction. If you do not, this Agreement will terminate, except that all post-termination covenants will remain in effect. If this is your second franchise, we will provide initial training to your individual majority owner again and to one new manager. If this is your third or subsequent franchise location, Profile may, at its option, (i) require you to provide the Manager Training Program, or (ii) we will provide the Manager Training Program at your cost as provided below.

3.6. Additional or Advanced Training. You, your designated manager, and your other employees must complete to our satisfaction any additional or advanced training we may at any time reasonably require. We may require such training if we develop new aspects of the Systems, new programs, or new training requirements, and we may require such training if you are underperforming in any way, or you are in default under this Agreement (in addition to our other remedies on default). Such training will occur at a location of our choice. We may charge a reasonable fee for such training (currently up to $1,000 per person) and you must pay for travel, food, and accommodations and all other necessary expenses for all your attendees.

If you hire a new manager you must pay us our then-current fee (currently $750) to send the manager through new manager training and coach certification prior to that person starting work as a manager or coach. You or your designated manager must also attend training no less than one time per year for a maximum of three days, in addition to any other training that we require under this Section 3.6. Such annual certification and training may occur at a designated location that we choose, and you must pay for travel, food, accommodations and other costs for all your attendees; or we may offer some of this training online. The cost for annual designated manager training is currently $250 per person, subject to reasonable increase by us.

3.7. On-Site Start-Up Assistance and Training. In consideration of the initial franchise fee, we will provide a representative to assist you on-site for up to four days or for a period of time we deem appropriate.

3.8. Coach Certification and Training. Each of your coaches must successfully complete the Profile coach certification program prior to coaching members. To maintain their Profile coach certification, all certified Profile coaches must complete the Continuing Education Units (CEUs) that we require every year through Profile approved training seminars. Coaches with expired certification are not be allowed to coach members. You must pay our then-current fee (currently $20 per month per coach-certified staff) to cover continued education. Such certification and training may occur virtually or at a designated location that we choose, and you must pay for travel, food, accommodations and other costs for all your attendees.

3.9. Other Assistance. During the term of this Agreement, we will continue to consult with and advise you, provide the Systems, and answer your questions. We will provide supplier, product, and marketing updates as they become available.

3.10. Exclusive Attendees Fee. At your request, or as we deem it necessary, we may provide the manager training, annual training, coach certification and training, continuing education, or additional or advance training, exclusively for your attendees, and we may charge you an amount up to $1,000 per person subject to reasonable increase by us to cover our related costs. You will be responsible for all travel, food, accommodations and other related costs of your attendees.

ARTICLE IV
FRANCHISEE'S DUTIES: PAYMENTS AND RECORDS

4.1. Initial Fee. In consideration of the grant of the franchise and the initial training program, you will pay us a non-refundable initial franchise and services fee upon the signing of this Agreement, in the amount specified in the Summary Page. The initial fee is fully earned upon payment, and is non-refundable.

4.2. Profile Start-Up Kit. You must purchase from us, or our affiliates or designees, the Profile Start-up Kit, which will contain certain supplies, equipment and goods, furnishings and fixtures (but will not include your leasehold improvements). Cost of the Profile Start-Up Kit is subject to change based on local economic conditions, market fluctuations, regulations, tariffs, acceptance by local consumers, prevailing wage rates, competition and other factors beyond our control.

4.3. Inventory and Specific Build-Out Materials. You must purchase from us or our affiliate or designee your initial product inventory and specific build-out materials that we specify. Cost of the inventory and specific build-out materials is subject to change based local economic conditions, market fluctuations, regulations, tariffs, acceptance by local consumers, prevailing wage rates, competition and other factors beyond our control.

4.4. Royalty. You will pay to us a non-refundable royalty and services fee in the amount specified in the Summary Page. The royalty will be calculated based on weekly Gross Revenue. We may require that we collect the royalty via ACH or other electronic funds transfer on a monthly or weekly basis as we specify. The parties agree that the royalty is allocated for tax and financial reporting purposes 50% to services to be rendered from our headquarters, 50% to intangibles including use of the Marks and the System.

4.5. Marketing and Advertising. You will pay to us a Marketing Fund contribution in the amount specified in the Summary Page at the same time and in the same manner as the Royalty Fee. We may discontinue or reduce Marketing Funds and expenditures, or may add, delete or change marketing programs during the term of this Agreement. Marketing Fund contributions will be accounted for separately from general operating funds. We may use the Marketing Fund for marketing, promotion, and advertising, marketing research and development; franchisee group advertising or marketing; local, regional, national, Internet, or international marketing; administration of advertising or marketing (including salaries, accounting, collection, legal, and other direct and indirect costs); related expenses; and any media or agency costs. Expenditures may or may not be proportionate to contributions or provide any direct benefit to any franchisee. We have the discretion how to spend the Marketing Fund, and have no fiduciary duty with regard to the Marketing Fund. At your request, we will provide you with an annual unaudited summary of Marketing Fund receipts and expenditures within 120 days after the end of each of our fiscal years. Our advertising and marketing expenditures may be limited to the amount of your contributions to the Marketing Fund made by you and other franchisees. We may accumulate such funds, and the balance in the marketing account may be carried over to subsequent years and used for the purposes described in this Agreement.

4.6. Multi-Area Marketing Fund or Marketing Cooperative Contribution. We may also require you to join, participate in and pay into Multi-Area Marketing Programs, regional marketing cooperatives, or to spend an equivalent amount of money on your own local marketing as described in Section 4.8 below. The cost of such programs will not exceed 2% of Gross Revenue. You will participate, at your expense, in Multi-Area Marketing Programs as determined by us.

Regional franchisee cooperatives may be established and administered by a majority vote of the franchisees in that region, and must be approved by us in our discretion. The purpose of the franchisee cooperative will be solely to develop and implement cooperative marketing and special promotions within the region. The amount of contribution and type of marketing or promotions approved will be set by majority vote of the members of the cooperative, but we will not approve a contribution of more than 2% of your Gross Revenue. We must approve the formation of the cooperative, amount of contribution, franchisees that must join, regions covered, governing documents, and all marketing and promotions. The cooperative must prepare annual unaudited financial statements, which must be delivered to us and other franchisees in the cooperative within 120 days after our fiscal year end. We may form, change, dissolve, or merge any cooperative.

We may under such programs require franchisees to refer certain customers to or from one another or us.

4.7. Other Marketing by Franchisee. You will spend a minimum of 2% of your Gross Revenue each month on marketing and promotion, in such media and such times as we approve. You will receive credit against the 2% minimum for amounts spent under Section 4.7 above for Multi-Area Marketing Programs or regional marketing cooperatives. You will spend the amount determined by us on an initial promotional campaign prior to or within 3 months of opening. All such expenditures will be reported to us at such times and in such manner as we specify, including by electronic means.

4.8. Approval of Independent Marketing; Prices. All advertising, marketing and promotion by you must be approved by us in advance in writing, as to media, form, and content. We may set your maximum and minimum prices to customers, require promotional pricing, and determine pricing strategy of Multi-Area Marketing Programs, each to the extent permitted by law. All pricing, discounts, or promotions require prior approval by us. Our approval will normally take 7 to 10 days. You are responsible for all expenses of your independent marketing. You must follow our trademark and copyright usage directions. You will be fined for any use of unapproved marketing materials or messages until they have been reviewed and approved for market placement.

4.9. Taxes. You are responsible for payment of your taxes and governmental fees. You will pay us the full amount of the initial fee, royalty, marketing fee, and all other payments regardless of any tax or government fee, including withholding, sales, use, goods and services, VAT, income, or gross revenue taxes. Each payment by you to us shall therefore be increased by the amount, if any, of any state or local (but not our income tax due to any jurisdiction) tax that you or we are required to pay on amounts paid by you to us. If such taxes are not able to be calculated until after your payment to us, we may bill you for such taxes assessed on account of payments made to us, and you must pay such bill within 30 days of receipt.

However, if we later receive a reduction of our taxes on account of such tax paid by us and reimbursed to us by you, we will pay you within 30 days the amount of such reduction.

4.10. Payments; Failure to Pay. You will pre-authorize us to debit your bank account for payments to us. If you fail to pay required Marketing Fund payments, we may, in addition to our other remedies, delete you from marketing programs without notice.

4.11. Records and Reports.

(a) You will keep, transmit to us, and give us access to, accurate records and reports relating to the Franchised Business in the point of sale system or in the form, time, and manner that we otherwise prescribe (including both paper copy and electronic records). You will prepare such records and reports, including financial records on each transaction, in accordance with our specifications.

(b) You will provide us with all hard copies, and access to electronic reports, that we prescribe. You will provide electronic access to business records, and a weekly itemized report of your Gross Revenue, and a monthly itemized report of your marketing expenses, on forms and in the manner that we prescribe; including:

(i) Your certification and records of Gross Revenue for the week reported; and
(ii) Copies of all customer orders; and
(iii) Copies of all invoices for all purchases.

(c) You must prepare all financial reports in accordance with U.S. generally accepted accounting principles, consistently applied, and in a form approved by us. You must periodically deliver to us accounting, tax and other information (or copies of documents), as we request, including a monthly financial statement with profit and loss and balance sheet. These reports must be in such form, and delivered in such manner and time as we reasonably require. You must use our designated bookkeeping and financial software vendor, unless we approve another vendor in advance in writing. You will provide us with a copy of your annual financial statements including a profit and loss statement and a balance sheet. Such statements will be compiled by an independent Certified Public Accountant, contain complete notes and disclosures and be delivered to us within 90 days after your fiscal year end. You acknowledge that we may disclose publicly the results of operations of our franchisees and certain former franchisees (without identifying specific franchisees), and you hereby give us permission to do so.

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

4.12. Audits. We or our agents may have remote or in person, physical or electronic, access to your business and Computer Systems to examine or audit your business, at any reasonable time without notice. We will bear the cost of the audit, unless you fail to report as required, or you understate Gross Revenue by either 2% or more or by $500 or more for any reported time period, in which case you will pay the audit cost. You will immediately pay us all sums owed. We are also entitled to other remedies provided in this Agreement or by law.

4.13. Other Fees. You must pay other fees as provided by this Agreement. In addition, you must pay:

(a) ProfileOne. We may provide a Web-based Profile® center management system, in which case you will pay us our then current fees at the times and in the manner that we specify. These fees are currently $995 per month for five user licenses (additional user licenses currently range from $25-$250 per user per month), and are subject to annual increase in our sole discretion.

(b) Technology Fee. We reserve the right to impose a fee for the use of System technology, in which case you will pay us our current fees at the times and in the manner that we specify.

(c) Administrative Fee. If at any time your Franchised Business fails to conform to System standards, we have the right to impose and collect from you an administrative fee as described in this Section ("**Administrative Fee**"). Specifically, ***(a)*** we may impose and collect from you a $250 Administrative Fee for each "enforcement effort" that we undertake on account of your noncompliance with Systems standards (e.g., a letter, email, or telephone communication notifying you of noncompliance or continued noncompliance), and ***(b)*** if we have notified you of noncompliance and you have failed to correct the issue within three days (or more if permitted by us), we may impose and collect from you a $250 Administrative Fee per week until the issue has been corrected to our satisfaction. We also may impose and collect a $250 Administrative Fee if you fail to acknowledge receipt of our communications to you, or to respond to our communications within 24 hours of delivery. The Administrative Fee is not a penalty, but is intended to compensate us for the additional costs that we incur in enforcing your compliance with Systems standards, and is in addition to and not in lieu of any other rights or remedies that we may have based on your noncompliance with Systems standards. We may impose and collect the Administrative Fee whether or not the noncompliance at issue is of the type or degree that constitutes a material default of your obligations under this Agreement and, if it is, whether or not a cure period applies. At our option, we may require you to demonstrate full compliance with your obligations by submitting to us a comprehensive walk-through video of your Franchised Business' premises in accordance with our Systems standards. In addition, if it becomes necessary (in our sole discretion) for us or our representative to visit your Franchised Business to enforce the enforcement effort, you agree to reimburse us for all reasonable travel expenses and any implementation costs arising from a correction plan relative to the enforcement effort.

(d) Credit Card Fees. In the event we allow you to pay amounts due to us via a credit card and to the extent permitted by applicable law, we reserve the right to charge you a credit card convenience fee not to exceed three percent (3%) of the total amount invoiced.

4.14. Method of Payment. You must make all payments to us by the time specified in this Agreement, or if not specified by the time we request, and by any method we specify, including check, cash, certified check, money order, credit or debit card, automatic pre-authorized payment plan, electronic funds transfer, ACH (automated clearing house), or via the Internet. All payments to us and dollar amounts stated in this Agreement are in United States dollars unless otherwise expressed. We will not require you to deposit all your revenue into an account that we control, or from which withdrawals may be made only with our consent, except to the extent necessary to secure any loan or financing arrangement by us.

4.15. Late Charges and Other Fees. Each late payment and late report by you is subject to a late payment charge of $100 or the maximum late charge allowed by applicable law, whichever is less. In addition to late payment charges, you must pay interest at the rate of 18% per annum on the amount due, or the maximum interest rate allowed by applicable law, whichever is less. You must pay any damages, expenses through appeal, collection costs, and reasonable attorneys' fees we incur in connection with your failure to make any required payments or other breach of this Agreement.

4.16. Security Interest. As security for payment and satisfaction of all of your obligations under this Agreement, you hereby grant to us a continuing security interest in all of the Assets and/or leased equipment of the business, wherever located, whether now owned, existing, acquired or arising after this date, together with all replacements, accessions, parts, proceeds, including insurance proceeds, bank accounts, and proceeds of proceeds. Upon default by you in payment of all or any part of your indebtedness or liability to us, or in the performance or observance of any of the provisions of this Agreement, we will have the rights and remedies of a secured party under the Uniform Commercial Code, or any equivalent state legislation. We may make any government filing to perfect this security interest at any time, and you will cooperate and sign any necessary documents to facilitate such perfection and enforcement. We may also require you to execute a Collateral Assignment to protect our interest in the Assets or any equipment you may lease from a lender or lessor. We will agree to subordinate our security interest to any security interest of a lender that provides you purchase money financing to acquire Assets and/or leased equipment required to start the business, if the secured party agrees with us in writing that in the event of any default we have the right at our option to be substituted as obligor to the secured party and to cure any default. If you are in default, all debts then due and owing by you to us under this or any other present or future agreement with us will, if we so elect, become immediately due and payable. If you are not in default, you may dispose of inventory and accounts receivable in the ordinary course of business.

4.17. National and Regional Accounts. We may, from time to time, negotiate rates or other special arrangements with Corporate Account Clients. For purposes of this Agreement, a "**Corporate Account Client**" may be a business entity or an association of business entities or individuals and may include, for example, a corporation with multiple employees or an association of independently-owned businesses engaged in the same trade, industry, or line of business. If we enter into a special arrangement with a Corporate Account Client, you agree to provide services to eligible participants in your trade area in accordance with the conditions, standards, procedures, policies and pricing that we have negotiated for that Corporate Account Client. If you fail or refuse to provide said services in accordance with this provision, we may provide the services ourselves or direct participants to another location, and you agree to reimburse us for any costs that we incur in procuring or providing such services. Your failure or refusal to provide services in accordance with this paragraph also constitutes a material breach of this Agreement.

ARTICLE V
FRANCHISEE'S DUTIES: RELATIONSHIP OF PARTIES

5.1. Independent Contractor.

(a) You are an independent contractor. We are not agents, partners, joint venturers, beneficiaries, or fiduciaries of one another. Neither party will be bound or obligated by the other, except as set forth in this Agreement.

(b) You will not permit the general public to confuse you with us. You are not our agent, and we are not yours, and you may not enter into contracts or obligations that bind us You will prominently state and show to the public and to your employees your legal entity name, and that you are "independently owned and operated", in a manner that we approve. For example, in all forms used with vendors, customers and employees (including paychecks), you must use your full legal entity name, and may not use any of our Marks unless approved in writing. Use of our Marks will not be permitted on employee forms.

(c) You are solely responsible for your own operations and employees, including hiring, firing, discipline and other employment practices. You will notify your employees in writing that you are their employer, and that we are not their employer or a joint employer, and provide us with a signed acknowledgment in a form that we approve from each employee before that employee starts to work for you.

5.2. Applicable Laws. You will comply with all applicable laws, regulations, and standards. You are solely responsible for compliance with all laws relating to your business, including labor and employment laws.

5.3. Privacy and Data Protection Laws and Policies; Your Data. You will comply with all privacy and data protection laws and with any law requiring you to take security measures to protect personal customer information, and with any of our policies on these subjects. If you discover a data breach requiring notification to any third party, you will also simultaneously notify us. We may require you to protect personal information on any Computer Systems used in connection with the Franchised Business including by encryption, redaction, or other security measures. If facts arise that indicate a breach of personal data on any Computer Systems used in connection with the Franchised Business, we may immediately conduct an investigation of those facts. You will allow us full access to your Computer Systems to conduct such an investigation. If we determine that a security breach possibly has occurred, we may contact the appropriate law enforcement agency. Whenever it is determined that a possible security breach has occurred, you must maintain accurate and complete documentation including the facts known about the alleged breach, the steps we took to determine whether a breach occurred, and all communications with law enforcement.

We may access and use your financial data to audit your compliance with this and other agreements with us. We may use your data to compile statistics available to us, franchisees, our lenders, prospective franchisees, and other third parties, but the statistics will not identify you to third parties. We may also disclose your financial information and other information to others in the following situations: (a) to your lender at your request or if the lender requests a security interest; and (b) to a prospective purchaser of your business in connection with our Transfer approval; (c) and if required by law or legal process. Your contact information may be disclosed to prospective franchisees while you are a franchisee and after termination or expiration of this Agreement, to the extent required by franchise disclosure laws or other laws.

You agree to collect, create, store, and handle all customer data in accordance with our Privacy Statement available on our website, which Privacy Statement may be updated by us from time to time and at our sole discretion. All customer data that you collect, create, or store is owned exclusively by us, and we will have the right to use such data in any manner that we deem appropriate without compensation to you. Copies of such data must be provided to us promptly as you create, store or amend such data, in the manner that we specify. Your use of such data is subject to the terms of this Agreement and our Privacy Statement. We hereby license use of such data back to you, at no additional cost, for the term of this Agreement and solely for your use in connection with the business franchised under this Agreement.

5.4. Licenses and Permits. You will pay for and obtain all governmental licenses and permits for the Franchised Business.

5.5. Debts and Taxes. You are solely responsible for all taxes, including payroll taxes, arising out of your business. You will promptly pay when due all taxes, fees, debts, expenses, and assessments of the Franchised Business, including payroll taxes. You will not permit a tax sale, seizure, levy, execution, bankruptcy, assignment of any Assets for or by creditors, or similar action to occur.

5.6. Insurance and Claims.

(a) You must procure and maintain at all times:

(i) commercial general liability (occurrence form) insurance with a minimum policy limit of $1,000,000 per occurrence or such greater amount as we may reasonably specify; and,

(ii) commercial automobile liability insurance, including owned, non-owned, and hired automobiles, with a minimum policy limit of $1,000,000 per occurrence or such amount as we may reasonably specify; and,

(iii) any legally required insurance (such as workers' compensation insurance); and,

(iv) umbrella/excess liability insurance with a minimum limit of $1,000,000; and,

(v) commercial property insurance coverage (special form), including spoilage and business interruption in an amount sufficient to replace the Franchised Business; and,

(vi) To the extent reasonably available, we may require you to obtain insurance in such amount as we may reasonably specify, including: (1) employment practices liability; (2) professional liability and errors and omissions insurance with liability limits of $1,000,000; and (3) network security/privacy liability coverage, including media coverage; and,

(vii) any other insurance we may reasonably require.

We may change these insurance requirements, upon reasonable notice to you, to conform to reasonable business practices. All liability insurance policies will name us as additional insureds, with waiver of subrogation by your insurance company against us where permissible. Each insurance policy that is required under this Agreement must contain a provision that the policy cannot be canceled without 10 days prior written notice to us. Before beginning operations, you will provide us with certificates of insurance from the insurer evidencing each policy. You must deliver a new certificate of the insurance to us within 10 days after the policy is issued, amended or renewed. If you breach these provisions, we may pay the premiums or acquire insurance, and bill you.

