FRANCHISE DISCLOSURE DOCUMENT

RESTING RAINBOW PET MEMORIALS AND CREMATION FRANCHISE, LLC

ISSUANCE DATE: JUNE 9, 2023, as amended January 7, 2024

FRANCHISE DISCLOSURE DOCUMENT

Resting Rainbow Pet Memorials and Cremation Franchise, LLC
A Florida limited liability company
13700 NW 19th Ave., Suite 11
Opa Locka, FL 33054
786-673-7297
www.restingrainbow.com

The franchise described in this disclosure document is for the operation of a Resting Rainbow Pet Memorials and Cremations ("Resting Rainbow") business, which provides pet funerary, memorial, euthanization and cremation services to prospective clients, as well as other related services that we may specify.

The total investment necessary to begin operation of a Resting Rainbow franchise is $197,427 - $458,600. This includes from $101,577 to $229,500 that must be paid to the franchisor or its affiliates.

The total investment necessary to begin operations if grant you the right to operate in multiple territories depends on the number of Territories, we grant you the right to operate. The total investment necessary to begin operations under a development agreement for the right to operate between 2 and 3 Territories ranges from $241,929 - $547,600. This includes $149,077 to $318,500 that must be paid to us or our affiliates upon execution of your development agreement and prior to opening your first franchise in your development schedule.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Franchise Department at 13700 NW 19th Ave., Suite 11, Opa Locka, FL 33054, or by phone at 786-673-7297

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

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

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

Issuance Date: June 9, 2023, as amended January 7, 2024

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits, or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits C.
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 A 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 Resting Rainbow business in my area?	Item 12 and the "territory" provisions in the Franchise Agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Resting Rainbow franchisee?	Item 20 or Exhibits C list 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 B.

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 us by arbitration and litigation only in Florida. Out-of-state arbitration and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to arbitrate or litigate in Florida than in your own state.

2. **Mandatory Minimum Payments**. You must make minimum royalty or advertising fund payments regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

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

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

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" pages for your state in Exhibit I.

DISCLOSURES REQUIRED BY CONNECTICUT LAW

The State of Connecticut does not approve, recommend, endorse, or sponsor any business opportunity. The information contained in this disclosure has not been verified by the state. If you have any questions about this investment, see an attorney before you sign a contract or agreement.

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

Caution: Some business opportunities have (sold)(earned) this amount. There is no assurance you will do as well. If you rely upon our figures, you must accept the risk of not doing as well.

SOME OUTLETS HAVE SOLD THIS MUCH. YOUR INDIVIDUAL RESULTS MAY DIFFER. THERE IS NO ASSURANCE YOU WILL SELL AS MUCH.

TABLE OF CONTENTS

Item	Page
ITEM 1 THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES	8
ITEM 2 BUSINESS EXPERIENCE	10
ITEM 3 LITIGATION	10
ITEM 4 BANKRUPTCY	10
ITEM 5 INITIAL FEES	10
ITEM 6 OTHER FEES	12
ITEM 7 ESTIMATED INITIAL INVESTMENT YOUR ESTIMATED INITIAL INVESTMENT	18
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	21
ITEM 9 FRANCHISEE'S OBLIGATIONS	25
ITEM 10 FINANCING	26
ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING	27
ITEM 12 TERRITORY	34
ITEM 13 TRADEMARKS	37
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	38
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	39
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	40
ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION	42
ITEM 18 PUBLIC FIGURES	47
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS	47
ITEM 21 FINANCIAL STATEMENTS	56
ITEM 22 CONTRACTS	57
ITEM 23 RECEIPTS	57

EXHIBITS

A. FINANCIAL STATEMENTS
B. LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS
C. CURRENT AND FORMER FRANCHISEES
D. OPERATIONS MANUAL TABLE OF CONTENTS
E. FRANCHISE AGREEMENT WITH ATTACHMENTS
F. DEVELOPMENT AGREEMENT WITH ATTACHMENTS
G. GENERAL RELEASE
H. NON-COMPETE AGREEMENT
I. STATE SPECIFIC ADDENDA
J. STATE EFFECTIVE DATES
RECEIPT PAGES