(b) We may establish reasonable minimum standards for coverage, insurers, underwriters, and policies of insurance.

(c) You will notify us immediately in writing of any event that could materially affect you or the Franchised Business, and no later than the date on which you notify your insurance carrier.

(d) We make no representation or warranty that compliance with these insurance requirements will insure you against all insurable risks or losses. You must also comply with any landlord, governmental, and any other applicable third-party insurance requirement.

(e) Your compliance with insurance requirements will not relieve you of your liability under the indemnity provisions of this Agreement.

5.7. Warranties & Guaranties. We are not liable for any guarantee or warranty you make to a customer or other third party, unless we agree in writing to make such a guarantee or warranty. You will fully comply with any customer guarantee program that we develop. You will not make any unauthorized guarantee or warranty, or misrepresent or omit to state any warranty or guarantee that we authorize in writing.

5.8. Indemnification. You and each Owner of the Franchised Business will indemnify and defend us, our parents and affiliates and each of our/their officers, directors, trustees, employees, affiliates, and agents; against all claims, demands, actions, losses, damages, costs, suits, judgments, debts, losses, assessments, liens, legal fees, and disbursements, penalties, expenses, and liabilities of any kind; arising directly or indirectly out of or in connection with: (a) the Franchised Business; (b) your actions or omissions and those of your officers, directors, employees, affiliates, and agents; and (c) your breach of this Agreement. However, you are not required to indemnify us for claims resulting solely from our material breach of this Agreement or solely from our gross negligence or intentional misconduct.

ARTICLE VI
FRANCHISEE'S DUTIES: OPERATION

6.1. Uniformity and Image. Adherence to the Systems and proper use of the Marks are essential to maintaining a uniform image and standards of the Franchised Business. Uniformity is important to the value of the System and Marks to us and to all franchisees. Any breach of this Agreement or failure to conform to the System or Manuals could substantially adversely affect that value. You must conform to our standards and specifications, including those contained in the Manual and in the Systems. While you will manage your own operations and employees, you agree as follows:

(a) Premises. You will promptly change the decor or trade dress of the Premises if we reasonably request.

(b) Signs and Marketing. You will prominently display the Marks at the Premises and solely in the manner we authorize. You will obtain a separate phone number for the Franchised Business.

(c) Specifications. We normally set standards or specifications for leases, fixtures, equipment, inventory, Systems, Multi-Area Marketing Programs, and other goods and services at our discretion, including our subjective determinations relating to quality, value, and appearance.

You must comply with these. You must purchase all such goods and services, from approved or designated sources. We or our affiliates may be the only source for the Profile Startup Kit, which will contain certain equipment and goods, branded merchandise, copyrighted works, and inventory; forms, manuals, templates and checklists (in whatever medium); and for Multi-Area Marketing Programs. We or our affiliates or designees may be the only approved supplier of meals and other nutrition products, scales and equipment, and accessories. We may receive a profit from any sale of goods or services to you, and may receive a rebate or allowance from suppliers on account of such purchases. You must participate in and cooperate with Multi-Area Marketing Programs, and must follow our guidelines and our supplier guidelines. Your supply sources must conform to our requirements. You will repair or replace equipment to meet our specifications.

(d) Operations. You will operate the Franchised Business in accordance with the Systems and Manual, as amended by us in our discretion. All changes that do not require expenditures by you must be adopted immediately upon notification. Those changes requiring expenditures must be adopted within 90 days of notification. You must participate in Multi-Area Marketing Programs. We may require customers to be serviced by the closest or other franchisee.

(e) Right of Entry and Inspection. We or our authorized agent or representative may enter the Premises during normal business hours with notice to you, and if reasonable under the circumstances without notice to you, to inspect the operations of the Franchised Business. Without any liability to you, we may confiscate any materials which we, in our reasonable judgment, determine to be either illegal or in violation of this Agreement.

(f) Uniforms and Attire. You will provide and will cause your employees to wear any required uniforms or attire.

(g) Technology. You must acquire, maintain, use, and upgrade annually Computer Systems (including for accounting, inventory control, point of sales, Internet and other network access, and video conferencing) as we may prescribe. You are required to use our point of sale system, and you are required to transact all sales in connection with the operation of the Franchised Business through our point of sale system. You must comply with any separate software or other license agreement that we or our designee uses in connection with providing these services. Computer Systems are vital to us and to you, and are vulnerable in varying degrees to problems such as viruses, worms, spy-ware, power and access disruptions, Internet content failures, hardware and software failures, and cyber security breaches, and attacks by hackers and other unauthorized intruders. It is your responsibility to protect yourself from these problems. This may include taking reasonable steps to secure your Computer Systems and your other systems (such as using and continuously updating firewalls, access code protection, and anti-virus systems), to use backup systems, and to comply with privacy and data security laws.

(h) Approved Suppliers. Because the reputation of the Marks and the Franchised Business depends on a uniform high quality of products and services, you may sell only approved products and services, and you must sell all products and services that we authorize. You must pay for all products if purchased from us at the time of ordering F.O.B. our designated distribution center, plus all delivery charges and insurance, unless we agree to the contrary in writing. If you want to purchase any product of an unapproved brand, you will notify us, and will pay us a supplier review and testing fee equal to our direct and indirect costs, but at least $2,000. We will, within a reasonable time, determine whether the unapproved brand has performance characteristics, quality, appearance, reliability, and other relevant characteristics similar to the product brands then approved by us. If so, our approval will not be unreasonably withheld. We may require your suppliers to sign a non-disclosure agreement, guarantee our level of quality, and produce sufficient samples to allow us to test the samples at your expense. In addition to the approved suppliers, we may have relationships with certain preferred suppliers that you may opt into and receive reduced or discounted rates on goods, supplies, or services. In the event a preferred supplier provides special or discounted rates to you by way of our relationship with such supplier and you desire to use such supplier, you may be required by the preferred supplier to enter into a membership agreement, participation agreement, or other agreement to qualify for such rates. Alternatively or in addition, an approved supplier may require us (or our affiliate) to be the payor or guarantor of goods or services you purchase with such approved supplier. You agree to reimburse us (or its affiliates) for goods or services you purchase, consume, or use and any incidental costs, expenses or fees (including, without limitation, shipping and handling fees) if the approved supplier requires us (or its affiliates) to pay on your behalf.

(i) Personal Participation. Your personal supervision, participation, and example are essential to the success of the Franchised Business. You or your designated manager approved by us must participate personally and full-time in the Franchised Business. If you are a corporation, LLC, or other legal entity, then you or your designated manager, who must be approved by us, must personally manage the Franchised Business. Each person or entity that directly or indirectly owns any of the equity or voting control of the Franchised Business must guarantee the terms of this Agreement. Any newly designated owner must obtain our approval in writing, sign an individual guarantee of this Agreement, and satisfactorily complete the training program at your expense.

6.2. <u>Other Operating Standards</u>.

(a) During the term of this Agreement, you will engage only in the business covered by this Agreement and no other, except with our written consent.

(b) You will not allow the Franchised Business to be used for any immoral, unethical, unauthorized or illegal purpose.

(c) You will conform to all standards and procedures we establish.

(d) You must diligently commence and operate the Franchised Business. You must use reasonable efforts to grow and maintain the revenues of the business and customer goodwill.

(e) If you do not provide customers with satisfactory service, or if you violate operating standards or this Agreement, we may, in addition to our other remedies, complete the customer service, refund customer amounts, and bill you for our costs, or bill the customer for our services.

(f) Your right to protection of the Territory and your right to renew are both contingent on achieving the Minimum Sales stated in Section 2.6.

6.3. <u>Hazardous Materials</u>. You shall not cause or permit any toxic or hazardous waste, substances, or materials, as defined under applicable government laws and regulations ("**Hazardous Materials**") to be used, generated, stored or disposed of near, on, under, about or transported to or from the Premises or any of your vehicles ("**Hazardous Materials Activities**") except as necessary for your operation of the Franchised Business and in accordance with the Manual. You shall conduct such permissible Hazardous Materials Activities in strict compliance (at your expense) with all applicable federal, state, and local laws, rules and regulations now or hereafter in effect and using all necessary and appropriate precautions. We will not be liable for any of your Hazardous Materials Activities, and your indemnity of us in this Agreement includes for claims due to your Hazardous Materials Activities. You must provide us with a copy of all Hazardous Materials inventory statements and updates filed by any governmental agency or regulation and must immediately notify us both by telephone and in writing of any spill or unauthorized discharge of Hazardous Materials or of any conditions constituting an imminent hazard.

6.4. <u>Enforcement and Local Law Compliance by You</u>. You are solely responsible for monitoring and enforcing the System standards within your business, including all communications with your employees and agents. If we provide you forms or practices, you are solely responsible for ensuring that your forms and practices comply with local laws or other laws applicable to your business. Any changes made by you to the System must be pre-approved by us in writing, and will generally only be approved to the extent necessary to comply with applicable law.

6.5. Other Agreements.

(a) You and your spouse, or your Owners and their spouses, and your managers and coaches will enter into confidentiality and non-competition agreements, and Intranet, Extranet and Internet usage agreements that we specify, consistent with the covenants in these agreements. Your Owners and their spouses will enter into a guarantee agreement that we specify. Any default by you or your Owners or their spouses in the performance of the terms of these agreements is a material breach of this Agreement.

(b) You must answer all customer complaints within 48 hours of receipt. You must forward a copy of the customer complaint and your answer to us. You must contact us immediately, but in any event within 24 hours if a customer complaint or other issue has resulted in an inquiry or report by the media or government, and you will work with us to prepare a response.

(c) You must participate and cooperate with any customer comment or secret shopper feedback program that we implement in the future. Such programs might include providing customers comment cards or surveys at your expense, including costs of related Computer Systems. Such programs might involve third party mystery shoppers or investigators who will purchase services from you anonymously and provide us feedback.

ARTICLE VII
RENEWAL, TERMINATION, TRANSFER AND RELATED INFORMATION

7.1. Term of the Franchise Agreement. The initial term of this Agreement is 10 years from the date of this Agreement, unless terminated earlier under the provisions of this Agreement.

7.2. Renewal or Extension.

(a) You have an option to renew your franchise rights for two consecutive 10-year terms if, at the end of each term, we intend to continue offering services in your market area and each of the following conditions have been satisfied:

(i) You have notified us of your intent to renew the franchise at least seven months but not more than 12 months before the end the initial or any renewal term.

(ii) You are not in default of any material provision of this Agreement or any successor franchise agreement (as applicable) and you have substantially complied with the material of this Agreement or any successor franchise agreement (as applicable) through the term;

(iii) All amounts owed to us, our affiliates, and third parties have been paid;

(iv) You have the right to remain in possession of the Store premises during the successor term;

(v) You satisfy our requirements for new franchisees, as they exist at the time of renewal;

(vi) Either within the six-month period before renewal, or within the six-month period following renewal, you renovate the Store premises so that it conforms to our current image, offerings, and trade dress requirements;

(vii) You sign the form of franchise agreement that we are offering to new franchisees at the time of renewal, except that you will pay the Renewal Fee instead of the initial franchise fee imposed under the new franchise agreement. The new franchise agreement may be materially different than this Agreement and may include, without limitation, different or higher fees;

(viii) Each person with an interest in the franchise must execute and deliver a personal guaranty; and

(ix) You and each person with an interest in the franchise execute and deliver a general release, in a form that we prescribe, releasing us from all claims against us and our Affiliates.

(b) If, at the time of the renewal, we are not offering franchises in the United States, or if applicable law prohibits us from offering you a successor franchise term according to the form of agreement being offered to new franchisees, then this Agreement will be extended for a period of one year. If at the end of the one-year extension, we still have not offered franchises in the United States, or are still prohibited from offering you a franchise according to the form of franchise agreement being offered to new franchisees, this Agreement will expire, unless further extended by mutual consent.

7.3. Termination by Franchisor.

(a) Termination in the Event of Bankruptcy or Insolvency. You will be in default under this Agreement, and all rights granted to you in this Agreement shall automatically terminate without notice, if you become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed and against you and you do not oppose it; if you are adjudicated as bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver for you or other custodian for your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law is instituted by or against you; if a final judgment remains unsatisfied or of record for 30 days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against your business or property; if judicial, non-judicial or administrative proceedings to foreclose any lien or mortgage against the Franchised Business premises or assets or equipment is instituted against you and not dismissed within 30 days; or if the real or personal property of the Franchised Business is sold after levy thereupon by any sheriff, marshal, or constable.

(b) Termination with Notice and Without Opportunity to Cure. We have the right to terminate this Agreement, which termination will become effective upon delivery of notice without opportunity to cure if: ***(i)*** your Owner or your Store managers or coaches fail to successfully complete training; ***(ii)*** you fail to open the Franchised Business by the Opening Date; ***(iii)*** you abandon the Franchised Business (which will be presumed if you cease operations for three consecutive days or more); ***(iv)*** you lose any license required to operate the Franchised Business or you lose your right to occupy the Store premises; ***(v)*** you or any Owner is convicted of, or pleads no contest to, a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System; ***(vi)*** there is any transfer or attempted transfer in violation of Article VII of this Agreement; ***(vii)*** you or any Owner fails to comply with the confidentiality or noncompete covenants in this Agreement; ***(viii)*** you or any Owner has made any material misrepresentations in connection with your franchise application; ***(ix)*** you endanger public health or safety; ***(x)*** you understate any payment to Franchisor by 2% or more, or understate any such payment in any amount, twice in any two-year period; ***(xi)*** if an imminent threat or danger to public health or safety results from the operation of the Franchised Business; ***(xii)*** you knowingly maintain false books or records or submit any false reports or statements to us; ***(xiii)*** you offer unauthorized products or services from the Store or in conjunction with the Marks or Copyrighted Works; ***(xiv)*** you purchase items for which we have identified Approved Suppliers from an unapproved source; ***(xv)*** failure to pass two or more quality assurance inspections within any rolling 12-month period; or ***(xvi)*** we deliver to you three or more written notices of default pursuant to this Article VII within any rolling 12-month period, regardless of whether or not the defaults described in such notices ultimately were cured.

(c) Termination with 10-Day Cure Period. We have the right to terminate this Agreement, which termination will become effective upon delivery of written notice of termination, if you fail to cure the following defaults within 10 days after delivery of written notice: ***(i)*** failure to obtain or maintain required insurance coverage; ***(ii)*** failure to pay any amounts due to us; ***(iii)*** you fail to pay any amounts due to your creditors (unless such amount is subject to a bona fide dispute); ***(iv)*** you fail to pay any amounts for which we have advanced funds for or on your behalf, or upon which we (or our corporate affiliate) is acting as guarantor of your obligations; ***(v)*** your violation of any provision of this Agreement concerning the use and protection of the Marks or Copyrighted Works; or ***(vi)*** your violation of any provision of this Agreement concerning the preparation, service, appearance or quality of System or Store products or services.

(d) Termination with 30-Day Cure Period. Except as otherwise provided in this Article VII, we have the right to terminate this Agreement, which termination will become effective upon delivery of written notice of termination, if you fail to cure any curable default within 30 days after delivery of written notice.

(e) Termination Related to Death or Permanent Incapacity. We have the right to terminate this Agreement if an approved transfer as required by Section 7.5 is not completed within the required time frame following a death or permanent incapacity (mental or physical).

(f) Cross-Default. Any default under any agreement between you and us or our affiliates, and failure to cure within any applicable cure period, shall be considered a default under this Agreement and shall provide an independent basis for termination of this Agreement.

(g) Additional Remedies. In addition to, or in lieu of, termination of this Agreement, in our sole discretion, we may require the Store to be closed during any cure period relating to a default based on public health and safety concerns.

(h) Our Right of Entry and Management. If we may terminate this Agreement as provided elsewhere in this Agreement (because you have not cured a curable default or because no opportunity to cure is required), we may also or instead manage or operate the business on your behalf, for up to six months. During the time in which we manage or operate your business, you will continue to pay all operating expenses for the Store, maintain all employees necessary to operate the Franchised Business, maintain all books and records for the Franchised Business, and otherwise comply with this Franchise Agreement. In the event you fail to pay such expenses or fail maintain the Franchised Business, we may pay your operating expenses, hire employees to operate the Franchised Business, and take all action necessary to manage and operate the Store ("Our Management Expenses"). We will submit Our Management Expenses to you on a monthly basis, and you will pay us Our Management Expenses within 10 days of submission to you. You expressly agree that all of Our Management Expenses shall be considered fees, expenses, and amounts arising from and related to this Franchise Agreement, shall be reimbursable by you and the Owner under the Franchise Agreement guaranty, and shall be subject to 18% interest if not timely paid by you. In addition, you agree that reasonable compensation for our management services will be an amount that we determine, up to $500 per day per Franchised Business ("Our Management Fee"). Our Management Fee shall be considered part of Our Management Expenses.

7.4. Effect of Termination. Upon any termination or expiration of this Agreement, you will immediately:

(a) Return to us all copies of the Manual, and all items containing any Marks, and all copyrighted and proprietary items;

(b) Authorize telephone, Internet, email, electronic network, directory, and listing entities to transfer all numbers, addresses, domain names, locators, directories, and listings to us or our designee;

(c) Cease doing business under any of the Marks, cancel any assumed name registration that includes any of the Marks, assign all domain names and Internet directory listings that contain the Marks to us, and refrain from identifying yourself as our franchisee;

(d) Allow our representatives and us access to the business and your Computer Systems to verify and secure your compliance with your post-termination obligations, including changing or removing all Marks;

(e) Allow us to make a final inspection and audit of your Computer Systems, books, records, and accounts;

(f) Upon termination or expiration of this Agreement for any reason, we have an option to buy all of the Assets of your business. We may exercise this option by giving you written notice before or on the effective date of any expiration or termination. The option price shall be the fair market value of all of the tangible Assets of the business, less any amounts owed to us, and less any secured indebtedness and taxes owed by you to any third parties, determined as follows. Within 20 days after receipt of our notice, you will deliver to us: (i) complete financial statements prepared in accordance with generally accepted accounting principles compiled by an independent certified public accountant, current to within 30 days of expiration or termination, signed by the accountant and by you; (ii) a list of all Assets and their cost and date of acquisition; and, (iii) a list of all payables, claims, liabilities, taxes, and contracts and lease obligations, with the name, address, and phone number of the creditor, lessor, or claimant, and a copy of any liens and security interests. We will determine fair market value within 20 days after receipt of your information, or 30 days after the effective date of termination or expiration, whichever is later. Fair market value for purposes of this option excludes any amount for any intangibles, including goodwill associated with the Marks. We generally will not assume, and therefore may exclude, unsecured liabilities and payables. We may exclude any items not complying with the then-current Manual, and items not usable in the Franchised Business.

If the parties are unable to agree upon the fair market value within the 30-day period, an independent appraiser the parties choose will determine it, using the rules set forth in the preceding paragraph. If the parties are unable to agree on a single appraiser within an additional 10 days, the parties will each choose an appraiser and the two appraisers will choose a third. Each appraiser will submit an appraisal of the tangible Assets within 30 days of the appointment of the last appraiser. The highest and lowest of the three appraisals will be disregarded and the third and middle appraisal will be the option price. The parties will share equally the cost of the third appraiser, but will each separately bear the cost of their respectively selected appraiser.

You will then sign our form of purchase and sale agreement containing customary and reasonable terms, including mutual releases, and will use best efforts to obtain the lessor's consent to assignment of the lease to us. If we decide to exercise our option to purchase, the closing of the purchase will occur within 30 days of the determination of fair market value. We will pay the purchase price in one lump sum at closing, and you will deliver possession simultaneously with payment. We may offset the purchase price for the Assets against amounts due from you under this Agreement. If lessor and secured parties consent and waive claims, we will then pay the fair market value to you in full, and you will deliver possession of the Franchised Business and Assets, on the closing day reasonably set in a purchase and sale agreement signed by both parties.

(g) Abide by the covenants not to compete, confidentiality, dispute resolution, indemnity, and all other covenants that expressly or by their nature survive this Agreement. We may assume your customer contracts as of the date of termination.

(h) Pay us all amounts you owe us.

(i) Pay us estimated future royalties equal to the royalties owed by you for the remainder of the term of this Agreement, which future royalties are accelerated as of the time of default. Estimated future royalties shall equal the product of (1), (2) and (3) hereafter: (1) the greater of (i) the average monthly Royalty Fee you have paid to us over the preceding 12 full calendar months (or however many months you have been open if you have been open for less than 12 calendar months), or (ii) five percent (5%) of the average Profile Store Gross Revenue over the preceding 12 full calendar months; multiplied by (2) a discounted present value of five percent (5%); and multiplied by (3) the number of months remaining in the term of this Agreement or 24 months, whichever is greater. In addition to the foregoing you must continue to pay us future monthly royalties equal to the average monthly royalty for the most recent 24 month period, as long as any one of the following conditions exist: (i) you continue to use the Marks or Systems; or (ii) you or your successor or assignee remain in a similar or competitive business, unless we have approved a Transfer in accordance with this Agreement; or (iii) you make a Transfer other than in compliance with this Agreement. We also are entitled to all other applicable remedies.

(j) Our damages from your breach of this Agreement are difficult to determine, and you acknowledge that the foregoing damages in the prior subsection are a reasonable estimate of those damages. We also are entitled to all other applicable remedies and damages from your breach, including our reasonable attorneys' fees and costs of enforcement, and any under trademark, copyright, and trade secret laws.

(k) Facilitate our exercise of rights to a separate option to assume the lease for the Premises, if any.

7.5. <u>Assignment or Transfer</u>.

(a) You may not make a Transfer or sublease of any property you are leasing in connection with the Franchised Business, without our prior written consent, which will not be unreasonably withheld or delayed, provided all pre-requisites to Transfer are met. Any attempted Transfer of any interest in the Franchised Business without our prior written consent will be a default under the terms of this Agreement, and will be voidable by us. You must give us notice of your intent to make a Transfer at least 60 days prior to the proposed effective date of the Transfer, accompanied by all of the information we require as described below.

(b) Before or at the effective date of a Transfer, and as a prerequisite to our approval:

(i) The transferee must assume all your obligations in connection with the Franchised Business, and must agree, at our option, to either assume this Agreement or to sign our then-current franchise agreement. Assuming that we opt to have the transferee sign a new agreement, the transferee must execute all of the documents we then require of new or renewing franchisees including a new franchise agreement with terms that may vary materially from this Agreement, but that are the same generally as other new and renewing franchisees. We may at our option instead require the transferee to assume the original franchise agreement, in which case the parties will sign our form of an assumption, consent, and mutual release agreement. It is our option to allow transferees to receive the full initial term contained in any such franchise agreement, or just your remaining term;

(ii) You must prove that you have paid all of your debts;

(iii) You must not be in default under this Agreement or any agreement between us or our affiliates;

(iv) You or the transferee must pay us a Transfer Fee in the amount specified in the Summary Page;

(v) You must also pay us a 10% commission on the gross Transfer price (excluding real property), if we obtained the transferee for you;

(vi) The transferee must execute all of the documents we then require of new or renewing franchisees including a new franchise agreement and individual and spousal guarantees with terms that may vary materially from this Agreement, but that are the same generally as other new and renewing franchisees;

(vii) The transferee must meet our subjective and objective standards, for franchisees;

(viii) You and your Owners must execute a general release in favor of us, to the extent permitted by law; and

(ix) You must obtain and submit to us satisfactory evidence of transfer or consent of lenders, lessors, and governmental authorities for all material permits, approvals, and licenses.

(c) Notwithstanding the preceding section, if you are an individual you may Transfer your rights and obligations under this Agreement once without our consent, to a wholly owned entity; provided however that such entity must first agree in writing to be bound by this Agreement. All of your Owners must notify us first, and first agree in writing to personally guarantee the obligations of the entity under this Agreement, in a form substantially similar to Schedule 2 to this Agreement.

(d) Within seven days after receipt of a bona fide offer acceptable to you to Transfer all or part of the Franchised Business, you will notify us of the offer in writing, enclosing a signed copy of the offer. We will then have access to all your books and records in order to evaluate this offer, including your business financial statements and tax returns. We may then purchase the same Assets or interest that is the subject of the offer to Transfer at the price and on the same terms and conditions as offered to you. We may substitute cash for any other form of consideration contained in the offer and, at our option, may pay the entire purchase price at closing. We may exercise this right to purchase, by notifying you in writing within 21 days after receiving your notice. We will close the Transfer by the later of 30 days after our notice to you of exercise of this right, or at the time for closing contained in the original offer, at our option.

(e) If we do not exercise our right to purchase within the time set forth in the previous subsection, you may effectuate a Transfer, but not at a lower price or on more favorable terms than previously disclosed to us in writing. Such Transfer is subject to our prior written approval and other conditions specified in this Agreement. If you do not effectuate a Transfer to the transferee on the same terms offered to us, then you must again extend the right of first refusal to us in the manner described above, before another desired Transfer.

(f) Upon and after any Transfer, you must comply with post-termination obligations of this Agreement.

(g) If you are a legal entity, your share certificates or other evidence of ownership will bear the following legend, printed legibly and conspicuously:

> The transfer of this instrument is subject to the terms and conditions of a Franchise Agreement with Profile Franchising, LLC. Reference is made to the Franchise Agreement and to its restrictive provisions. No transfer will diminish or minimize your obligations under the Franchise Agreement.

7.6. Securities. In addition to your other obligations, if you sell or offer to sell securities or other ownership interests, the offer or sale of which is regulated by any applicable registration or disclosure law, you must: (a) fully comply with all applicable laws; (b) disclose to offerees and purchasers that neither we nor our employees, affiliates or agents are an issuer or underwriter, or are in any way liable or responsible for the offering; (c) ensure that we have a reasonable time to the review any reference to us or our franchisees in any prospectus or offering documents before their distribution or use; (d) pay us our cost, but at least $5,000, for our review; (e) indemnify us, our officers, directors, employees, affiliates, and agents from any liability, cost, damage, claim, and expense and from ongoing obligations to shareholders and to governmental agencies arising out of or relating to the offer, sale or continuing investment; and (f) sign such further indemnities and provide such further assurances as we may reasonably require.

7.7. Assignment by Us. We or any of our affiliates may sell or assign this Agreement, in whole or in part, and our assignee may enforce this Agreement, in whole or in part. We may sell or issue our stock, other ownership interests, or assets, whether privately or publicly.

7.8. Death or Incapacity. If an individual franchisee, or an individual majority owner of an entity franchisee who actively manages the franchise, dies or becomes disabled or incapacitated, the Franchised Business must be managed in accordance with this Agreement by the legal representative of the individual. In addition, the legal representative must within 90 days of the date of death or disability (unless extended by us in writing), either:

(a) Apply to us for the right of a specified heir with a legal right to a controlling interest in the Franchised Business to continue to operate the Franchised Business for the duration of the term of this Agreement. The right to continue will be granted upon the fulfillment of all the general Transfer conditions in this Agreement, except that no Transfer fee will be required of such an heir; or

(b) Give us notice of a proposed Transfer of the Franchised Business to a third party, in which case our consent to the Transfer will be granted only upon the fulfillment of all the general Transfer conditions in this Agreement.

ARTICLE VIII
COVENANTS AND DISPUTE RESOLUTION

8.1. Covenants.

(a) During the term of this Agreement and for two years after termination, expiration, or Transfer of this Agreement for any reason, neither you, nor persons associated with you, including Owners, managers, employees, immediate family members, or agents, will, directly or indirectly:

(i) Directly or indirectly invest, participate, assist, consult, work, or serve in any capacity, in providing weight management programs and services, or in services or products similar to or competitive with those offered by the Franchised Business. The markets covered by this covenant not to compete in the preceding clause apply:

(1) Prior to termination, expiration, or Transfer of this Agreement, within the United States or in any country in which Franchisor or its affiliates has registered, licensed, or sought to register or license its principal trademark; and

(2) After termination, expiration, or Transfer: (i) within the Territory, (ii) within 20 miles from the perimeter of the Territory; (iii) within a 20-mile radius from your former Store; and (iv) within a 20-mile radius from any franchised, Franchisor-owned or affiliated company-owned premises; and (iv) the Internet.

AND:

(ii) Divert; or after termination, expiration, or Transfer of this Agreement solicit, service, or sell to; directly or indirectly, any customer who is or was a customer of the Franchised Business;

AND:

(iii) Invest, participate, assist, consult, work, or serve in any capacity providing products or services that use any of the Systems.

(b) These covenants are given in part in consideration for training and access to our trade secrets, and which, if used in a competitive business without paying fees and royalties and other payments, would give you an unfair advantage over us and our franchisees and affiliates. The unenforceability of all or part of these covenants in any jurisdiction will not affect the enforceability of these covenants in other jurisdictions, or the enforceability of the remainder of the covenants or of this Agreement. The post-termination covenant not to compete is also given in part in consideration for your Territory grant.

8.2. Dispute Resolution.

(a) Enforcement.

(i) You must pay all our damages, expenses, audit and investigation costs, collection costs, attorneys' fees, and interest on the unpaid balances as permitted by law, resulting from your default under this Agreement or from the indemnification provisions of this Agreement.

(ii) In addition to the other relief to which we are entitled, we are entitled to receive liquidated damages at the rate of $500 per day for each day you continue to operate the Franchised Business using our Marks or Systems, after expiration, termination, or Transfer. You agree that we will suffer irreparable damages due to your continued operation or use, and that damages will be impractical to ascertain. The parties acknowledge that the liquidated damages amount is a good faith estimate by the parties of actual damages and is not a penalty.

(iii) You will not, on the grounds of our alleged non-performance of any of our obligations under this Agreement, or due to any dispute with or claim against us, or for any other reason whatsoever, withhold payment of any amounts due to us. You acknowledge that payments withheld by you may cause irreparable harm to us and to other franchisees by jeopardizing the maintenance of uniform Systems and by hindering our ability to meet our obligations to our other franchisees.

(b) Negotiation, Mediation and Arbitration.

(i) The parties will first attempt to resolve by negotiation any dispute between them (a "Dispute"). Either party may begin the negotiation process by delivering to the other party a written "Request for Dispute Resolution," describing the nature of the dispute.

(ii) Any Dispute that is not resolved by negotiation within 10 days after delivery of the Request for Dispute Resolution shall be submitted, upon written "Request for Mediation" directed to the other party, to mediation. Mediation will be before a single qualified independent mediator mutually and reasonably agreed on by the parties. The parties will equally bear the costs of mediation. Mediation will be administered by and conducted in accordance with the procedures of the American Arbitration Association, or other mediation service agreed to by you and us. The mediation will be conducted in the city of our then-current principal place of business.

(iii) Any controversy or claim between the parties (whether sounding in contract, tort, or otherwise) shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

Arbitration will be before a single arbitrator, who must have at least five years of experience in franchising.

Arbitration will be conducted solely on an individual, not a class-wide, basis.

No award in arbitration involving us will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration.

In any arbitration proceeding, the arbitrator is empowered and directed to accept and consider summary judgment motions in accordance with Rule 56 and other applicable rules of the Federal Rules of Civil Procedure and the Federal Rules of Evidence; provided that affidavit testimony shall be admissible to the same extent as live testimony.

All arbitration hearings and proceedings will be held in the city in which we maintain our principal place of business.

The arbitration provisions of this Agreement apply to claims by and against you and us and to our respective affiliates, owners, guarantors, managers, directors, officers, employees, and representatives. The arbitration provisions shall survive the termination, expiration, or Transfer of this Agreement.

8.3. Contractual Limitations Period. Any dispute or claim relating to or arising out of this Agreement or any dispute between the parties (whether statutory or sounding in contract, tort, fraud, misrepresentation, or otherwise) will be barred unless instituted upon the earlier of: (1) the time period for bringing an action under any applicable statute of limitations; (2) one year after the date upon which the complaining party discovered, or should have discovered, the facts giving rise to an alleged claim; or (3) two years after the first act or omission giving rise to an alleged claim.

8.4. Injunctive Relief. Notwithstanding the foregoing provisions of Section 8.2, the parties' agreement to negotiate and mediate shall not apply to controversies, disputes or claims related to or based on amounts owed to us pursuant to this Agreement, your misuse or infringement of the Marks or Copyrighted Works, or your misuse of our Confidential Information. Moreover, regardless of the negotiation, mediation, and arbitration requirements, you and we each have the right in a proper case to seek temporary restraining orders and temporary or preliminary injunctive relief in any court of competent jurisdiction.

8.5. Venue and Jurisdiction. Except as otherwise provided in this Agreement, any action brought by either party against the other in any court, whether federal or state, shall be brought and maintained exclusively in the state or federal court sitting in the judicial district in which we maintain our principal place of business at the time the action is initiated, and the parties hereby waive all questions of personal jurisdiction and venue for the purpose of carrying out this provision.

8.6. Fees and Costs to Prevailing Party. If any Party subject to arbitration should bring an arbitration or court action with respect to the subject matter of this Agreement, the prevailing Party or Parties, if any, shall be entitled to recover from the adverse Party or Parties all of the reasonable expenses of the prevailing Party, including attorneys' fees.

8.7. WAIVER OF JURY TRIAL. THE PARTIES WAIVE TRIAL BY JURY IN ANY LAWSUIT INITIATED BY EITHER OF THEM WITH RESPECT TO A CLAIM OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

8.8. Waiver of Punitive and Special Damages. The parties hereby waive to the fullest extent permitted by law any right to or claim of any punitive of exemplary damages against the other and agree that in the event of a dispute between them each shall be limited to the recovery of compensatory damages.

ARTICLE IX
MISCELLANEOUS

9.1. Interpretation and Execution. This Agreement is valid when executed and accepted by us. Except to the extent governed by the United States Trademark Act, the United States Copyright Act, and the Federal Arbitration Act, this Agreement and any claim, controversy or dispute arising out of or related to this Agreement is governed by the laws of the State of Delaware, without regard to its conflicts of laws principles. This choice of laws will not affect the scope of any state statute that by its terms is inapplicable to this Agreement, and nothing in this Agreement will extend the scope of application of any statute.

9.2. Word Choice. Any use of the word "including" or synonymous terms, followed by one or more examples, does not limit in any way, the antecedent word or phrase.

9.3. Entire Understanding. This Agreement constitutes the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior negotiations, commitments, and representations. However, nothing in this Agreement or related agreements is intended to disclaim any representation that we may have made in the franchise disclosure document that we delivered to you prior to signing the agreement.

9.4. Titles. Titles of articles and sections are used for convenience of reference only and are not to be construed as affecting the construction of the text.

9.5. Cumulative Rights. Our rights and remedies are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

9.6. Further Acts. The parties agree to sign and provide all further documents, information, and assurances, and to perform all further acts, as may be reasonably required to carry out this Agreement. To effectuate the purposes of this provision, you hereby irrevocably appoint us as your attorney-in-fact. Upon termination, expiration, or Transfer of this Agreement, you specifically grant us power of attorney to: (a) cancel any assumed name filing or other registration that include any of the Marks; and, (b) to assign to us all phone numbers, directory listings, domain names, and Internet listings or marketing programs that use the Marks. Upon request by a third party (such as our lender, investor, or purchaser), you will sign an estoppel certificate, or other document stating whether or not you have claims against us, and describing any such claim.

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

9.8. Time of the Essence. Time is of the essence for all purposes of this Agreement.

9.9. Our Discretion. The words "we may" and "our approval" and other words giving us the right to take or not take actions or grant approvals, mean that we may do so in our sole discretion, unless otherwise specified.

9.10. Modification. This Agreement may be modified only by a written document signed by the parties. However, we may unilaterally modify the Systems to meet competition, protect Marks, or for any other reason.

9.11. Notices.

(a) All notices sent by one party to the other must be hand-delivered, sent by reputable overnight courier, or by registered or certified mail, return receipt requested or by facsimile or email or other electronic means with proof of receipt. Notices must be addressed to us at our office as above designated, or at any other address we designate in writing, and addressed to you at your last known business address, or at any alternative address in the United States that you designate in writing.

(b) Any notice is considered received at the time that proof of receipt establishes.

9.12. Non-Waiver of Rights. Our waiver of any particular right will not affect or impair our other rights; nor will any delay, forbearance or omission by us to execute any rights affect or impair our rights as to any future exercise of those rights. We may treat franchisees individually and differently if we deem it reasonable to do so due to differing circumstances.

9.13. Risk of Operations. You recognize the uncertainties of the Franchised Business, and therefore acknowledge that, except as set forth in this Agreement, no representations or agreements have been made regarding the success or profitability of the Franchised Business or the suitability of any location. You further agree that you have not relied on any representations made by us, our brokers, agents, and employees regarding the success or profitability of the Franchised Business or the suitability of any location.

9.14. Business Judgment. When under this Agreement or under applicable law we must be reasonable or act in good faith, we may exercise our business judgment and thereby satisfy our duty.

9.15. Severability. If any part of this Agreement, for any reason, is declared invalid by an arbitrator or court, the declaration will not affect the validity of any remaining portion. The remaining portion will remain in force and effect as if this Agreement were executed with the invalid portion eliminated or curtailed.

9.16. Joint and Several Liability. If Franchisee has more than one Owner or signatory, all are jointly and severally bound to this Agreement. All Owners of Franchisee must sign this Agreement.

9.17. Force Majeure. Any unforeseeable delay in performance caused by circumstances beyond the control of the party affected that make that performance impossible, including acts of another party, strike, embargo, war, inability to obtain supply, storm or weather, fire, terrorism, shall be temporarily excused, while such conditions persist. The party whose performance is excused must make reasonable efforts to mitigate or correct the delay, and must give prompt notice of the delay and its efforts to the other parties. Inability of a party to obtain funds is deemed to be a matter within that party's control. If the delay lasts more than 12 months, and is material to this Agreement, the other party may terminate this Agreement upon 60 days written notice if the delay is not remedied within that 60 day period.

9.18. Representations and Warranties by Franchisee. You represent and warrant to us the following:

(a) You have received our franchise disclosure document, including all exhibits, at least 14 calendar days before signing a binding agreement with us or paying any compensation for the franchise.

(b) Except for the information contained in Item 19 of the franchise disclosure document that was delivered to you in conjunction with your entering into this Agreement, neither we, nor anyone speaking on our behalf, made any representations to you concerning the actual or potential sales, earnings, or profits, and you have not relied on any representations made by us or anyone speaking on our behalf concerning actual or potential sales, earnings or profits.

(c) NO STATEMENT WAS MADE, WHETHER ORAL, WRITTEN, OR OTHERWISE, THAT CONTRADICTS THE FRANCHISE DISCLOSURE DOCUMENT.

The parties have signed this Agreement on the date written on page 1 of this Agreement.

FRANCHISOR:	**FRANCHISEE:**
PROFILE FRANCHISING, LLC	________________________________
By: _____________________________ Nate Malloy, CEO	________________________________

STATE SPECIFIC ADDENDA TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement dated ________________________________ ("**Franchise Agreement**"). Where and to the extent that any of the provisions of this Amendment are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Amendment shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

The following is applicable to you only if you are covered by the franchise law of the referenced state:

ILLINOIS

The Illinois Attorney General's Office requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/1-44, (collectively, the "**Illinois Franchise Disclosure Act**"). If the franchise falls within the jurisdictional requirements of the Illinois Franchise Disclosure Act, and the Franchise Agreement contains provisions that are inconsistent with the Illinois Franchise Disclosure Act, such provisions are hereby amended to state the following:

(a) Your rights upon termination or non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

(b) 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.

(c) 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.

(d) If this Franchise Agreement requires that it be governed by a state's law, other than the State of Illinois, to the extent that such law conflicts with the Illinois Franchise Disclosure Act, Illinois law governing claims arising under the Illinois Franchise Disclosure Act will control.

(e) Section 8.6 of the Franchise Agreement contains a waiver of jury trial. This provision is deleted to the extent required by Section 705/41 of the Illinois Franchise Disclosure Act.

(f) Article IV of the Franchise Agreement is amended to state that payment of initial franchise fees will be deferred until Franchisor has met its initial obligations to Franchisee, and 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.

(g) To the extent that Section 8.2, (b) at (iv) of the Franchise Agreement is in conflict with the Illinois Franchise Disclosure Act at Section 705/27, it is deleted or amended to the extent necessary to comply.