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

This disclosure document describes Resting Rainbow franchises. In this disclosure document: "Franchisor", "we", "us", and "our" mean Resting Rainbow Pet Memorials and Cremation Franchise, LLC, the franchisor. "You," "your," or "Franchisee" refers to the individual or company that enters into a Franchise Agreement with us for a Franchised Business (a "Franchise Agreement"). "Owners" means the person(s) identified in the Franchise Agreement as owners of the Franchisee and all other persons whom we may subsequently approve to acquire an interest in the franchise. We have not previously offered franchises but will do so upon issuance of this document. We have not conducted business in or offered franchises in any other line of business.

The Franchisor

We are a Florida limited liability company organized on May 24, 2023. We do business under our company name and as "Resting Rainbow Pet Memorials and Cremation," and "Resting Rainbow". Our principal place of business is 13700 NW 19th Ave., Suite 11 Opa Locka, FL 33054. To the extent we have appointed agents for service of process in other states, they are listed in Exhibit B.

We conduct no other business and we have never offered franchises in any other line of business.

We will be a designated supplier for certain inventory, equipment, and supplies required for purchase by franchisees.

Our Parents, Predecessors, and Affiliates

We do not have any parent or predecessor companies.

Our affiliate, Peaceful Paws, LLC is a Florida limited liability company organized on February 8, 2018. Our affiliate currently does business as "Peaceful Paws" but will be transitioning to doing business under the "Resting Rainbow" trade name upon the issuance of this disclosure document. Our affiliate will serve as the model and training center for our System. The affiliate's principal place of business is 13700 NW 19th Ave., Suite 11 Opa Locka, FL 33054. The affiliate does not conduct any other business, has not previously sold franchises, and does not currently sell franchises.

Other than as disclosed above, our affiliate will not provide products and services to our franchisees.

The Resting Rainbow Franchise

Our franchises provide pet funerary, memorial, euthanization, and cremation services to prospective clients, as well as other related services ("Pet Services") that we may specify. Each franchise operates under the trademark "Resting Rainbow".

We offer franchises only to persons and business entities that meet our qualifications and are willing to undertake the investment and effort to own and operate a Resting Rainbow business. Our current form of Franchise Agreement appears in Exhibit E to this disclosure document.

The Franchise Agreement authorizes you to use the trademarks, service marks, trade names, logos, and symbols we designate (the "Marks") to provide Pet Services (the "Franchised Business"). The Franchised Business will operate according to the know-how and system of operation we have developed and continue to develop for the Resting Rainbow brand (the "System"). The distinctive elements of the System include, but are not limited to: the products and services offered; our customer service standards; our standards and specifications for equipment, technology, supplies, and operations; our advertising and promotional programs and marketing techniques; the exterior and interior design, décor, color scheme, fixtures, and

furnishings of the business premises; and the accumulated experience reflected in our Training Program and instructional materials. We have described our mandatory and recommended standards and procedures in a confidential operation manual (the "Operations Manual" or also sometimes referred to as the "Brand Standards Manual") or in other writings designated by us as part of the standards for the System (collectively with the Operations Manual, "System Standards" or "Brand Standards"). If you become a franchisee, we will provide you with electronic access to the Operations Manual. We have the right to change the Operations Manual and the System Standards at any time.

Our franchisees operate the Franchised Business from a specific street address or site that we have approved for their business premises (the "Approved Location"). Some of our franchisees have multiple franchises in contiguous or adjoining territories. In those circumstances, we may allow the franchisee to operate their franchises from an Approved Location in only one of the franchised territories.

Given the nature of the Pet Services and relevant industry market (as described more fully below), we assume and expect that your Franchised Business will be in position to perform the Pet Services and/or other approved services throughout the entirety of the time those services are booked by your Franchised Business clientele.