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

MINNESOTA

If the franchise falls within the jurisdictional requirements of the Minnesota Franchises Law, Minnesota Statutes, Chapter 80C (the "**Franchises Law**"), to the extent that this Franchise Agreement contains provisions that are inconsistent with the Franchises Law, such provisions are hereby amended to state the following:

(a) We will comply with the Franchises Law, Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

(b) Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise 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. The Franchise Agreement is amended accordingly to the extent required by law.

(c) In accordance with Minnesota Rule 2860.4400J, to the extent required by law, the Franchise Agreement is modified so that we cannot require you to waive your rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause.

(d) Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. The Franchise Agreement is modified accordingly, to the extent required by Minnesota law.

(e) Pursuant to Minn. Stat. Sec. 80C.12, Subd. 1(g), to the extent required by law, the Franchise Agreement is amended to state that we will protect your right to use the primary trademark, service mark, trade name, logotype or other commercial symbol or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of our primary trade name.

(f) Provisions in the disclosure document and Franchise Agreement limiting your right to file claims, that are inconsistent with Minnesota Statute Sec. 80C.17, Subd. 5, are amended to the extent required by Minnesota law.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Franchises Law are met independently without reference to this Amendment.

NEW YORK

If the franchise falls within the jurisdictional requirements of the New York General Business Law, Article 33, Sections 680 through 695 (the "**NYGBL**"), to the extent that this Franchise Agreement contains provisions that are inconsistent with the NYGBL, such provisions are hereby amended to state the following:

(a) If this Franchise Agreement requires that it be governed by a state's law, other than the State of New York, such requirement should not be considered a waiver of any right conferred upon you by Article 33 of the General Business Laws of the state of New York.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the NYGBL are met independently without reference to this Amendment.

NORTH DAKOTA

If the franchise falls within the jurisdictional requirements of the North Dakota Franchise Investment Law (the "**NDFIL**") and/or the North Dakota Century Code ("**NDCC**"), to the extent that this Franchise Agreement contains provisions that are inconsistent with the NDFIL or NDCC, as applicable, such provisions are hereby amended to state the following:

(a) Sections of the Franchise Agreement requiring you to consent to the jurisdiction of courts outside of North Dakota or providing for resolution of disputes to be outside North Dakota may not be enforceable under North Dakota law, and are amended accordingly to the extent required by the NDFIL.

(b) Sections of the Franchise Agreement requiring you to arbitrate or mediate disputes may require you to consent to a waiver of trial by jury. A waiver of trial by jury may not be enforceable under the NDFIL and any such provisions are amended accordingly to the extent required by law.

(c) Sections of the Franchise Agreement relating to choice of law may not be enforceable under the NDFIL, and are amended accordingly to the extent required by law.

(d) Sections of the Franchise Agreement requiring you to sign a general release upon renewal of the Franchise Agreement may not be enforceable under the NDFIL, and are amended accordingly to the extent required by law.

(e) Sections of the Franchise Agreement requiring you to consent to termination or liquidated damages may not be enforceable under the NDFIL. The Franchise Agreement is revised to state that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

(f) Sections of the Franchise Agreement requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under the NDFIL, and any such provisions are amended accordingly to the extent required by law.

(g) Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to the statute, have been determined to be unfair, unjust, or inequitable in North Dakota. Sections of the Franchise Agreement containing covenants restricting competition to which you must agree may not be enforceable under the NDCC, and are amended accordingly to the extent required by law.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the NDFIL and the NDCC are met independently without reference to this Amendment.

RHODE ISLAND

If the franchise falls within the jurisdictional requirements of the Rhode Island Franchise Investment Act (the "**RIFIL**"), to the extent that this Franchise Agreement contains provisions that are inconsistent with the RIFIL, such provisions are hereby amended to state the following:

(a) In accordance with Section 19-28.1-14 of the RIFIL, to the extent required by law, the Franchise Agreement is modified such that restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under such act.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the RIFIL are met independently without reference to this Amendment.

VIRGINIA

If the franchise falls within the jurisdictional requirements of the Virginia Retail Franchising Act (the "**VRFA**"), to the extent that this Franchise Agreement contains provisions that are inconsistent with the VFRA, such provisions are hereby amended to state the following:

(a) Pursuant to Section 13.1-564 of the VRFA, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise

Agreement does not constitute "reasonable cause," as that term may be defined in the VRFA or the laws of Virginia, that provision may not be enforceable.

(b) Pursuant to Section 13.1-564 of the VRFA, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the VFRA are met independently without reference to this Amendment.

ACKNOWLEDGMENT:

It is agreed that any applicable part of the foregoing state law addendum supersedes any inconsistent portion of the Franchise Agreement dated ________________________________, but only to the extent they are then valid requirements of an applicable and enforceable state law, and for only so long as such state law remains in effect.

DATED ___________________.

FRANCHISOR:	**FRANCHISEE:**
PROFILE FRANCHISING, LLC	________________________________
By: ______________________________	By: ______________________________
Nate Malloy, CEO	________________, ____________

SCHEDULE 1

FRANCHISE AGREEMENT: PREMISES; TERRITORY; AND ADDRESS

1. Type of Premises: Check the One that applies:

☐ Stand-Alone Store OR ☐ In-Facility Store

2. Territory: (Insert description below or attach a map).

The Territory shall be a radius from the Premises of three (3) miles or an area encompassing a population of 50,000, whichever is less. The parties shall enter into a letter agreement following execution of this Agreement, said letter agreement to reflect a map setting forth the Territory.

3. Premises Address: (or if not known, insert later):

____

____

____

Initials:

Franchisee:__________

Franchisor:__________

USE FOR ENTITY FRANCHISEES: ALL OWNERS OF THE ENTITY MUST SIGN THIS SCHEDULE 2.

SCHEDULE 2
FRANCHISE AGREEMENT: INDIVIDUAL GUARANTY

As a material inducement to Franchisor to enter into the Franchise Agreement dated contemporaneously herewith (the "**Agreement**"), between ________________________, a ________________________, as Franchisee, and **PROFILE FRANCHISING, LLC**, a South Dakota limited liability company, as Franchisor, the undersigned (collectively, the "**Guarantor**") hereby unconditionally and irrevocably guarantees the complete and timely performance of each obligation of Franchisee (and any assignee) under the Agreement and any extensions or renewals of and amendments to the Agreement. Guarantor has a financial or other interest in Franchisee and receives a benefit from this Guaranty. This Guaranty is an absolute, primary, and continuing guaranty of payment and performance and is independent of Franchisee's obligations under the Agreement. Guarantor (and if this Guaranty is signed by more than one person or entity, each Guarantor hereunder) shall be primarily liable, jointly and severally, with Franchisee and any other guarantor of the Franchisee's obligations for all of Franchisee's liability under the Agreement including, without limitation, debts, costs, fees, charges, indemnification obligations, future lost royalties, litigation expenses, and any other amounts arising from or related to the Agreement. Guarantor waives any right to require Franchisor to (a) join Franchisee with Guarantor in any suit arising under this Guaranty, (b) proceed against or exhaust any security given to secure Franchisee's obligations under the Agreement, or (c) pursue or exhaust any other remedy in Franchisor's power.

Until all of Franchisee's obligations to Franchisor under the Agreement have been discharged in full, Guarantor shall have no right of subrogation against Franchisee. Franchisor may, without notice or demand and without affecting Guarantor's liability hereunder, from time to time, whether or not Guarantor's risk is increased thereby, compromise, extend or otherwise modify any or all of the terms of the Agreement, or fail to perfect, or fail to continue the perfection of, any security interests granted under the Agreement. Without limiting the generality of the foregoing, if Franchisee elects to extend the Agreement term or otherwise expand Franchisee's obligations under the Agreement, Franchisee's execution of such Agreement documentation shall constitute Guarantor's consent thereto (and such increased obligations of Franchisee under the Agreement shall constitute a guaranteed obligation hereunder); Guarantor hereby waives any and all rights to consent thereto. Guarantor waives any right to participate in any security now or hereafter held by Franchisor. Guarantor hereby waives all presentments, demands for performance, notices of nonperformance, protests, notices of protest, dishonor and notices of acceptance of this Guaranty, and waives all notices of existence, creation or incurring of new or additional obligations from Franchisee to Franchisor. Guarantor further waives all defenses afforded guarantors or based on suretyship or impairment of collateral under applicable Law, other than payment and performance in full of Franchisee's obligations under the Agreement. The liability of Guarantor under this Guaranty will not be affected by: (1) the renewal or discharge of Franchisee from, or impairment, limitation or modification of, Franchisee's obligations under the Agreement in any bankruptcy, receivership, or other debtor relief proceeding, whether state or federal and whether voluntary or involuntary; (2) the rejection or disaffirmance of the Agreement in any such proceeding; or (3) the cessation from any cause whatsoever of the liability of Franchisee under the Agreement.

Guarantor shall pay to Franchisor all costs incurred by Franchisor in enforcing this Guaranty (including, without limitation, reasonable attorneys' fees and expenses). The obligations of Franchisee under the Agreement to execute and deliver estoppel statements, as therein provided, shall be deemed to also require the Guarantor hereunder to do so and provide the same relative to Guarantor following written request by Franchisor in accordance with the terms of the Agreement. All notices and other communications given pursuant to, or in connection with, this Guaranty shall be delivered in the same manner required in the Agreement. All notices or other communications addressed to Guarantor shall be delivered at the address set forth below. This Guaranty shall be binding upon the heirs, legal representatives, successors and assigns of Guarantor and shall inure to the benefit of Franchisor's successors and assigns.

This Guaranty is governed by the laws of the State of Delaware. In any lawsuit arising out of or related to this Guaranty, the venue of such action may be set in federal or state courts in Minnehaha County, South Dakota, and the parties waive any objection to such venue and agree that such courts have subject matter and personal jurisdiction to hear such matter. This Guaranty may be executed in multiple counterparts, each of which shall be deemed an original but together constitute one and the same instrument. Guarantors consulted legal counsel of their own choosing as to their responsibilities and liabilities under this Guaranty.

All capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement.

(Set forth the name, address and percentage ownership of each Owner of the Franchisee, and their percentage ownership, if applicable. Use additional pages if necessary):

Name	**Address**	**Percentage Ownership**

Dated ____________________________________.

GUARANTOR:

____________________________________ ____________________________________

By:________________________________ By: ________________________________

Name:______________________________ Name: ______________________________

Title:_______________________________ Title: _______________________________

Date:_______________________________ Date: _______________________________

Address for notices: Address for notices:

____________________________________ ____________________________________

____________________________________ ____________________________________

EXHIBIT B

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

MULTI-UNIT AREA DEVELOPMENT AGREEMENT

MULTI-UNIT DEVELOPMENT AGREEMENT

SUMMARY PAGE

EFFECTIVE DATE: ______________________________

DEVELOPER: ______________________________

ADDRESS FOR NOTICES: ______________________________

Telephone Number: ______________________________

Email Address: ______________________________

NUMBER OF FRANCHISED
BUSINESSES TO BE DEVELOPED: ______________________________

DEVELOPMENT FEE: ______________________________

DEVELOPMENT SCHEDULE:

Location #	Initial Franchise Fee	Deadline for Opening
1		No later than ___ months from the date of this Agreement
2		No later than ___ months from the date of this Agreement
3		No later than ___ months from the date of this Agreement
4		No later than ___ months from the date of this Agreement
5		No later than ___ months from the date of this Agreement
6		No later than ___ months from the date of this Agreement
7		No later than ___ months from the date of this Agreement
8		No later than ___ months from the date of this Agreement
9		No later than ___ months from the date of this Agreement
___		

PROFILE FRANCHISING, LLC

ADDRESS FOR NOTICES: 1305 W. 18th Street
Sioux Falls, South Dakota 57117

MULTI-UNIT AREA DEVELOPMENT AGREEMENT
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PROFILE®

MULTI-UNIT AREA DEVELOPMENT AGREEMENT

This Multi-Unit Area Development Agreement ("**Agreement**") is effective as of the Effective Date reflected in the Summary Page, between Profile Franchising, LLC, a South Dakota limited liability company with an address at 1305 W. 18th Street, Sioux Falls, South Dakota ("**we**," "**us**," "**our**," or "**Franchisor**"), and the developer identified in the Summary Page ("**you**," "**your**," or the "**Developer**").

RECITALS

You have asked for the right to own and operate a multiple number of PROFILE® franchised businesses. You are willing to enter into franchise agreements for the operation of franchised businesses ("**Franchise Agreements**" or individually, "**Franchise Agreement**"). All terms of all Franchise Agreements shall remain in effect, except as expressly modified in this Agreement. In the case of conflict between this Agreement and any Franchise Agreement, this Agreement shall control. All capitalized terms shall have the meaning attributed to them in the relevant Franchise Agreement, except as expressly modified by this Agreement.

The parties agree as follows:

ARTICLE I
GRANT

1.1. We hereby grant to you the exclusive right to a Development Area (as defined below) in which you will open the number of franchised businesses identified in the Summary Page, subject to this Agreement and to the Franchise Agreement entered into for each business.

1.2. You hereby agree to open the number of franchised businesses identified in the Summary Page in accordance with the Development Schedule defined below.

1.3. This Agreement does not in itself represent a trademark license or a Franchise Agreement or grant to you the right to use the Trademarks. Any such right shall be granted only pursuant to a separate Franchise Agreement executed for each business authorized to be developed pursuant to this Agreement. You shall have no right under this Agreement or any agreement to franchise others, to sub-franchise, or license or sub-license the right the use the Trademarks or Systems, or to divide any agreement, franchise or Territory.

1.4. The reserved area within which you may and must open these units is identified in Exhibit A to this Agreement ("**Development Area**"). Except as provided in this Agreement (including Section 2.3), and subject to your full compliance with this Agreement and any other agreement between you and us, neither we nor our affiliates will own, operate, or franchise, other than to you, a fixed location for a business providing weight management programs and services in the Development Area during the term of this Agreement. The same exceptions to your Territory rights, and our same reservations of rights, contained in any Franchise Agreement signed by you shall apply to your Development Area rights under this Agreement.

ARTICLE II
DEVELOPMENT

2.1. Recognizing that time is of the essence; you agree to develop and open franchised businesses and to keep them open and operating, in accordance with the development schedule identified in the Summary Page ("**Development Schedule**"). You are solely responsible for complying with the Development Schedule. You may, at your option, obtain a 90-day extension to any Deadline for Opening, by delivering to us written notice of your request along with payment of a $3,000 extension fee. Upon delivery of notice and full payment, the applicable Deadline for Opening will be extended for 90 days, and the Development Schedule will be adjusted appropriately. Extension of a particular Deadline will not affect any subsequent Deadline. No more than two extensions may be obtained during the initial term of this Agreement, and no more than two extensions may be obtained during any extended term of this Agreement. Failure to meet the Development Schedule is a material violation of this Agreement.

2.2. At least 120 days prior to each Date for Opening, you and we shall enter into a Franchise Agreement for that business. The Franchise Agreement shall identify a mutually agreeable Territory for that location. The Franchise Agreement shall be our then-current form of Franchise Agreement being offered to similarly situated franchisees, which may vary in material respects from the Franchise Agreement supplied to you and signed contemporaneously with this Agreement.

2.3. Upon the execution of this Agreement, you and we shall sign the first [Franchise Agreement / # Franchise Agreements] and identify the first [Territory / # Territories]. Thereafter, we shall be available for consultation regarding selection of mutually agreeable territories for Franchise Agreements. Territories may or may not be contiguous. We reserve the right to establish, operate, own, license, or franchise any business, including competitive businesses, at any location in territories outside the Development Area. For example, we may open company-owned PROFILE® businesses in any such location, and may do so in areas that may be contiguous to or in close proximity with the Development Area. The same exceptions to your Territory rights and Development Area rights and our same reservations of rights, contained in any Franchise Agreement signed by you shall apply to this Agreement.

2.4. In the event that you fail to meet the time limits under Section 2.1, or in the event the aggregate number of locations required to be open are not at all times operating in compliance with all agreements, we may at our option terminate this Agreement, or to terminate or limit your right to open any additional franchised businesses, or to end any exclusive rights that you might have under this Agreement.

ARTICLE III
FEES

3.1. Upon execution of this Agreement, you will pay to us a non-refundable development fee in the amount set forth in the Summary Page. The development fee is fully earned upon payment. For each Franchise Agreement signed under this Agreement we will credit a portion of your development fee to fully satisfy the initial franchise fee due under such Franchise Agreement as identified in the Summary Page. You will not be required to pay any additional initial franchise fees for each unit opened pursuant to this Agreement upon executing a Franchise Agreement for that unit. Under no circumstances shall you be entitled to refund, return or rebate of the development fee.

ARTICLE IV
COVENANTS

4.1. During the term of this Agreement, Developer shall:

(a) Fully comply with all provisions of all applicable Franchise Agreements in the establishment and operation of each franchised business;

(b) Obtain our approval of the Premises, locations, leases, and all plans for and improvements to such Premises, of each franchised business, as provided in the applicable Franchise Agreements;

(c) Open each franchised business by the date provided in the applicable Franchise Agreement, unless extended by this Agreement, and by the applicable Deadline for Opening;

(d) During the term of this Agreement, engage only in business covered by this Agreement and Franchise Agreements or other agreements between you and us, except with our written consent.

ARTICLE V
INDEPENDENT CONTRACTOR STATUS AND INDEMNIFICATION

5.1. You are an independent contractor. We are not agents, partners, joint venturers, beneficiaries or fiduciaries, of one another. Neither party will be bound or obligated by the other, except as set forth in this Agreement and all applicable Franchise Agreements.

5.2. You will not permit the general public to confuse you with us. You are not our agent, and we are not yours, and you may not enter into contracts or obligations that bind us. You will prominently state and show to the public and to your employees your legal entity name and that you are "independently owned and operated", in a manner that we approve. For example, in all forms used with vendors, customers and employees (including paychecks), you must use your full legal entity name, and may not use any of our Marks unless approved in writing. Use of our Marks will not be permitted on employee forms.

5.3. You are solely responsible for your own operations and employees, including hiring, firing, discipline and other employment practices. You will notify your employees in writing that you are their employer, and that we are not their employer or a joint employer, and provide us with a signed acknowledgment in a form that we approve from each employee before that employee starts to work for you.

5.4. You, your owners, and each owner of each franchised business will indemnify and hold us, and our officers, directors, employees, affiliates and agents harmless against all claims, demands, actions, losses, damages, costs, suits, judgments, debts, losses, assessments, liens, legal fees and disbursements, penalties, expenses, and liabilities of any kind; arising directly or indirectly out of or in connection with: (a) each franchised business; (b) your actions or omissions and those of your officers, directors, employees, affiliates, and agents; and (c) your breach of this Agreement and all applicable Franchise Agreements. However, you are not required to indemnify us for claims resulting solely from our material breach of this Agreement or of applicable Franchise Agreements, or solely from our gross negligence or intentional misconduct.

ARTICLE VI
TERM

6.1. This Agreement is effective until the date that the last franchised business to be developed under this Agreement is to be opened for business, unless earlier terminated according to its terms.

6.2. You have the right to extend the term of this Agreement if each of the following conditions have been met:

(a) There are open and operating, as of the expiration date of the initial term, the number of Stores as are required to be open and operating pursuant to the Development Schedule;

(b) The parties mutually agree on a development schedule for the extended term not later than 120 days prior to the end of the initial term.

(c) You sign a general and full release of any and all claims against us and our officers, directors, employees, affiliates, and agents, including, without limitation, claims and damages arising under or relating to this Agreement and claims and damages relating to the offer, sale, development and operation of any franchise developed under this Agreement.

(d) If the term is extended pursuant to this Section 6.2., (i) Section 2.1. will be amended to reflect the additional development schedule, and (ii) this Agreement will expire on the date that the last franchised business to be developed during the extended term is opened for business, unless earlier terminated according to its terms.

ARTICLE VII
DEFAULT AND TERMINATION

7.1. You are in default under this Agreement, if you fail to: (a) fully perform your obligations required by this Agreement; or (b) comply with any terms, conditions, or provisions of any agreement between you and us, including any Franchise Agreement. A default in any Franchise Agreement is a default in this Agreement.

7.2. We may terminate this Agreement on 60 days' written notice to you for your default, if you fail to cure the default within the 60 days.

7.3. Upon any termination or expiration of this Agreement, you shall have no right to establish or operate any franchised business for which a Franchise Agreement has not been executed by you and us and delivered to us at the time of such termination or expiration. Termination of this Agreement, however, will not affect the parties' rights and obligations under any of the signed Franchise Agreements.

7.4. Our rights and remedies are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

ARTICLE VIII
TRANSFER

8.1. This Agreement is personal to you. You may not voluntarily or involuntarily transfer, assign, sell, or encumber or grant a lien or security in, any interest in or ownership or control of: (a) the Developer entity or any franchisee entity; (b) substantial assets of a franchised business or of Developer; (c) the location or lease of a franchised business; (d) this Agreement; or (e) the Developer's business or of any franchised business (a "**Transfer**"), without our prior written consent. In order to make a Transfer, you must provide us written notice at least 60 days in advance of the effective date of any proposed Transfer, containing a copy of all proposed agreements relating to the Transfer, and detailed information about the proposed transferee and economic terms of the proposed Transfer. We may refuse to consent to a Transfer or condition Transfer on: (i) payment of a non-refundable transfer fee equal to the Transfer fee in our then-current franchise agreement, times the number of units remaining to be developed under this Agreement, plus a 10% commission on the gross Transfer price if we obtained the transferee for you; (ii) the transferee meeting our standards for franchisees and developers, and being an existing franchisee or satisfactorily completing our training program after signing a confidentiality agreement; (iii) you not being in default under this Agreement or under any Franchise Agreement; (iv) you and your owners must execute a general release in favor of us, to the extent permitted by law; and (v) the transferee signing our then-current forms of development and franchise agreements, or at our option assuming this Agreement and the Franchise Agreements. Notwithstanding anything to the contrary in this Agreement, Franchisor hereby acknowledges and agrees that Developer may assign, without Franchisor's prior written consent but with notice to Franchisor, the development of individual franchise locations under this Agreement to a subsidiary or affiliate of Developer as long as said subsidiary or affiliate is controlling, controlled by, or under common control with the Developer; provided that said subsidiary or affiliate of Developer shall assume all the rights and duties under this Agreement with respect to said location and shall be bound by this Agreement with respect to said location. Developer will remain jointly and severally liable for the development of all locations that have been assigned to a subsidiary or affiliate. Developer shall not be permitted to assign the development of individual franchise locations under this Agreement to any other person or entity without Franchisor's prior written consent.

8.2. Any such attempted Transfer without our prior written consent will be voidable by us and will constitute a material breach of this Agreement, for which we may terminate this Agreement upon written notice to you.

8.3. We or any of our affiliates may sell or assign this Agreement in whole or in part, and our assignee may enforce this Agreement in whole or in part. We may sell or issue our stock, other ownership interests, or assets, whether privately or publicly.

ARTICLE IX
MISCELLANEOUS

9.1. Notices.

(a) All notices sent by one party to the other must be hand-delivered, sent by reputable overnight courier with proof of receipt, or by registered or certified mail, return receipt requested, or by facsimile or email or other electronic means with proof of receipt. Notices must be addressed to us at our office as above designated, or at any other address we designate in writing, and addressed to you at your last known business address, or at any alternative address in the United States that you designate in writing.

(b) Any notice is considered given and received at the time proof of receipt establishes.

9.2. Approvals and Disclaimer of Warranty. Requests for approval or consent of us shall be made by timely written request to us. We make no warranties or guarantees on which you may rely, and assume no liability or obligation to you by providing any approval, advice, consent, or services to you.

9.3. Non-Waiver of Rights. Our waiver of any particular right will not affect or impair our rights as to any subsequent exercise of that right of the same or a different kind; nor will any delay, forbearance or omission by us to execute any rights affect or impair our rights as to any future exercise of those rights. We may treat developers and franchisees individually and differently if we deem it reasonable to do so due to differing circumstances.

9.4. Severability and Construction.

(a) If any part of this Agreement, for any reason, is declared invalid by an arbitrator or court, the declaration will not affect the validity of any remaining portion. The remaining portion will remain in force and effect as if this Agreement were executed with the invalid portion eliminated or curtailed.

(b) Any use of the word "including", or synonymous terms, followed by one or more examples, does not limit in any way the antecedent word or phrase.

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

(d) All owners of Developer must sign this Agreement. If Developer has more than one owner or signatory, all are jointly and severally bound to this Agreement.

9.5. Our Discretion. The words "we may" and "our approval" and other words giving us the right to take or not take actions or grant approvals, mean that we may do so in our sole discretion, unless otherwise specified.

9.6. Entire Agreement, Applicable Law, and Venue.

(a) This Agreement and the agreements referred to in this Agreement constitute the entire understanding of the parties and supersede all prior negotiations, commitments, and representations. However, nothing in this Agreement or related agreements is intended to disclaim any representation that we may have made in writing in the latest franchise disclosure document that we delivered to you prior to signing the Agreement. This Agreement may be modified only by written mutual consent of the parties.

(b) This Agreement is valid when executed and accepted by us, and except to the extent governed by the United States Trademark Act, the United States Copyright Act, and the Federal

Arbitration Act, this Agreement and any claim, controversy or dispute arising out of or related to this Agreement is governed by the laws of the State of Delaware. This choice of laws will not affect the scope of any state statute that by its terms is inapplicable to this Agreement, and nothing in this Agreement will extend the scope of application of any statute.

(c) ANY AND ALL DISPUTES ARISING UNDER THIS AGREEMENT SHALL BE RESOLVED AT THE PLACE AND IN THE MANNER REQUIRED BY THE APPLICABLE FRANCHISE AGREEMENT(S). NO PARTY IS PROHIBITED FROM SEEKING INTERIM OR EXPEDITED REMEDIES IN EITHER JUDICIAL OR ARBITRATION PROCEEDINGS (INCLUDING USE OF ARBITRATION RULES PROVIDING EMERGENCY MEASURES OF PROTECTION), IN ANY FORUM HAVING JURISDICTION. ANY PARTY MAY SEEK SUCH REMEDIES TO PRESERVE OR PROTECT TRADEMARKS, COPYRIGHTS, OR TRADE SECRETS, OR FOR EXTRAORDINARY RELIEF, SUCH AS AN INJUNCTION OR EVICTION.

9.7. Guarantors. The individuals signing as guarantors below hereby agree to jointly and severally guarantee the performance by you of all of your duties and obligations hereunder.

9.8. WAIVER OF JURY TRIAL. THE PARTIES WAIVE TRIAL BY JURY IN ANY LAWSUIT INITIATED BY EITHER OF THEM WITH RESPECT TO A CLAIM OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

ARTICLE X
ACKNOWLEDGMENTS, REPRESENTATIONS, AND WARRANTIES

10.1. You recognize the uncertainties of the business venture contemplated by this Agreement, and therefore acknowledge that, except as set forth in this Agreement, no representations or agreements have been made regarding the success or profitability of the business venture contemplated by this Agreement.

10.2. You warrant that you have received, read, and understood this Agreement, any attachments hereto, and agreements relating hereto, if any; and that we have accorded you ample time and opportunity to review them and consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement.

10.3. You warrant that you received a complete copy of this Agreement, any attachments hereto, and agreements relating hereto, if any, at least seven days prior to the date on which you executed this Agreement. You further acknowledge that you have received our franchise disclosure document at least fourteen days prior to the date on which you executed this agreement.

10.4. NO STATEMENT WAS MADE, WHETHER ORAL, WRITTEN, OR OTHERWISE, THAT CONTRADICTS THE FRANCHISE DISCLOSURE DOCUMENT.

[*remainder of page left blank intentionally*]

The parties have signed this Agreement on the date written on page 1 of this Agreement.

FRANCHISOR:

PROFILE FRANCHISING, LLC

By: ______________________________
Nate Malloy, CEO

DEVELOPER:

By: ______________________________
_________________, ____________

GUARANTOR:

____

Name: ___________________________
Percentage Owned: __________%
Address: _________________________
____

STATE SPECIFIC ADDENDA TO

MULTI-UNIT AREA DEVELOPMENT AGREEMENT

THIS AMENDMENT TO MULTI-UNIT AREA DEVELOPMENT AGREEMENT ("**Amendment**") is intended to be a part of, and by this reference is incorporated into that certain Multi-Unit Area Development Agreement executed contemporaneously herewith ("**Area Development Agreement**"). Where and to the extent that any of the provisions of this Amendment are contrary to, in conflict with or inconsistent with any provision contained in the Area Development Agreement, the provisions contained in this Amendment shall control. Defined terms contained in the Area Development Agreement shall have the identical meanings in this Amendment.

The following is applicable to you only if you are covered by the franchise law of the referenced state:

ILLINOIS

The Illinois Attorney General's Office requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Franchise Disclosure Act of 1987, 815 ILCS 705/1-44, (collectively, the "**Illinois Franchise Disclosure Act**"). To the extent that this Area Development Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

(a) Your rights upon termination or non-renewal are set forth in Sections 19 and 20 of the Illinois Franchise Disclosure Act.

(b) In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in an Area Development Agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, an Area Development Agreement may provide for arbitration to take place outside of Illinois.

(c) 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.

(d) If this Area Development Agreement requires that it be governed by a state's law, other than the State of Illinois, to the extent that such law conflicts with the Illinois Franchise Disclosure Act, Illinois law governing claims arising under the Illinois Franchise Disclosure Act will control.

(e) Section 9.8 of the Area Development Agreement contains a waiver of jury trial. This provision is deleted to the extent required by Section 705/41 of the Illinois Franchise Disclosure Act.

(f) Article III of the Area Development Agreement is amended to state that payment of initial development fee will be deferred until Franchisor has met its initial obligations to Developer, and Developer has commenced doing business under the first franchise agreement signed under the Area Development Agreement. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

(g) To the extent that Section 9.6, (b) of the Area Development Agreement is in conflict with the Illinois Franchise Disclosure Act at Section 705/27, it is deleted or amended to the extent necessary to comply.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Illinois law are met independently without reference to this Amendment.

MINNESOTA

To the extent that this Area Development Agreement contains provisions that are inconsistent with the Minnesota Statutes, Chapter 80C, such provisions are hereby amended:

(a) We will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Area Development Agreement.

(b) Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Area Development 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. The Area Development Agreement is amended accordingly to the extent required by law.

(c) In accordance with Minnesota Rule 2860.4400J, to the extent required by law, the Area Development Agreement is modified so that we cannot require you to waive your rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause.

(d) Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. The Area Development Agreement is modified accordingly, to the extent required by Minnesota law.

(e) Pursuant to Minn. Stat. Sec. 80C.12, Subd. 1(g), to the extent required by law, the Area Development Agreement is amended to state that we will protect your right to use the primary trademark, service mark, trade name, logotype or other commercial symbol or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of our primary trade name.

(f) Provisions in the disclosure document and Area Development Agreement limiting your right to file claims, that are inconsistent with Minnesota Statute Sec. 80C.17, Subd. 5, are amended to the extent required by Minnesota law.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota law are met independently without reference to this Amendment.

NEW YORK

To the extent that this Area Development Agreement contains provisions that are inconsistent with New York law, such provisions are hereby amended:

(a) If this Area Development Agreement requires that it be governed by a state's law, other than the State of New York, such requirement should not be considered a waiver of any right conferred upon you by Article 33 of the General Business Laws of the state of New York.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of New York law are met independently without reference to this Amendment.

NORTH DAKOTA

To the extent that this Area Development Agreement contains provisions that are inconsistent with North Dakota law, such provisions are hereby amended:

(a) Sections of the Area Development Agreement requiring you to consent to the jurisdiction of courts outside of North Dakota or providing for resolution of disputes to be outside North Dakota may not be enforceable under North Dakota law, and are amended accordingly to the extent required by law.

(b) Sections of the Area Development Agreement requiring you to arbitrate or mediate disputes may require you to consent to a waiver of trial by jury. A waiver of trial by jury may not be enforceable under North Dakota law and any such provisions are amended accordingly to the extent required by law.

(c) Sections of the Area Development Agreement relating to choice of law, may not be enforceable under North Dakota law, and are amended accordingly to the extent required by law.

(d) Sections of the Area Development Agreement requiring you to sign a general release upon renewal of the Area Development Agreement may not be enforceable under North Dakota law, and are amended accordingly to the extent required by law.

(e) Sections of the Area Development Agreement requiring you to consent to termination or liquidated damages may not be enforceable under North Dakota law. The Area Development Agreement is revised to state that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

(f) Sections of the Area Development Agreement requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under North Dakota law, and any such provisions are amended accordingly to the extent required by law.

(g) Covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to the statute, have been determined to be unfair, unjust, or inequitable in North Dakota. Sections of the Area Development Agreement containing covenants restricting competition to which you must agree may not be enforceable under North Dakota law, and are amended accordingly to the extent required by law.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of North Dakota law are met independently without reference to this Amendment.

RHODE ISLAND

To the extent that this Area Development Agreement contains provisions that are inconsistent with Rhode Island law, such provisions are hereby amended:

(a) In accordance with Section 19-28.1-14 of the Rhode Island Franchise Investment Act, to the extent required by law, the Area Development Agreement is modified such that restricting jurisdiction or venue to a forum outside the State of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under such act.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Rhode Island law are met independently without reference to this Amendment.

VIRGINIA

To the extent that this Area Development Agreement contains provisions that are inconsistent with the Virginia Retail Franchising Act ("**VRFA**"), such provisions are hereby amended:

(a) Pursuant to Section 13.1-564 of the VRFA, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Area Development Agreement does not constitute "reasonable cause," as that term may be defined in the VRFA or the laws of Virginia, that provision may not be enforceable.

(b) Pursuant to Section 13.1-564 of the VRFA, it is unlawful for a franchisor to use undue influence to induce a developer to surrender any right given to him under the franchise. If any provision of the Area Development Agreement involves the use of undue influence by the franchisor to induce a developer to surrender any rights given to him under the franchise, that provision may not be enforceable.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Virginia law are met independently without reference to this Amendment.

ACKNOWLEDGMENT:

It is agreed that any applicable part of the foregoing state law addendum supersedes any inconsistent portion of the Area Development Agreement, but only to the extent they are then valid requirements of an applicable and enforceable state law, and for only so long as such state law remains in effect.

DATED as of the date written on page 1 of the Area Development Agreement.

FRANCHISOR:	**DEVELOPER:**
PROFILE FRANCHISING, LLC	
By: ______________________________	By: ______________________________
Nate Malloy, CEO	_________________, ____________

EXHIBIT A
TO AREA DEVELOPMENT AGREEMENT

DEVELOPMENT AREA

The Development Area is: [Describe or Attach Map]

Initials and Date:

Franchisee:

______________ Date:______________________________

Franchisor:

______________ Date:______________________________

EXHIBIT C

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

FINANCIAL STATEMENTS
FOR
PROFILE FRANCHISING, LLC

Profile Franchising, LLC

Financial Statements as of and for the
Years Ended December 31, 2021, 2020 and 2019,
and Independent Auditor's Report

PROFILE FRANCHISING, LLC

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Deloitte.

Deloitte & Touche LLP
50 South 6th Street
Suite 2800
Minneapolis, MN 55402-1538
USA

Tel:+1 612 397 4000
Fax:+1 612 397 4450
www.deloitte.com

INDEPENDENT AUDITOR'S REPORT

Profile Franchising, LLC
Sioux Falls, South Dakota

Opinion

We have audited the financial statements of Profile Franchising, LLC (the "Company"), which comprise the balance sheets as of December 31, 2021, 2020 and 2019, and the related statements of operations and other comprehensive loss, changes in member equity, and cash flows for the years then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Company's parent has covenanted to make capital contributions to the Company to maintain member equity equal to or greater than $150,000 and has committed to providing the necessary funding to ensure the Company has sufficient liquidity to satisfy its obligations for at least twelve months following the issuance of the financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

March 25, 2022

PROFILE FRANCHISING, LLC

BALANCE SHEETS
AS OF DECEMBER 31, 2021, 2020 AND 2019

	2021	2020	2019
ASSETS			
CURRENT ASSETS:			
Cash equivalent	$ 150,935	$ 150,917	$ 150,635
Accounts receivable, less allowances	118,734	723,272	1,160,274
Contract assets	780,000	829,500	790,000
Receivable from parent, net	-	-	48,010
Notes receivable, less allowances	65,466	179,729	170,116
Deferred franchise expenses	171,285	399,627	471,238
Other current assets	-	-	17,588
Total current assets	1,286,420	2,283,045	2,807,861
OTHER NON-CURRENT ASSETS:			
Deferred franchise expenses	2,799,601	6,151,219	9,132,992
Notes receivable, less allowances	433,031	873,185	104,376
Total other non-current assets	3,232,632	7,024,404	9,237,368
TOTAL ASSETS	$ 4,519,052	$ 9,307,449	$ 12,045,229
LIABILITIES AND MEMBER EQUITY			
CURRENT LIABILITIES:			
Accounts payable	$ 29,520	$ 61,440	$ 46,911
Payable to parent, net	253,830	641,458	-
Deferred franchise fees	251,108	528,217	639,077
Total current liabilities	534,458	1,231,115	685,988
OTHER NON-CURRENT LIABILITIES—Deferred franchise fees	3,834,594	7,926,334	11,209,241
MEMBER EQUITY:			
Member contributed equity	16,692,114	13,130,900	9,995,737
Accumulated deficit	(16,542,114)	(12,980,900)	(9,845,737)
Total member equity	150,000	150,000	150,000
TOTAL LIABILITIES AND MEMBER EQUITY	$ 4,519,052	$ 9,307,449	$ 12,045,229

See notes to financial statements.

PROFILE FRANCHISING, LLC

STATEMENTS OF OPERATIONS AND OTHER COMPREHENSIVE LOSS
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

	2021	2020	2019
OPERATING REVENUES:			
Royalties	$ 1,874,467	$ 1,861,447	$ 1,480,311
ProfileOne fees	931,620	1,393,106	1,203,104
Initial franchise fees	4,319,349	3,678,268	1,182,985
Training and other	135,751	212,261	108,573
Total operating revenues	7,261,187	7,145,082	3,974,973
OPERATING EXPENSES:			
Administrative	3,011,000	3,596,664	3,511,147
Broker commissions	3,592,001	3,040,635	1,143,243
ProfileOne licensing and support	944,498	2,518,324	1,762,796
Travel and entertainment	22,471	103,255	478,892
Sales and marketing	1,164	15,656	184,086
Purchased services and other	271,551	248,020	218,509
Bad debt	2,641,134	757,972	125,703
Total operating expenses	10,483,819	10,280,526	7,424,376
LOSS FROM OPERATIONS	(3,222,632)	(3,135,444)	(3,449,403)
NON-OPERATING (LOSS) INCOME:			
Interest income	7,792	282	386
Other expense	(346,375)	-	-
Total non-operating (loss) income	(338,583)	282	386
NET LOSS AND COMPREHENSIVE LOSS	$ (3,561,215)	$ (3,135,162)	$ (3,449,017)

See notes to financial statements.

PROFILE FRANCHISING, LLC

STATEMENTS OF CHANGES IN MEMBER EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

	Member Contributed Equity	Accumulated Deficit	Total Member Equity
BALANCE—January 1, 2019	$ 6,546,720	$ (6,396,720)	$ 150,000
Equity contribution from parent	3,449,017	-	3,449,017
Net loss and comprehensive loss	-	(3,449,017)	(3,449,017)
BALANCE—December 31, 2019	9,995,737	(9,845,737)	150,000
Equity contribution from parent	3,135,162	-	3,135,162
Net loss and comprehensive loss	-	(3,135,162)	(3,135,162)
BALANCE—December 31, 2020	13,130,899	(12,980,899)	150,000
Equity contribution from parent	3,561,215	-	3,561,215
Net loss and comprehensive loss	-	(3,561,215)	(3,561,215)
BALANCE—December 31, 2021	$ 16,692,114	$ (16,542,114)	$ 150,000

See notes to financial statements.