Multi-Unit Offering

We also offer qualified individuals the right to open and operate multiple Franchised Businesses within a defined geographical area (the "Development Area") by: (i) executing our current form of development agreement (the "Development Agreement") attached as Exhibit F to this Disclosure Document; and (ii) paying our then-current development fee upon execution of your Development Agreement, which will depend on the number of Franchised Businesses you agree to open.

You will be required to enter into our then-current form of franchise agreement, which may contain terms that are materially different from the Franchise Agreement in Exhibit E, for each of the Franchised Businesses you are required to open under the Development Agreement. You must execute the Franchise Agreement attached as Exhibit E for your initial Franchised Business contemporaneously with the execution of your Development Agreement. You must then ensure that you open and commence operations of each additional Franchised Business in the Development Area in accordance with a development schedule set forth in your Development Agreement (the "Development Schedule").

Industry-Specific Regulations

Many states and local jurisdictions have enacted laws, rules, regulations, and ordinances that may apply to the operation of a Franchised Business, including those relating to animal welfare and hygiene. State requirements vary widely. Other legal regulations that apply to all businesses generally may include Federal, state, and city, county, parish, borough, municipality, or other local laws:

Federal. Examples of federal laws are wage and hour, occupational health and safety, equal employment opportunity, hazardous materials communication to employees, hazardous waste and environmental, and the Americans with Disabilities Act.

State. State laws may cover the same topics as federal laws. Examples of state laws include environmental, occupational health and safety, fire, health, and building and construction laws.

Local. Local laws may cover the same topics as federal and state laws. Examples of local laws include health and sanitation, building codes, fire codes, and waste disposal.

You are responsible for obtaining all licenses and permits which may be required for your business. We strongly recommend that before signing the Franchise Agreement, you engage an attorney and other professional advisors to advise you in determining the laws, ordinances and regulations affecting your

establishment or operation of a franchise, to assist you in evaluating the financial ramifications of this business decision, and the risks of this business investment.

General Market for the Services/Competition

The market for Pet Services is well established and very competitive. The primary market for Pet Services consists of anyone who owns a pet in an urban, suburban residential area or rural area. Your competitors will be local and national Pet Service companies, as well as individuals who provide Pet Services on a full- or part-time basis. Pet Services businesses are not seasonal businesses.

ITEM 2
BUSINESS EXPERIENCE

Julian Rivera - President

Mr. Rivera has served as our President since our inception in May 2023. Mr. Rivera serves as the President of our affiliate, Peaceful Paws Memorial Services LLC since October 2018 and continues through the present. Mr. Rivera has worked in the accounting department at Americas Trade & Supply since May 2018 and continues through the present. Mr. Rivera serves in all his capacities from the greater Miami, Florida area.

Paul Butler – Vice President

Mr. Butler has served as the Vice President of Americas Trade & Supply in Miami, Florida since 1978 and continues through the present. Mr. Butler is an owner of our company since our formation in October 2018. Mr. Butler serves in his capacities from the greater Miami, Florida area.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Franchise Fee

The base initial franchise fee ("Franchise Fee") is $54,500, which is for a franchise territory with a population between 75,000 to 100,000 Households. A "Household" consists of all the people who occupy a housing unit or other definition used by the U.S. Census Bureau. We may allow you to purchase additional Households in your franchise territory for a cost of $0.36 per Household ("Additional Household Fee").

You must pay the Franchise Fee and any applicable Additional Household Fee in a lump sum when you sign the Franchise Agreement, unless you finance it as described in Item 10 of this disclosure document. The Franchise Fee and Additional Household Fee are not refundable under any circumstance.

Additional Territory Discount

You may purchase additional franchise territories at the time of the purchase of your initial territory (up to a total of three territories) by signing an additional Franchise Agreement for each additional territory and paying us the following discounted Franchise Fees:

Additional Territory	Baseline Number of Households	Initial Franchise Fee	Cumulative Franchise Fee
Second	150,000	$44,500	$99,000
Third	150,000	$34,500	$133,500

Pre-Opening and Grand Opening Marketing

In addition to the fees listed above, at the time of signing your Franchise Agreement, you must pay us a non-refundable fee of $10,000 for pre-opening and grand opening marketing ("Pre-Opening and Grand Opening Marketing"). This amount is in addition to the Local Marketing Fee described in Item 6.