PROFILE FRANCHISING, LLC

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019

	2021	2020	2019
CASH FLOWS USED IN OPERATING ACTIVITIES:			
Net loss and comprehensive loss	$ (3,561,215)	$ (3,135,162)	$ (3,449,017)
Adjustments to reconcile net loss and comprehensive loss to net cash used in operating activities:			
Accounts receivable and other current assets	604,538	454,590	(579,320)
Contract assets	49,500	(39,500)	129,500
Change in receivable from and payable to parent	(387,628)	689,468	1,145,788
Notes receivable	554,417	(778,422)	(274,492)
Deferred franchise expenses	3,579,960	3,053,384	(60,575)
Accounts payable	(31,920)	14,529	33,942
Deferred franchise fees	(4,368,849)	(3,393,767)	(394,457)
Cash flows used in operating activities	(3,561,197)	(3,134,880)	(3,448,631)
CASH FLOWS FROM INVESTING ACTIVITIES	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES— Equity contribution from parent	3,561,215	3,135,162	3,449,017
INCREASE IN CASH EQUIVALENT	18	282	386
CASH EQUIVALENT—Beginning of year	150,917	150,635	150,249
CASH EQUIVALENT—End of year	$ 150,935	$ 150,917	$ 150,635

See notes to financial statements.

1. NATURE OF ORGANIZATION

Profile Franchising, LLC (the “Company”), organized in the state of South Dakota, was a wholly owned subsidiary of Sanford Frontiers until January 7, 2022. Sanford Frontiers, a wholly owned subsidiary of Sanford Health, is a taxable South Dakota nonprofit corporation. Sanford Health is a wholly owned subsidiary of Sanford, was the ultimate parent. Sanford (the “Parent”) is a nonprofit corporation headquartered in Sioux Falls, South Dakota. The Company offers franchisees the right to operate weight management retail stores under the name “Profile by Sanford”. Operations of company-owned stores are held by an affiliate, Profile Development, LLC, a wholly owned subsidiary of Sanford Frontiers. On January 7, 2022, Sanford Frontiers sold the membership interest of the Company and its affiliates, Profile Development, LLC and Profile Products, LLC, to Profile Plan, LLC., a newly formed entity owned by Profile Holdings, LLC., an unaffiliated Company.

The Company is obligated to provide support services to franchisees as designated in its franchise agreements and Franchise Disclosure Document. These services include initial start-up assistance and training, providing access to proprietary systems to operate the franchised business, marketing support, and ongoing general assistance.

The systems provided to franchisees (collectively referred to as “ProfileOne”) include computer and mobile applications used by Profile coaches to develop customized meal and activity plans for members to achieve their weight loss goals. This also includes both computer and mobile applications used by members to track and measure their food consumption and activities, and Profile’s smart wireless technology that automatically uploads member weight, body measurements, and activity data from patented or proprietary devices. The systems provided to franchisees also include point-of-sale and customer relationship management software from third party vendors.

Franchisees are obligated to sell Profile products and purchase an initial store start-up kit consisting of supplies, office equipment, point-of-sale hardware, and furnishings and fixtures. Profile products and store start-up kits are sold directly to franchisees by an affiliate, Profile Products, LLC.

For the years ended December 31, 2021, 2020 and 2019, results of operations reflect initial franchise fees, royalties, training fees, and ProfileOne fees earned, as well as expenses related to the opening and support of the franchised stores including site selection support, management and operational training, Profile coach certification training, pre-opening marketing, the purchase of certain third party software licenses, and ongoing operational support.

A franchise agreement exists for each store location, the term of which is typically 10 years. The franchise agreement may be part of a Multi-Unit Area Development Agreement (MUADA) which grants the franchisee the exclusive right to develop a certain number of Profile stores within a designated geographical territory over a specified period.

There were 63, 102 and 128 franchise stores in operation as of December 31, 2021, 2020 and 2019, respectively, with signed development agreements for future development of 23 additional franchise stores as of December 31, 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Use of Estimates—The financial statements are prepared on the accrual basis of accounting. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Accounts subject to significant estimates include the allowance for uncollectible accounts for accounts receivable and notes receivable. Actual results could differ from those estimates.

Cash Equivalent—The cash equivalent balance is a highly liquid investment that has an original maturity of three months or less and is held as a certificate of deposit in a bank account in the United States of America that is federally insured. The balance is recorded at amortized cost, which approximates fair market value.

Fair Value Measurements—In accordance with the authoritative guidance, assets and liabilities recorded at fair value in the financial statements are categorized, for disclosure purposes, based upon whether the inputs used to determine their fair values are observable or unobservable. More specifically, the authoritative guidance establishes a three-level value hierarchy for disclosure of fair value measurements. Level 1 inputs represent quoted market prices in active markets for identical assets or liabilities. Level 2 inputs include directly or indirectly observable inputs other than level 1 inputs, such as quoted prices for similar instruments in active or inactive markets, quoted prices for identical instruments in inactive markets, or other inputs that are observable or can be corroborated by observable market data. Level 3 inputs are unobservable inputs related to the instruments that are supported by little or no market activity using pricing models, discounted cash flow methodologies, or similar valuation techniques. The fair value of the cash equivalent is estimated using level 2 type inputs.

Accounts Receivable—Accounts receivable is comprised of balances due from franchisees for services performed. Receivables are stated at the amount the Company expects to collect from outstanding balances, net of the allowance for uncollectible accounts, which is estimated based on historical experience and information gathered based on the franchisees' ability to pay. As receivables are deemed uncollectible, the balance is written off to operating bad debt expense. The allowance for uncollectible accounts was $2,054,363, $134,823 and $102,551 as of December 31, 2021, 2020 and 2019.

Contract Assets—In certain states, there are regulations that do not allow franchisors to collect initial franchise fees until the opening of a franchise store. As a result, the Company records contract assets, which represent unbilled receivables due from these respective franchisees upon opening of the franchise store.

Notes Receivable—Notes receivable are comprised of balances due from franchisees for services performed where payment terms have been extended. Notes are repayable over periods varying from 18 to 102 months. The Company charges interest based on the contract terms and currently has rates ranging from 0% to 6%, with the majority being 4-6%. As of December 31, 2021, 2020 and 2019, notes receivable from franchisees totaled $1,184,507, $1,420,130 and $274,492, with balances due within one year reported within current assets and non-current balances outstanding reflected as notes receivable. The carrying amount of notes receivable approximates the fair value based on the nature of the receivable. As notes are deemed uncollectible, the balance is written off to operating bad debt expense. The allowances for uncollectible accounts for current notes receivable was $143,008, $81,145 and $-0- as of December 31, 2021, 2020 and 2019, and the allowance for uncollectible accounts for non-current notes receivable was $543,002, $286,071 and $-0- as of December 31, 2021, 2020 and 2019.

Parental Support—The Company has a history of recurring net operating losses and cash outflows from operations. As a result, the Company's parent, Profile Plan, LLC has entered into an agreement with the Company which covenanted that Profile Plan, LLC would continue to make capital contributions to the Company to maintain member equity equal to or greater than $150,000 and has committed to providing the necessary funding to ensure the Company has sufficient liquidity to satisfy its obligations for at least twelve months following the issuance of the financial statements. Continuation of the Company's business plan is dependent upon this support.

Operating Revenues—Operating revenues consist of revenue generated from contracts with customers, known as franchisees. As a practical expedient, royalties are calculated as a percentage of a franchise location's weekly gross sales and are recognized as revenue in the period the sales occur. Royalties are generally 5% of weekly franchise gross sales. Certain franchise agreements include 5% royalties up to a specified threshold of weekly gross sales, with a gradual decrease in the percentage on the amount of weekly gross sales that exceed a specified threshold. ProfileOne fees range between $750 and $1,155 per month per franchise location and cover the use of ProfileOne computer and web-based systems and are recognized in the period the services are provided.

Initial franchise fees are recorded upon receipt as deferred franchise fees (also referred to as contract liabilities) within current liabilities and other non-current liabilities and are recognized over the term of the franchise agreement, which is typically 10 years (except if a store is located or a franchisee resides in one of the few states where state law prohibits collection of the franchise fee until the store opens). Franchise fees are received when the MUADA or individual franchise store agreement is signed, whichever occurs first. Amortization of the franchise fee begins at the signing of the individual franchise store agreement. Initial franchise fees are $49,500 for a single store and range from $15,000 to $49,500 per store for a MUADA and may be discounted by $5,000 per store for certain qualifying veterans. In the event a franchise agreement is terminated, any remaining deferred franchise fees are recognized in the period of determination.

Other operating revenues include training and other services, which are recognized in the period services are provided. With the exception of initial franchise fees, revenues are typically billed and collected on a monthly basis.

Operating Expenses—Broker commissions are recorded as deferred franchise expenses within current assets and other non-current assets and are amortized over the term of the franchise agreement in correlation with the respective initial franchise fee revenue recognition. Other costs incurred related to franchise operations are expensed as incurred. In the event a franchise agreement is terminated, any remaining deferred franchise expenses are recognized in the period of determination.

Marketing Fund—Profile Development, LLC administers a marketing fund on behalf of its franchisees. The marketing fund was established to provide various services to all franchisees, including marketing, advertising, promotion, marketing research and development, and administrative costs. Company-owned stores also pay into the marketing fund. Marketing fund contributions are 2% of a store's weekly gross revenues.

Related-Party Transactions—The Company's affiliates provide services to the Company and charges for any services provided. Expenses charged or allocated to the Company include salaries and benefits for services to support the Company, marketing, and other miscellaneous expenses. Amounts due to the Parent totaled $253,830 and $641,458 at December 31, 2021 and 2020 and amounts receivable from Parent totaled $48,010 as of December 31, 2019.

Income Taxes—The Company is a single member LLC for income tax purposes. Income and losses of the Company are passed through and reported by the Parent.

Commitments and Contingencies—The Company carries franchisor's errors and omissions liability insurance through a commercial insurance carrier on a claims-made basis up to the limit amount of $5 million. In addition, the Company is also covered by policies held by the Parent, which carries general liability insurance through a combination of self-insured retention and commercial insurance carriers. Excess coverage for general liability is provided by various carriers and layers and provides a dedicated excess limit of coverage from other liability coverages.

The Company is involved in certain disputes and legal action arising in the normal course of business. On January 12, 2021, Kenwood Investment Group, Inc., the Company's franchisee, filed for arbitration against the Company and asserted claims for common law and statutory fraud, including violation of the California Franchise Investment Law and California Unfair Competition Law. In 2021, the Company recorded a loss for $346,375, as a settlement is probable and can be reasonably estimated. The loss is included in "Other Expense" in the Statements of Operations and Other Comprehensive Loss.

Subsequent Events—On January 7, 2022, Sanford Frontiers sold its membership interests in the Company and its affiliates, Profile Development, LLC and Profile Products, LLC, to Profile Plan, LLC.

The Company has evaluated subsequent events through March 25, 2022, the date this report was issued, and no additional significant events have been identified.

3. COVID-19

In March 2020, the World Health Organization declared the outbreak of a novel strain of coronavirus (COVID-19) a global pandemic as the virus spread rapidly across the United States and the rest of the world. In response to the pandemic, many states and local jurisdictions in which the Company's franchisees operate stores implemented measures to limit the spread of COVID-19. These measures included restrictions on travel outside the home and in-person gatherings as well as other limitations on business activities. Although the Company's franchise locations quickly responded by implementing virtual health coaching and e-commerce offerings, the impact of these restrictions had a negative impact on some franchise-owned stores in the form of reduced operating hours, restricted business development opportunities, lower new member acquisition and lower sales. For certain stores, the adverse impacts of COVID-19 and related restrictions also resulted in temporary, and in some cases, permanent store closures.

After implementing a variety of measures designed to safeguard members, retail customers, and employees, most franchise stores that had temporarily closed have resumed full or partial in-person operations. The extent to which both franchisees' and the Company's operations will continue to be impacted by COVID-19 will largely depend upon developments, which are uncertain and unpredictable. Such developments may include, among others, further actions by federal, state and local government authorities to limit the spread of the virus, the timing related to the availability and distribution of vaccines, and potential changes in consumer behavior related to enduring economic and health concerns. Accordingly, the Company cannot reasonably determine the ultimate impact the COVID-19 pandemic will have on its future results of operations due to the continuing uncertainty surrounding the pandemic’s magnitude and duration.

* * * * * *

EXHIBIT D

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

LIST OF CURRENT AND FORMER FRANCHISEES

FRANCHISEE LIST

List of Franchisees as of December 31, 2021

Arizona					
MSP Wellness, LLC[1]	7131 W. Ray Road, Suite 35	Chandler	AZ	85226	(480) 939-5877
TTR Wellness I, LLC[1]	1865 E. River Road, Suite 121	Tucson	AZ	85718	(520) 428-1522
Florida					
STELLA 10, LLC[1]	5360 Donald Ross Rd, Suite 100	Palm Beach Gardens	FL	33410	(561) 290-2123
Heinsen Mgmt, Inc.[1]	4799A Coconut Creek Parkway	Coconut Creek	FL	33063	(954) 284-1912
Georgia					
CT Living Well, LLC[1]	2805 Washington Road, Suite A	Augusta	GA	30909	(762) 220-3335
Illinois					
MSP Wellness, LLC[1]	902 Meijer Drive, Suite 5	Champaign	IL	61822	(217) 403-9080
Panz Wellness Deer Park, LLC	20330 N. Deer Park Blvd Suite 130	Deer Park	IL	60010	(224) 633-1486
K and K Wellness, LLC[1]	146 Junction Drive W	Glen Carbon	IL	62034	(618) 215-5890
Indiana					
MSP Wellness, LLC[1]	401 N Green River Road, Suite B	Evansville	IN	47715	(812) 618-4360
MSP Wellness, LLC[1]	5301 Pearl Drive, Suite 200	Evansville	IN	47712	(812) 717-2015
V. Chowdry and Laura A. Pinnamaneni[1]	11503 Spring Mill Road, Suite 650	Carmel	IN	46032	(317) 689-1250
Iowa					
MSP Wellness, LLC[1]	1250 NW 128th Street, Suite 130	Clive	IA	50325	(515) 393-6200
MSP Wellness, LLC[1]	3010 E 53rd Street	Davenport	IA	52807	(563) 424-7840
LAM Enterprises SC, LLC	5001 Sergeant Road, Suite 375	Sioux City	IA	51106	(712) 250-2598
LAM Enterprises CR, LLC	1115 Blairs Ferry Rd NE, Suite 200	Cedar Rapids	IA	52402	(319) 774-4808
Twin Cities Wellness, LLC[1]	1550 N Ankeny Blvd, Suite 108	Ankeny	IA	50023	(515) 257-7050
MSP Wellness, LLC[1]	620 Lincoln Way, Suite 4	Ames	IA	50010	(515) 236-5830
LAM Enterprises CF, LLC	6207 University Avenue	Cedar Falls	IA	50613	(319) 249-5451
Twin Cities Wellness, LLC[1]	160 Jordan Creek Pkwy, Suite 110	West Des Moines	IA	50266	(515) 207-4796
LAM Enterprises IC, LLC	1301 S. Gilbert Street, Suite 2	Iowa City	IA	52240	(319) 209-4874
Kansas					
MSP Wellness, LLC[1]	2616 N Maize Road, Suite 104	Wichita	KS	67205	(316) 665-6401
Twin Cities Wellness, LLC[1]	13378 Metcalf Avenue	Overland Park	KS	66213	(913) 800-5160
Kentucky					
MSP Wellness, LLC[1]	12951 Shelbyville Road, Suite 112	Louisville	KY	40243	(502) 251-1696
Louisiana					
S.W. LA Wellness, LLC	4740 Nelson Road, Suite 130	Lake Charles	LA	70605	(337) 210-4029
Minnesota					
Twin Cities Wellness, LLC[1]	511 Holly Lane, Suite 120	Mankato	MN	56001	(507) 519-0003
Twin Cities Wellness, LLC[1]	384 3rd Street NE	Waite Park	MN	56387	(320) 497-7020
MSP Wellness, LLC[1]	8345 Crystal View Road, Suite 102	Eden Prairie	MN	55344	(952) 800-0930
MSP Wellness, LLC[1]	13135 Ridgedale Drive	Minnetonka	MN	55305	(952) 314-3788
MSP Wellness, LLC[1]	7525 France Avenue So.	Edina	MN	55435	(952) 800-0800
MSP Wellness, LLC[1]	3344 Promenade Place, Suite 103	Eagan	MN	55121	(612) 358-2302
MSP Wellness, LLC[1]	8390 Tamarack Village, Suite 513	Woodbury	MN	55125	(612) 358-2301
LAM Enterprises DL, LLC	4602 Grand Avenue, Suite 940	Duluth	MN	55803	(218) 520-0195
McKenzie Medical & Wellness, Inc.[1]	1123 Civic Center Dr NW, Suite 205	Rochester	MN	55901	(507) 216-3305
MSP Wellness, LLC[1]	8131 Wedgewood Lane N	Maple Grove	MN	55369	(763) 200-5156
Missouri					
LAM Enterprises SJ, LLC	5201 N Belt Hwy, Suite Z-117	St. Joseph	MO	64506	(816) 5969140
MSP Wellness, LLC[1]	14127 Clayton Road	Town & Country	MO	63017	(636) 489-0022
Carrmi-Prowentz, LLC	1768 Wentzville Parkway	Wentzville	MO	63385	(636) 231-5747

Montana					
Inside-Out Solutions, LLC	1219 N. 27th Street, Suite 2	Billings	MT	59101	(406) 384-6048
Nebraska					
Holzwarth Ventures, LLC	7121 Pioneers Blvd. Suite 130	Lincoln	NE	68506	(402) 858-9356
Outline Omaha, LLC[1]	1303 S. 72nd Street, Suite 106	Omaha	NE	68124	(402) 807-2504
Outline Omaha, LLC[1]	203 N 180th Street, Suite 104	Omaha	NE	68118	(402) 999-0589
Outline Omaha, LLC[1]	14848 Evans Plaza	Omaha	NE	68116	(402) 281-2022
New Jersey					
TANA Enterprises Inc.[1]	330 Chimney Rock Rd, Suite A100	Bound Brook	NJ	08805	(732) 907-7477
Polaris Enterprises, Inc.[1]	114 US Highway 9	Englishtown	NJ	07726	(732) 334-6603
JSP2 Wellness Corporation	654 Nassau Park Blvd.	Princeton	NJ	08540	(609) 608-9321
North Carolina					
MSP Wellness, LLC[1]	7510 Pineville Matthews Rd, #9A	Charlotte	NC	28226	(704) 741-2342
North Dakota					
LAM Enterprises GF, LLC	1375 S Columbia Road, Suite E	Grand Forks	ND	58201	(701) 317-7071
Ohio					
MSP Wellness, LLC[1]	722 N. Main Street	Springboro	OH	45066	(937) 249-0095
JEJE, LLC	3430 Secor Road, Suite 415	Toledo	OH	43606	(419) 954-0754
MSP Wellness, LLC[1]	4294 Kent Road, Suite 1	Stow	OH	44224	(330) 548-8201
Oklahoma					
MSP Wellness, LLC[1]	1389 E 15th Street, Suite 120	Edmond	OK	73013	(405) 696-4440
Pennsylvania					
Health Coaching of Horsham, LLC	116 Welsh Road, Suite 3	Horsham	PA	19044	(267) 348-1231
Health Coaching of Exton, LLC	151 W. Lincoln Hwy	Exton	PA	19341	(484) 713-8680
South Carolina					
Fitco, LLC[1]	608 Long Point Road, Suite D	Mt. Pleasant	SC	29464	(843) 284-9654
Fitco, LLC[1]	4400 Fort Jackson Blvd Suite 600C	Columbia	SC	29209	(803) 542-9759
Fitco, LLC[1]	5232 Sunset Blvd, Suite G	Lexington	SC	29072	(803) 756-3403
South Dakota					
Healthy Lifestyle Solutions, LLC	715 Omaha Street	Rapid City	SD	57701	(605) 519-2020
Tennessee					
MSP Wellness, LLC[1]	113 Lovell Road	Knoxville	TN	37934	(865) 337-8176
Blue Bridge, LLC[1]	99 Seaboard Lane, Suite 800	Brentwood	TN	37027	(615) 270-1710
MSP Wellness, LLC[1]	7240 Kingston Pike, Suite 192	Knoxville	TN	37919	(865) 410-8660
Utah					
EmpowrU Inc.[1]	129 E 13800 S, Suite A-3	Draper	UT	84020	(385) 210-0160
EmpowrU Inc.[1]	6913 South 1300 East	Cottonwood Heights	UT	84047	(801) 742-8910
EmpowrU Inc.[1]	1397 W Sunset Blvd #109	St. George	UT	84770	(435) 216-4468
West Virginia					
MSP Wellness, LLC[1]	419 Suncrest Towne Centre Drive	Morgantown	WV	26505	(304) 212-2980
Wisconsin					
MSP Wellness, LLC[1]	426 Gammon Place	Madison	WI	53719	(608) 819-2301

Note 1: Multi-unit developer (or a member of a multi-unit developer organization).

List of Franchisees with Signed Franchise Agreement
But Outlet not Open as of December 31, 2021

Florida			
Pram Dass Hisler[1]	Tampa	FL	phisler32@yahoo.com
Mettler Enterprises I, LLC[1]	Jacksonville	FL	mettler.joel@gmail.com
Georgia			
Erik Styacich[1]	Brookhaven	GA	erikstyacich@gmail.com
Indiana			
Outline Indiana, LLC[1]	Sioux Falls	SD	aaron@discoverbison.com
Kansas			
JJM Topeka, LLC[1]	Sioux Falls	SD	michelle.lounsbery@profileplan.com
Louisiana			
S.W. LA Wellness, LLC[1]	Lake Charles	LA	jc.harper@profileplan.com
Massachusetts			
Joseph S. Attia[1]	Natick	MA	joseph.attia@quantalytixgroup.com
Michigan			
McKenzie Medical & Wellness, Inc.[1]	Woodbury	MN	kevin.mensink@profileplan.com
Michael Young[1]	Orchard Lake	MI	mountandog@comcast.net
Missouri			
JJM Columbia, LLC[1]	Sioux Falls	SD	michelle.lounsbery@profileplan.com
Utah			
EmpowrU Inc.[1]	Holladay	UT	spencer.chipping@profileplan.com
Washington			
ErneMyklebust, LLC[1]	Mercer Island	WA	eric.p.myklebust@gmail.com

Note 1: Multi-unit developer (or a member of a multi-unit developer organization).

Note 2: Franchisee’s principal address and contact number as there is no store location within the designated state at this time.

LIST OF FORMER FRANCHISEES

Franchisee	City	State	Telephone or E-Mail
BENTOR, LLC	Edina	MN	tor@ingstadmedia.com
TEEPEE Enterprises, Inc.	Cumming	GA	Teepee06@gmail.com
Colorado Heath Partners, Inc[1]	Highlands Ranch	CO	Andrew.Alpert@hotmail.com
MackPack Investment Group, LLC	Bridgewater	MA	travismac@gmail.com
H&C Wellness, LLC	Morrison	CO	todd@houghtonproperties.com
PERFIL, LLC[2]	Houston	TX	bbarnes@woodlandsfm.com
Mermaid's Kitchen, LLC[3]	Boerne	TX	rpace56@yahoo.com
Blue Bridge, LLC[4]	Sioux Falls	SD	danblue@jessupcellars.com
GonLad Management, LLC	McLean	VA	Ago2080@msn.com
M&M Solutions, LLC	Sioux Falls	SD	dkmettler@sio.midco.net
AAMI Health, LLC	Ann Arbor	MI	brntngls@gmail.com
Coastal Lifestyle Partners, LLC	Savannah	GA	missycjones@gmail.com
Being Holistic, LLC	Vestavia Hills	AL	Jsharma19@gmail.com
JNA Partners, Inc.	Laguna Niguel	CA	johnbdouglas@gmail.com
McKenzie Medical & Wellness, Inc.	Woodbury	MN	kmensinkmn@gmail.com
Outline Omaha, LLC[5]	Omaha	NE	aaron@discoverbison.com
Panz Wellness Roscoe, LLC	Wilmette	IL	adamparis@gmail.com
Health Coaching of Blue Bell, LLC	King of Prussia	PA	michaelwbrand@aol.com
MSP Wellness, LLC[6]	Edina	MN	sanderson@k2capital.group

[1]Former franchisee was a multi-unit operator of two Profile stores.
[2]Former franchisee was a multi-unit operator of four Profile stores.
[3]Former franchisee was a multi-unit operator of two Profile stores.
[4]Franchisee closed two Profile stores. Franchisee currently owns and operates one open store.
[5]Franchisee closed one Profile store. Franchisee currently owns and operates three open stores.
[6]Franchisee closed 13 stores. Franchisee currently owns and operates 29 open stores.

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

EXHIBIT E

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

**LIST OF STATE FRANCHISE AUTHORITIES
AND LIST OF AGENTS FOR SERVICE OF PROCESS**

LIST OF STATE ADMINISTRATORS AND STATE AGENTS FOR SERVICE OF PROCESS

State	State Administrator	Agent For Service Of Process
CALIFORNIA	Department of Financial Protection & Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 576-7505	Commissioner of Financial Protection & Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344
HAWAII	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62701 (217) 782-1090	Illinois Attorney General 500 South Second Street Springfield, Illinois 62701
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington St., Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360	Maryland Securities Commissioner Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Franchise Unit 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48909 (517) 373-1837	Michigan Department of Labor & Economic Growth Commercial Services & Corporations Bureau 611 West Ottawa Street Lansing, Michigan 48909
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1627	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600

State	State Administrator	Agent For Service Of Process
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8222	Secretary of State of the State of New York One Commerce Plaza 99 Washington Avenue Albany, New York 12231
NORTH DAKOTA	North Dakota Securities Department 600 East Blvd. Ave., Fifth Floor Bismarck, North Dakota 58505 (701) 328-4712	North Dakota Securities Department 600 East Blvd. Ave., Fifth Floor Bismarck, North Dakota 58505 (701) 328-4712
RHODE ISLAND	Securities Division Department of Business Regulation 1511 Pontiac Avenue, Building 68-2 Cranston, Rhode Island 02920 (401) 462-9585	Securities Division Department of Business Regulation 1511 Pontiac Avenue, Building 68-2 Cranston, Rhode Island 02920 (401) 462-9585
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street. 9th Floor Richmond, Virginia 23219 (804) 371-9672	Clerk, State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 1st Floor Richmond, Virginia 23219
WASHINGTON	Department of Financial Institutions Securities Division 150 Israel Road, S.W. Tumwater, Washington 98501 (360) 902-8760	Director, Department of Financial Institutions Securities Division 150 Israel Road, S.W. Tumwater, Washington 98501
WISCONSIN	Securities and Franchise Registration Wisconsin Securities Commission 345 West Washington Street, 4th Floor Madison, Wisconsin 53703 (608) 266-3364	Securities and Franchise Registration Wisconsin Securities Commission 345 West Washington Street, 4th Floor Madison, Wisconsin 53703 (608) 266-3364

EXHIBIT F

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

TELEPHONE AND ONLINE PRESENCE CONTINGENT ASSIGNMENT AGREEMENT

TELEPHONE AND ONLINE PRESENCE

CONTINGENT ASSIGNMENT AGREEMENT

THIS AGREEMENT (the "**Agreement**"), dated as of __________________________________, is made between Profile Franchising, LLC ("**Franchisor**") and ______________________ (collectively "**Franchisee**").

In consideration of the granting of a Franchisee agreement to Franchisee and for other valuable consideration, the parties agree as follows:

1. **Telephone:** Franchisee will obtain telephone service for Franchisee's business located at ____. Such service shall not be used in conjunction with any other business or residential telephone service. Franchisee is authorized and agrees to secure information listings using Franchisor's trademarks. Franchisee shall submit to Franchisor for its written pre-approval all listings and related advertising, in accordance with the Franchisee agreement. Franchisee shall be responsible for the payment of any and all service charges and fees in connection with obtaining telephone services, advertising and listings.
2. **Online Presence:** Franchisee will use an email address, domain name, URL's, Web site or presence, social network identities and such other online marketing ("**Online Presence**") as specified and approved by Franchisor under the Franchisee agreement using Franchisor's trademarks.
3. **Contingent Assignment:** Franchisee hereby assigns to Franchisor all telephone numbers, directory listings, and Online Presence utilized by Franchisee in operation of Franchisee's business, which assignment shall become effective immediately upon the termination or expiration of the Franchisee agreement for any reason. This assignment is irrevocable and this Agreement shall constitute conclusive evidence of such assignment. Franchisor may deliver this Agreement to the telephone company, domain name registers, social media host companies, or any other relevant party to effectuate such assignment.

FRANCHISOR:	**FRANCHISEE:**
PROFILE FRANCHISING, LLC	
By: ______________________________	By: ______________________________
Nate Malloy, CEO	_________________, ____________

EXHIBIT G

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

LEASE ADDENDUM

LEASE ADDENDUM

This Addendum is attached to and is made part of the Lease between ____________________________ ("**Lessor**") and ______________________________________ ("**Lessee**") dated: ________________ (the "**Lease**"), for the premises located at: ___________________________ ("**Premises**").

RECITALS

Lessor and Lessee have entered into the Lease for the purpose of enabling Lessee to operate a PROFILE® business at the Premises (the "**Business**").

Lessee and Profile Franchising, LLC ("**Franchisor**") have entered into a franchise agreement that permits Lessee to operate the Business at the Premises. The franchise agreement requires that this Addendum be signed by all parties, in order to give Profile Development, LLC ("**Franchisor's Affiliate**") the right to assume the Lease upon expiration or termination of the franchise agreement.

AGREEMENT

A. CONDITIONAL ASSIGNMENT:

1. Lessee hereby conditionally assigns all of the Lessee's right, title and interest in this Lease to Franchisor or Franchisor's designee. This assignment shall become effective only upon occurrence of both of the following conditions;

a. Termination or expiration of the franchise agreement between Franchisor and Lessee as franchisee for the operation of the Business at the Premises, and

b. Exercise by Franchisor or its designee of the option contained in this Addendum to assume the obligations of and to replace Lessee as the lessee under the Lease within 15 days after termination of the franchise agreement.

Lessee agrees that at such time as Franchisor or its designee exercises its option to become the Lessee under this Addendum, Lessee will immediately vacate the Premises without removing any fixtures, parts, or accessories except as authorized in the franchise agreement.

2. Lessor agrees that at such time as Franchisor or its designee exercises its option to become the Lessee under this Addendum, to permit Franchisor or its designee (as applicable) to enter upon and take possession of the Premises. Lessor will take all legal action necessary to remove Lessee if Lessee refuses to vacate the Premises.

3. Lessor is hereby authorized and directed to rely solely upon written notice by Franchisor of the termination of the Franchise agreement and exercise by Franchisor or its designee of Franchisor's option to become the Lessee under the Lease and is hereby relieved of any and all liability to Lessee for any action it takes in so relying.

4. Lessor hereby consents to this Conditional Assignment of Lease and hereby agrees that if this assignment becomes effective, Franchisor or its designee shall thereafter be substituted for Lessee as the Lessee in this Lease. Lessee shall be relieved of all liability accruing under this Lease after the effective date of the assignment and Franchisor or its designee shall have the right to reassign this Lease to a new franchisee of Franchisor without the prior consent of Lessor. In the event of such reassignment, Franchisor or its designee, as applicable, shall be relieved of all liability accruing under this Lease after the date of said reassignment.

B. LESSOR NOTICES: Lessor agrees to send to Franchisor copies of all notices that it sends to Lessee. Copies of these notices shall be sent to:

Nate Malloy
Chief Executive Officer
PROFILE FRANCHISING, LLC
1305 W 18th Street
PO Box 5039
Sioux Falls, SD 57117-5039

or to such other address that Franchisor provides to Lessor.

C. DEFAULT BY LESSEE: In addition to the notices agreed to be given in the preceding paragraph, Lessor agrees to give Franchisor's Affiliate thirty (30) days prior written notice of its intention to re-enter and repossess the Premises and to cancel the Lease on account of Lessee's default of any of its terms, conditions or provisions. During the thirty (30) day period Franchisor's Affiliate may cure such default or otherwise exercise its rights under this Conditional Assignment.

D. OPTION TO RENEW: In the event that Lessee fails to exercise any option which Lessee might have under the Lease to renew it prior to its expiration, Lessor agrees to notify Franchisor in writing of Lessee's failure to renew the Lease and Franchisor shall then have 30 days from the receipt of such notice to exercise any option to renew and replace Lessee as the lessee under the Lease. Franchisor has the right to assign this option to an affiliate of the Franchisor.

E. PERMITTED USES OF THE PREMISES: The Premises may be used only for the operation of the Business at the Premises, as approved from time to time by Franchisor. The Lessor hereby consents to the use and display of signs and other promotional materials associated with the Business at the Premises. Franchisor has the right to enter the Premises for purposes permitted by law or by contract with the Lessee, including, but not limited to, conducting inspections, protecting Franchisor's trademarks, correcting deficiencies under the Lease, planning and inspecting periodic renovations, and assuring compliance with the Franchise agreement.

F. FRANCHISOR'S CONSENT TO TRANSFER: Lessor hereby acknowledges that, pursuant to the franchise agreement, Franchisor has the right to obtain written notification and prior consent to any transfer of the Lessee's interest in the Lease, business or any sublease, in whole or in part.

G. INSURANCE: All policies of insurance required to be maintained by the terms of the Lease shall name Franchisor as an additional named insured and loss payee, as appropriate. The insurance policies shall also provide that Franchisor shall receive thirty (30) days written notice at its address set forth above of any material amendments, termination, expiration or cancellation of any such insurance policies. Franchisor shall be provided with certificates of insurance which indicate Franchisor as a named insured.

H. MISCELLANEOUS: Nothing contained in this Lease Addendum and Conditional Assignment shall be construed so as to create a partnership or joint venture between the parties.

This Lease Addendum is effective this ______ day of _______________, 202___.

LESSOR:	**LESSEE:**
By: ______________________________	By: ______________________________
Name:____________________________	Name: ____________________________
Title: _____________________________	Title: _____________________________

STATE OF ___________)

) ss.

COUNTY OF _________)

On this _____ day of ____________, 202__, before me the undersigned, a Notary Public in and for the State of ______________________, duly commissioned and sworn, personally appeared _________________, to me known to be the _________________ of said corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _______________________ is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

____

____

(print name)

NOTARY PUBLIC in and for the State of

____

residing at _________________________________

My appointment expires: ____________________________

STATE OF ___________)

) ss.

COUNTY OF _________)

On this _____ day of ____________, 202__, before me the undersigned, a Notary Public in and for the State of ______________________, duly commissioned and sworn, personally appeared _________________, to me known to be the _________________ of said corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that _______________________ is authorized to execute the said instrument and that the seal affixed is the corporate seal of said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

____

____

(print name)

NOTARY PUBLIC in and for the State of

____

residing at _________________________________

My appointment expires: ____________________________

EXHIBIT H

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

EXTRANET AGREEMENT

EXTRANET AGREEMENT

Franchisor: Profile Franchising, LLC ("**Franchisor**")

MUST BE SIGNED BY ALL OWNERS OF FRANCHISEE AND BY ANY EMPLOYEE OR AGENT OF FRANCHISEE WHO IS ALLOWED ACCESS TO MANUALS OR CONFIDENTIAL INFORMATION. USE A SEPARATE AGREEMENT FOR EACH INDIVIDUAL.

This Extranet Agreement ("**Agreement**") is made between ("**Franchisor**") and the owners and select employees of its franchisees and company owned centers, (the "**Network Member**").

A. If you agree to each term please click on "Agree" below, or use such other method to indicate your agreement as may be presented. If you do not agree to any term you may not access the Extranet Services. This Agreement describes the terms upon which Franchisor shall allow Network Member access to the Extranet. All capitalized terms not defined in this Agreement have the meanings defined in the Franchise Agreement between Franchisor and its Franchisees.

B. "**Extranet**" shall mean a password-protected confidential electronic network ("**Internet**") site owned by Franchisor and includes Extranet Services and Extranet Content. "**Extranet Content**" shall include software used to access, create and navigate on the Extranet; communications sent to, received on, and facilitated by the Extranet; and words, symbols, designs, colors, shapes, textures, sounds, data and information contained on or in the Extranet, whether or not accessible by the user. "**Extranet Services**" includes access to and tools for: the input of names and email addresses to effect mail forwarding, mail forwarding, contact lists, Extranet communications, online discussion forums, file and form libraries, Extranet search tools, access to the Extranet Content, and the publishing of such other information as Franchisor may provide or authorize.

1. EXTRANET SERVICE

In consideration of the compliance by Network Member with the other terms of this Agreement and, if Network Member is a franchisee, the terms of the Franchise Agreement, Franchisor shall provide to Network Member use of the Extranet Services. Franchisor may also facilitate other content that may be provided by third parties.

2. RULES OF CONDUCT ON THE EXTRANET

Network Member agrees not to publish or use, on the Extranet, any Extranet Content that: (a) violates or infringes upon the rights of any other; (b) is likely to be perceived by an intended recipient as, defamatory, deceptive, misleading, abusive, profane, obscene or offensive, (c) is a threat to, harassment of, or hostility toward another; (d) adversely affects the performance or availability of the Extranet; (e) which contains any virus, worm, harmful component or corrupted data; (f) which, without the written approval of Franchisor, contains any advertising, promotion or solicitation of goods or services for commercial purposes; or (g) is unlawful or prohibited by this or any other agreement between Franchisor and Network Member. Network Member may use the Extranet only for purposes related to the operation of a franchise and not for personal or unrelated business.

3. LEGAL REQUIREMENTS

If Network Member is a franchisee, Network Member agrees to comply with its Franchise Agreement. All Network Members agree to comply with all confidential Manuals to which they have access and with all applicable laws in connection with the use of the Extranet and this Agreement. If there is conflict between this Agreement and the Franchise Agreement then this Agreement shall prevail. Network Member must also follow warnings, notices, restrictions and instructions presented by Franchisor in the Extranet.

4. DISCLAIMER AS TO THIRD PARTY CONTENT

Franchisor does not verify, endorse or in any way vouch for the accuracy, completeness, truthfulness or reliability of any service, opinion, advice, communication, information or other content on or made available through the Extranet directly or indirectly from a third party, including other Network Members.

5. OWNERSHIP OF CONTENT

Extranet Content shall be the property of Franchisor, or where designated by Franchisor, of Franchisor's authorized content suppliers. Franchisor may reproduce, distribute, transmit, delete, publish or transfer, or commercially exploit the Extranet Content, including that supplied by Network Member.

6. MISUSE OF ACCOUNTS; SECURITY

6.1 Network Member will receive a unique User ID, a level 1 password and a level 2. Network Member is responsible for maintaining the confidentiality of the passwords and User ID.

6.2 No Network Member shall use or permit another to use a Network Member's Extranet account, User ID, or password not belonging to that individual. No Network Member shall use or permit another to use or enter Extranet Content that is false or misleading, defamatory, obscene, profane, harassing, or so offensive as to create a hostile environment.

6.3 Network Member is responsible for all activities that occur under Network Member's User ID and passwords. Network Member, if a franchisee, is responsible for the franchise employees' use of their individual Extranet Accounts.

6.4 Network Member agrees (a) to notify Franchisor via email, the Extranet Services, or telephone immediately of any unauthorized use of a User ID or password, or any other breach of security, and (b) to log out of the Extranet account at the end of each session.

6.5 Franchisor is not liable for any loss or damage arising from Network Member's failure to comply with the requirements stated in this Section 6.

7. NETWORK MEMBER RESPONSIBILITY FOR CONTROLLING ACCESS

Access to the Extranet Content is a personal revocable privilege. Network Member shall be responsible for all access to, denial of access to, and use or misuse of the Extranet through Network Member's account or password. Network Member agrees that only the individual Network Member, which includes only owners and employees who have assented to this Agreement, shall be granted access to the account password and to the Extranet Content and Extranet Services. When any Network Member leaves the employment or ceases to be an owner of a franchise, Network Member shall immediately terminate that person's access and notify Franchisor of the change.