If you purchase multiple territories which are contiguous, your aggregate obligation for all territories will be the amount specified below:

Total Number of Territories Purchased	Aggregate Pre-Opening and Grand Opening Marketing Obligation
2	$15,000
3	$20,000

Initial Memorials Inventory

Before you open for business, you will pay us $5,000 to $10,000 for your initial Memorials Inventory. The "Memorials Inventory" includes your initial supply of urns, frames, paw print clay, and showroom displays.

Initial Equipment Package

Before you open for business, you will pay us $10,000 to $15,000 for your Equipment Package. The "Equipment Package" includes 2 chest freezers, an engraving machine, a processing machine, a hydraulic lift, and an elevating table. See Item 8 for more details.

Cremator

Before you open for business you will need to purchase a cremator from us or our affiliate. The cremator will cost between $22,077 to $140,000. The low end estimates you will finance your purchase of a small, single chamber cremator, whereas the high end estimates you will purchase in full a dual chamber cremator. The cremator is required to start your Franchised Business.

Uniformity of Fees

Initial franchise fees paid may not be uniform. In addition to the discount and incentive programs described in this Item, we may vary, reduce, negotiate, or make an exception to our standard Franchise Fee structure and/or payment terms related to mergers or other transactions, as well as for our existing franchisees or franchisees of our affiliates. For example, we may offer opportunities to purchase a franchise at a reduced initial fee to our or our affiliates' qualified existing franchisees in good standing. We may discontinue, modify, withdraw, or reinstate any such opportunities or variations to initial fees without notice to you at any time.

Initial Fees

The Franchise Fee, Are Development Fee, Initial Memorials Inventory, Initial Equipment Package, and Cremator (collectively, "Initial Fees") will be deemed fully earned upon payment and are not refundable under any circumstances. Except as described above, the Initial Fees are uniform for all franchisees and must be paid in a lump sum upon execution of the Franchise Agreement.

ITEM 6
OTHER FEES

Type of Fee[(1)]	Amount	Date Due	Remarks
Royalty Fee [(2)(3)]	The greater of: (i) 7% of Gross Revenue, or (ii) the Applicable Minimum Royalty Rate	Monthly	See Note 2 for the definition of "Gross Revenue." See Note 3 for explanation of the Applicable Minimum Royalty Fee.
Brand Fund Contribution	Currently, 2% of Gross Revenue, we may increase up to 3% of Gross Revenue	Same as Royalty Fee	The purpose of the Brand Fund is to support general development and recognition of the brand. We may specify a different Brand Fund Contribution, not to exceed 3% of Gross Revenue, upon notice to you.
Brand Fund Materials	Our costs	As invoiced	Payable only if we reproduce or customize Brand Fund materials for you.
Local Marketing Fee	$3,000 per month	Monthly	Generally, you will pay the funds to us to manage the accounts and pay our Designated Supplier on your behalf. However, we may require you to pay vendors, media outlets, etc. directly.
Call Center Fee	Three percent (3%) of your Gross Revenue (the "Call Center Fee")	Due monthly within ten (10) business days after the end of each calendar month.	The Call Center Fee includes fees related to your account setup and utilization of a call center for routing customers to your Franchised Business.
Key Account Programs	Will vary under circumstances and may be determined based on number of participating franchisees or other factors	As incurred	Payable to us or to vendor. See Note 5.
Technology Fees	Currently, $250 per location per month plus $0.50 per pet over 300 per month.	Monthly	The Technology Fee currently includes fees related to your access to and usage of our cremation software system, our intranet, our mobile applications, and the System website. We may add, delete, or otherwise modify the products and services that