8. MODIFICATION AND TERMINATION

8.1 Franchisor may at any time by notice published electronically using the Extranet, or by email or mail, reasonably modify this Agreement. It is Network Member's responsibility to review from time to time and stay familiar with this Agreement.

8.2 Franchisor, in its sole discretion and with or without notice, may (i) discontinue, add to or revise all or any part of the Extranet Services and (ii) modify, supplement, delete, discontinue or remove any Extranet Content.

8.3 Network Member may terminate its Network Member account at any time, except for franchisees, which are required to enter into and comply with this Agreement. Non-franchisee Network Members shall carry out any termination in accordance with the online instructions established by Franchisor, which may include 30 days or less written notice.

8.4 Franchisor may terminate Network Member's account and this Agreement if Network Member breaches this Agreement or, if Network Member is a franchisee, the Franchise Agreement. Franchisor may also terminate the Network Member's account and this Agreement or may suspend access to the Extranet. Network Member agrees Franchisor shall not be liable to Network Member or any third party for any modification, suspension, or termination of the Extranet.

8.5 After termination of this Agreement or any Network Member's access to the Extranet, Network Member remains responsible for any obligations accrued to that date. Network Member shall pay any fees due to Franchisor through the end of the month in which suspension or termination occurs. After any termination of access on this Agreement, the provisions of this Agreement relating to Franchisor's copyright, trade secret, and trademark rights shall survive.

9. FEES FOR ACCESS TO EXTRANET

Franchisor currently does not charge Network Members for access to the Extranet Services.

10. HARDWARE, SOFTWARE AND ACCESS

Network Member is responsible for and must acquire and maintain at its sole expense all telephone cable, computer, broadband or Internet access, software, browsers, virus protection, firewalls, and related security software and other equipment and services necessary to access and use the Extranet. Specifications for hardware, software, and access will be communicated to Network Member and may be amended by Franchisor at any time.

11. COPYRIGHT, TRADE SECRETS, GRANT-BACK OF LICENSE, AND TRADEMARK

11.1 Franchisor Extranet Content is its proprietary trade secret. Network Member must keep the Extranet Content confidential, and not disclose any part of it other than to other Network Members, and then only to the extent necessary to perform authorized duties. Unauthorized use of the Extranet Content will constitute a breach of this Agreement and an infringement of our rights.

11.2 The Extranet Content is also protected under applicable copyright law, including as a collective work. All copying, modification, distribution, publication or other use by Network Member, or by any user of Network Member's account, of any Extranet Content is prohibited, except as expressly permitted in writing by Franchisor.

11.3 Franchisor reserves all copyrights and other rights to Extranet Content and to the Extranet. Each Network Member grants to Franchisor and its affiliates a non-exclusive, paid-up, perpetual and worldwide right to copy on any medium, distribute, display, perform, translate, adapt, modify and otherwise use any and all software, files, information, communications and other content which it places on the Extranet. Each Network Member who places such content on the Extranet retains only any copyright Network Member may have in any original creative content, and the license granted under this Article 11 shall not be construed as a conveyance of such copyright.

11.4 Network Members will not make unauthorized use of Franchisor's trademark, domain names or similar trademarks or domain names.

12. USE OF DATA; DISCLAIMER OF PRIVACY RIGHTS.

12.1 Franchisor may, at its sole discretion, distribute, transfer, loan, sell or share user lists, including name and address data and other identifying data of Network Members, to the extent permitted by law. Network Member agrees that it has no expectation of privacy in the data it shares on the Extranet.

12.2 Network Member acknowledges that such data may be used for:

i. Directing e-mail or other communications from Franchisor to the Network Member.
ii. Sharing Lists with Franchisor franchises and affiliates.
iii. Directing limited commercial or promotional communications to Network Members.
iv. Other uses as deemed appropriate solely by Franchisor.

12.3 Network Member must correct errors in Network Member records through the use of the remote administration facilities provided by Franchisor. Network Member acknowledges and agrees that Lists may be (i) collected directly from Network Members, (ii) derived from Network Member and user access to or use of the Extranet and, (iv) obtained, stored, distributed and otherwise managed by Franchisor, its affiliates, and contractors.

12.4 Franchisor may provide additional information about Network Member as required by law. Franchisor may monitor and gain access to all Extranet Content and the Extranet. Extranet Content and Network Member information generated by the administration of the Extranet Services shall be the exclusive property of Franchisor. Network Member also has no expectation of confidentiality or privacy with respect to such information or to any Extranet Content. Advertising and promotion may occur on the Extranet and Network

Member shall have no claim with respect to any proceeds from such activities. Network Member must follow Franchisor's policies concerning data collection from third parties, and privacy of third parties, if any, and must comply with all applicable laws.

13. DISCLAIMER OF WARRANTIES AND EXCLUSION OF LIABILITY

13.1 NETWORK MEMBER EXPRESSLY AGREES THAT USE OF THE EXTRANET IS AT NETWORK MEMBER'S SOLE RISK. THE EXTRANET IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS WITHOUT REPRESENTATIONS OR WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO WARRANTIES THAT THE EXTRANET WILL BE UNINTERRUPTED OR ERROR FREE, WARRANTIES OF TITLE OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE.

13.2 NEITHER FRANCHISOR NOR ANY OF ITS AFFILIATES, INFORMATION OR CONTENT PROVIDERS, SERVICE PROVIDERS, LICENSORS, EMPLOYEES OR AGENTS ("FRANCHISOR GROUP") SHALL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF USE OF THE EXTRANET OR INABILITY TO USE THE EXTRANET OR OUT OF ANY BREACH OF ANY REPRESENTATION OR WARRANTY. NONE OF THE FRANCHISOR GROUP SHALL HAVE ANY LIABILITY WHATSOEVER IN CONNECTION WITH THIS AGREEMENT IN EXCESS OF $10,000. EXCLUDED FROM THIS LIMITATION OF LIABILITY IS LIABILITY DIRECTLY ARISING OUT OF (i) A BREACH BY FRANCHISOR OF A BASIC OBLIGATION TO OFFER AN EXTRANET SERVICE AS PROVIDED FOR UNDER THIS AGREEMENT, AND (ii) FRANCHISOR KNOWINGLY ACTING TO INTENTIONALLY BREACH ITS CONTRACTUAL OBLIGATIONS UNDER THIS AGREEMENT.

13.3. COMPUTER SYSTEMS ARE VULNERABLE IN VARYING DEGREES TO COMPUTER VIRUSES, BUGS, POWER DISRUPTIONS, COMMUNICATION LINE DISRUPTIONS, INTERNET ACCESS FAILURES, INTERNET CONTENT FAILURES, DATE-RELATED PROBLEMS, AND ATTACKS BY HACKERS AND OTHER UNAUTHORIZED INTRUDERS ("E-PROBLEMS"). FRANCHISOR HAS TAKEN REASONABLE STEPS SO THAT E-PROBLEMS WILL NOT MATERIALLY AFFECT ITS BUSINESS. FRANCHISOR DOES NOT GUARANTEE THAT INFORMATION OR COMMUNICATION SYSTEMS THAT IT OR OTHERS SUPPLY WILL NOT BE VULNERABLE TO E-PROBLEMS. IT IS NETWORK MEMBER'S RESPONSIBILITY TO PROTECT ITSELF FROM E-PROBLEMS. NETWORK MEMBER SHOULD ALSO TAKE REASONABLE STEPS TO VERIFY THAT ITS SUPPLIERS, LENDERS, LANDLORDS, CUSTOMERS, AND GOVERNMENTAL AGENCIES ON WHICH IT RELIES, HAVE REASONABLE PROTECTION FROM E-PROBLEMS. THIS MAY INCLUDE TAKING REASONABLE STEPS TO SECURE ITS SYSTEMS (INCLUDING FIREWALLS, PASSWORD PROTECTION, AND ANTI-VIRUS SYSTEMS), AND TO PROVIDE BACKUP SYSTEMS.

13.4 NETWORK MEMBER EXPRESSLY ACKNOWLEDGES THAT THE PROVISIONS OF THIS SECTION SHALL ALSO APPLY TO ANY AND ALL CLAIMS RELATING TO THIRD PARTY MATERIAL AND ANY OTHER CONTENT AVAILABLE THROUGH THE EXTRANET. NETWORK MEMBER AGREES THAT IT WILL NOT IN ANY WAY HOLD FRANCHISOR RESPONSIBLE FOR ANY SELECTION OR RETENTION OF, OR THE ACTS OR OMISSIONS OF, THIRD PARTIES IN CONNECTION WITH THE EXTRANET.

13.5 SOME STATES OR JURISDICTIONS DO NOT ALLOW THE EXCLUSION OR LIMITATION OF CERTAIN WARRANTIES. THEREFORE, THE ABOVE EXCLUSIONS OR LIMITATIONS MIGHT NOT APPLY TO THAT EXTENT, AND NONE OF THE ABOVE SHOULD BE CONSTRUED AS EXCLUDING OR LIMITING ANY WARRANTY BEYOND WHAT IS PERMISSIBLE UNDER APPLICABLE LAW.

14. INDEMNITY

Network Member hereby indemnifies and holds harmless the Franchisor GROUP against all claims, liability, damages, costs and expenses, including but not limited to reasonable attorneys' fees, arising out of or related to the Extranet Services and to any use of Network Member's account.

15. CHOICE OF LAW; TIME FOR BRINGING CLAIMS

This Agreement and all of the parties' respective rights and duties in connection herewith shall be governed by and construed in accordance with the laws of the United States of America and, excluding conflicts rules, of the State of Delaware. Any cause of action of Network Member, or by any user, with respect to the Extranet Services or this Agreement must be instituted within one year after the claim or cause of action has arisen or be barred. The United Nations Convention on Contracts for the International Sale of Goods does not apply to this Agreement and it is acknowledged that this is a contract for services and not a contract for the sale of goods. Network Member agrees that this Agreement is set forth in the English language for the mutual convenience and benefit of the parties.

16. SEVERABILITY.

If any term of this Agreement is found by a court of competent jurisdiction to be illegal or unenforceable, the term shall be considered to be stricken from this Agreement as if it had not been included from the beginning.

17. DISPUTE RESOLUTION

The parties shall be subject to the dispute resolution provisions of any Franchise Agreement or employment agreement between them.

18. ASSENT AND DATE

This Agreement may be assented to either by:

i. Clicking on Agree or similar button on the entry site to the Extranet; effective as of the dates of clicking on an "agree" button; or

ii. Signatures of the parties below, effective as of the date of signature.

ACCEPTED BY: Network Member:

____

Name: ___________________________

Title or Job Description: _______________________

Date: __________________________________

EXHIBIT I

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

FRANCHISOR: PROFILE FRANCHISING, LLC (“**Franchisor**”)

MUST BE SIGNED BY ALL OWNERS OF FRANCHISEE, AND BY ANY SPOUSE OR LEGAL DOMESTIC PARTNER OF ANY OWNER, AND BY ANY EMPLOYEE OR AGENT OF FRANCHISEE WHO IS ALLOWED ACCESS TO MANUALS OR CONFIDENTIAL INFORMATION.

USE A SEPARATE AGREEMENT FOR EACH INDIVIDUAL

YOUR NAME: ____

YOUR TITLE OR JOB: ____

HOME ADDRESS:____

FRANCHISEE’S LEGAL NAME:____

FRANCHISED BUSINESS LOCATION:____

I agree that I may not:

Have any interest in or association with a business similar to or competing with Franchisor or Franchisee’s business while I am associated with the franchised business or franchisee identified above. I further agree not to solicit customers or employees of the franchised business to divert customers or employees of the franchised business to any other business.

For two years after ending my association with the franchised business or the Franchisee, have any interest in or association with a similar or competing business that is operating within 20 miles of the franchised business identified above, or within 20 miles of any other franchised or company owned franchised business. I agree that this restriction will not keep me from earning a livelihood, and I understand that its purpose is to protect the goodwill of Franchisor and its other franchisees.

For two years after ending my association with the Franchisee, solicit customers or employees of the franchised business to divert customers or employees of the franchised business to any other business.

At any time during or after my association with the Franchisee, disclose to any unauthorized person, copy or reproduce, or use for any purpose other than the operation of the franchised business, any confidential information of Franchisor. Confidential information includes information contained in manuals and in password protected electronic locations, and information denoted as confidential. I may not copy any copyrightable works except as necessary to use within the franchised business.

If a court or arbitrator determines that any of these restrictions are overbroad, I agree to be bound by any lesser restriction that the court or arbitrator determines to be enforceable. I acknowledge that violation of any of these restrictions would result in immediate and irreparable injury to Franchisor. Accordingly, I consent to the entry of an injunction prohibiting me from violating these restrictions.

Any dispute or claim relating to or arising out of this Agreement or the franchise agreement and involving the Franchisor must be resolved exclusively by mandatory arbitration by and in accordance with the rules of the American Arbitration Association. Arbitration will be before a single qualified and experienced independent arbitrator mutually and reasonably agreed on by the parties. Arbitration will be conducted solely on an individual, not a class-wide, basis, unless all Parties subject to arbitration so agree. The exclusive venue of any arbitration will be set in the city of Franchisor’s principal place of business, or in the closest city in which the arbitration service has an office. Judgment on an arbitration award, or on any award for interim relief, may be entered in any court having jurisdiction, and will be binding.

INTENDING TO BE LEGALLY BOUND, I HAVE EXECUTED THIS CONFIDENTIALITY AND NON-COMPETITION AGREEMENT AS OF THE DATE NOTED BELOW.

Signature:______________________________

Name:______________________________

Date:______________________________

EXHIBIT J

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

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EXHIBIT K

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

ACKNOWLEDGMENT OF RECEIPT OF COMPLETED AGREEMENTS

ACKNOWLEDGMENT OF RECEIPT
OF COMPLETED AGREEMENTS

The undersigned, personally and as an officer of or principal in the proposed franchisee, if applicable, does hereby acknowledge receipt of the following agreements:

☐ Franchise Agreement with Exhibits, Schedules and State Specific Addenda (if applicable)

☐ Multi-Unit Area Development Agreement with Exhibit and State Specific Addenda (if applicable)

☐ Telephone and Online Presence Contingent Assignment Agreement

☐ Lease Addendum

☐ Extranet Agreement

☐ Confidentiality and Non-Competition Agreement

with all blanks completely filled in and any and all exhibits, schedules, or addendums, as applicable, in the completed form in which they are intended to be executed by the undersigned. (Note: This receipt must be signed and dated at least seven calendar days (or longer in some states) before the undersigned executes the Franchise Agreement and related agreements. Do not sign and return documents until at least seven calendar days (or longer in some states) have elapsed from the date of this receipt.)

I acknowledge that I should review all such documents personally or have my attorney or other advisor review such documents so that I am fully familiar with the franchise and documents prior to signing them or paying any money.

I hereby agree that all information and materials given to me will be used only in conjunction with my consideration of the franchise. All such information and materials shall not be disseminated other than to my advisors, and will be returned to Profile Franchising, LLC promptly if I decide not to purchase a PROFILE® franchise.

DATE I RECEIVED THE COMPLETED AGREEMENTS: ________________________________.

SIGNED:______________________________	SIGNED:______________________________
______________________________	______________________________
Name (Please print)	Name (Please print)
Address:	Address:
______________________________	______________________________
______________________________	______________________________

(Attach additional signatures if necessary. If franchise is to be owned jointly or as community property by husband and wife, both must review all documents and sign. All owners of an entity franchisee must review all documents and sign individually and on behalf of the entity.)

EXHIBIT L

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

GENERAL RELEASE (SAMPLE FORM)

GENERAL RELEASE

(SAMPLE FORM)

The undersigned ("**Releasor**") and my heirs, administrators, executors, ancestors, and assigns, (collectively "**Releasor Agent(s)**"), for good and valuable consideration, the receipt of which is hereby acknowledged, hereby remise, release, and forever discharge Profile Franchising, LLC, a South Dakota limited liability company ("**Franchisor**"), with its principal business offices located at 1305 W. 18th Street, Sioux Falls, South Dakota 57117, and its parent company, Affiliates, and their respective owners, officers, directors, regional directors, officers, managers, shareholders, members, employees, agents, successors and assigns, (collectively, the "**Franchisor Released Parties**") from any and all claims, whether at law or in equity, and all contracts, controversies, claims, and demands whatsoever, at law or in equity, that Releasor and/or any Releasor Agent ever had, now have, or that any of their respective heirs, administrators, ancestors, executors, and/or assigns may have against the Franchisor Released Parties including, without limitation, (i) any and all claims arising out of or related to that certain Franchise Agreement between Franchisor and __________ dated ___________, ______, (ii) the offer and sale of the PROFILE® franchise opportunity, (iii) any and all claims arising under federal, state, and local laws, rules, and ordinances.

[If Releasor is domiciled or has his or her principal place of business in the State of California]

WAIVER OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE.

___________________ ("**Releasor**") for myself and on behalf of all persons acting by or through me, acknowledge that I am familiar with Section 1542 of the California Civil Code, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

With respect to those claims being released, I acknowledge, for myself and on behalf of all persons acting by or through me, which I am releasing unknown claims and waive all rights I have or may have under Section 1542 of the California Civil Code or any other statute or common law principle of similar effect. For purposes of this paragraph, I shall be considered to be creditors of Franchisor Released Parties, and each of them.

I acknowledge that this general release extends to claims which I do not know or suspect to exist in my favor at the time of executing this Release Agreement, which if were known to me may have materially affected my decision to enter into this Release Agreement. I understand that the facts in respect of which this Release Agreement is given may hereafter turn out to be other than or different from the facts in that connection known or believed to be true. I expressly assume the risk of the facts turning out to be so different and agree that this Release Agreement shall be in all respects effective and not subject to termination or rescission by any such difference in facts.

IN WITNESS WHEREOF, the parties hereto have executed this Release Agreement as of the date set forth below.

Signature:_______________________________

Name:__________________________________

Date:___________________________________

NOTICE: 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.

[This Release Agreement will be modified as necessary for consistency with any state law regulating franchising.]

EXHIBIT M

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

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

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

State	Effective Date
California	Not filed
Hawaii	
Illinois	April 6, 2022
Indiana	
Maryland	Not filed
Michigan	March 25, 2022
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	Not filed
Wisconsin	April 4, 2022

In all other states, the effective date of this Franchise Disclosure Document is the issuance date March 25, 2022.

EXHIBIT N

PROFILE FRANCHISING, LLC

FRANCHISE DISCLOSURE DOCUMENT

RECEIPTS

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If Profile Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale (or sooner if required by state law). New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Profile Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit E to this disclosure document.

Issuance Date: March 25, 2022

The name, principal business address, and telephone number of the franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number

I received a Franchise Disclosure Document dated March 25, 2022 (or the date shown on the State Effective Dates Page). This Franchise included the following Exhibits:

Exhibit 1 State Appendix

Exhibit A Franchise Agreement, with Exhibits, Schedules, and State-Specific Addenda
Exhibit B Multi-Unit Area Development Agreement with Exhibits and State-Specific Addenda
Exhibit C Financial Statements
Exhibit D List of Current and Former Franchisees
Exhibit E List of State Administrators and List of Agents for Service of Process
Exhibit G Telephone and Online Presence Contingent Assignment Agreement
Exhibit H Lease Addendum
Exhibit I Extranet Agreement
Exhibit J Confidentiality and Non-Competition Agreement for Franchisee Employees Agents
Exhibit K Manual Table of Contents
Exhibit L Acknowledgment of Receipt of Completed Agreements
Exhibit M General Release (Sample Form)
Exhibit N State Effective Dates
Exhibit O Receipt

Dated: ______________________________

____
Printed Name, Individually

____
Printed Name, Officer
(a_____________Corporation)
(a_____________Partnership)
(a_____________Limited Liability Company)

[Sign, date, and return this copy to Profile Franchising, LLC]

RECEIPT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all agreements carefully.

If Profile Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale (or sooner if required by state law). New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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Exhibit K Manual Table of Contents
Exhibit L Acknowledgment of Receipt of Completed Agreements
Exhibit M General Release (Sample Form)
Exhibit N State Effective Dates
Exhibit O Receipt

Dated: ____________________________

____
Printed Name, Individually

____
Printed Name, Officer
(a____________Corporation)
(a____________Partnership)
(a____________Limited Liability Company)

[Keep this page for your records.]