Type of Fee[1]	Amount	Date Due	Remarks
			are included in the Technology Fee. There is no cap on the amount the Technology Fee may be increased. The first month will be assessed pro rata from the date on which you begin offering Approved Products and/or Approved Services. We reserve the right to increase the fee upon 30 days' written notice to you.
Additional Opening Support Fee	A reasonable fee, up to $500 per day, plus the reasonable travel, meal, and lodging expenses of our opening support personnel	As invoiced	If you request opening support beyond what we customarily furnish to franchisees, and if we agree to furnish such additional support, then we will have the right to impose a fee, plus expenses, for providing the agreed additional support.
Training Fees – Pre-Opening	None, unless you request, and we agree to accept extra trainees at $500 per day per extra trainee, plus our trainers' reasonable costs and expenses, when applicable	Before training session begins	For all training, including initial training, you are responsible for all travel expenses, living expenses, wages, and other expenses incurred by your trainees. See Item 11 under "Training" for further information about our Training Program.
Training Fees – Remedial and Optional Training	$500 per day and you must reimburse us for our reasonable out of pocket costs	Before training session begins	We can charge a training fee: (a) if we require remedial training as a result of your failure to comply with our Brand Standards; (b) for re-training persons who are repeating a Training Program, or their substitutes; and (c) for Training Programs that we make optional for franchisees. If we conduct on- site training, you must also pay the travel, meals, and lodging expenses for our trainer(s).
Annual Conference	Currently, one complimentary registration and a cost up to $500 per attendee If you do not attend, we will charge you $2,000 for your non-attendance	As invoiced	Applies only if we schedule an annual conference for franchisees. We reserve the right to change our attendance fee. If the individuals required to attend our annual conference fail to attend, you must pay the non-attendance fee. If the individuals required to attend our annual conference fail to attend for 2 consecutive years, we may opt to increase your Royalty Fee by 1% of Gross Revenue.

Type of Fee[1]	Amount	Date Due	Remarks
Service Deficiency Fee	Our costs	As invoiced	Payable if we receive a customer complaint about services you performed and we determine that we must either re-perform the services to the customer's satisfaction or reimburse the customer.
Renewal Fee	$10,000	When you sign successor Franchise Agreement	When your agreement term ends, you will have the option to continue the franchise relationship with us, subject to certain conditions.
Transfer Fee	$10,000	With request for approval of transfer	Payable if you or an Owner proposes to sell the business assets of the Franchised Business or an ownership interest in the legal entity.
Change of Ownership Fee	Currently, (a) the greater of $500 or our external legal and administrative costs; plus (b) applicable training fee, currently $100 per day for each individual we require to attend training.	With request for approval of change of ownership	Payable if you or an Owner proposes to modify ownership of the legal entity in a way that would not result in a change of control of the legal entity. We may modify our change of ownership fee.
Procurement of Insurance	Cost of insurance, plus reasonable fee of up to 25% of total insurance premium cost.	Upon demand	Payable only if you fail to obtain required insurance and we elect to obtain it on your behalf.
Vendor Review	Our reasonable costs, plus the reasonable travel, meal, and lodging expenses of our vendor review personnel.	Within 30 days after invoice	Payable only if you ask us to evaluate a potential vendor; payable whether or not we approve the vendor. Please see Item 8.
Management Fee	If we elect, 10% of Gross Revenue earned during the period we managed the business, plus our costs and overhead	Within 30 days after invoice	Payable only if: a. The Key Person (see item 15) dies or is incapacitated and we elect to manage the Franchised Business pending transfer of his or her interest; or b. The Key Person is arrested for or formally charged with a serious criminal offense and we take over operation of the Franchised Business pending final disposition of the charges
Interest[6]	12% per annum or the maximum rate permitted by applicable law, whichever is less	With payment of overdue amount	Applies only if you do not pay us on time. We calculate interest from the date the payment was due until paid in full.

Type of Fee[(1)]	Amount	Date Due	Remarks
Late Fee	$100 for second occurrence of payment more than 30 days past due; $200 for third occurrence; $300 for each subsequent occurrence	With payment of overdue amount	We can charge a late fee to compensate us for our administrative costs incurred in enforcing your obligation to pay us and submit required reports to us.
Insufficient Funds Fee	$50 or the amount the bank charges us due to the insufficient funds, whichever is greater.	Upon demand	Payable if an electronic funds transfer payment request is returned due to insufficient funds.
Indemnity for Tax Withholding	Amount of any penalties, interest, and expenses we incur	As invoiced	Payable only if you are obligated by law to withhold taxes on any payments to us, and you fail to do so.
Audit Costs	Our costs and expenses of conducting an audit, including travel and lodging.	Upon demand	Payable only if: a. You did not submit Gross Revenue statements; b. You did not keep full books and records; or c. The total Gross Revenue you reported for any three consecutive months is more than 2% below the audited Gross Revenue.
Non-Compliance Fee	1% of Gross Revenue	Same as Royalty Fee	We are entitled to increase your Royalty by 1% of Gross Revenue due to your non- compliance with the Franchise Agreement or the Brand Standards.
Enforcement Costs	Will vary under circumstances	As invoiced	You must reimburse us for expenses we reasonably incur (including reasonable attorneys' fees) to enforce your obligations.
Defense Costs	Our actual costs and expenses	As invoiced	Payable if you initiate a legal proceeding against us and you do not prevail in obtaining the relief you were seeking.
Indemnification	Will vary under circumstances	As incurred	You must reimburse us if we incur any damages, losses or expenses, including reasonable attorneys' fees and other costs, as a result of claims arising from the operation of your Franchised Business.
De-Identification Fee	Our costs	Upon demand	If you fail to de-identify your Franchised Business following the termination or expiration of the Franchise Agreement, we may do so on your behalf. You are required to reimburse us for any costs we incur.

Notes:

1. Unless otherwise noted, all fees are non-refundable and payable to us. We intend for the fees described in this Item to be uniformly imposed on all franchisees receiving this offering. However, from time to time, we may make an exception to our standard fee structure and/or payment terms. We have no obligation to deviate from our standard fee structure and/or payment terms to fees and/or terms that are more favorable to you. For all amounts payable to us and our affiliates, you must use the payment method(s) that we designate from time to time. We currently require payment by Automated Clearing House (ACH), or electronic funds transfer and you must designate an account at a commercial bank of your choice at the time of signing your Franchise Agreement and furnish the bank with authorizations at the time of signing your Franchise Agreement to permit us to make withdrawals from that account. Unless otherwise specified or agreed upon, all fees listed in this table are applicable to each Territory granted to you and the amount of each fee will be due and payable in the manner and at the times described in the table for each Territory independently, and not in the aggregate.

2. **"Gross Revenue"** means all revenue from the sale of products and services and all other income of every kind related to the Franchised Business, whether for cash, credit, trade, barter or other value and regardless of collection in the case of credit and even if you have contracted with third parties to provide certain of the services, less any bona fide refunds given to customers in the ordinary course of business. Gross Revenue also includes amounts billed to insurance or government programs. Further, Gross Revenue includes all revenue related to the sale of any products and the performance of any services (whether or not the products or services are approved by us) that are provided using any portion of the Franchised Business in any manner, including the Marks (such as service vehicles, invoices, and uniforms bearing the Marks), the System, Confidential Information, any of the employees of the Franchised Business, or the telephone number of the Franchised Business. Gross Revenue also includes any proceeds of business interruption insurance. Your Gross Revenue will not be reduced on account of any fees or commissions you pay to third parties who refer customers.

Gross Revenue does not include any sales taxes or other taxes you collect from customers and pay directly to the appropriate taxing authority. We reserve the right to modify our policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from Gross Revenue as circumstances, business practices, and technology change.

3. The Minimum Royalty Fee is not meant to be, and you may not rely on it as, a representation or guarantee of the results that your Franchised Business or any particular Franchised Business will or might achieve. The Minimum Royalty Fee does not predict or project your revenue or other business results. The Minimum Royalty Fee is simply a fixed dollar value, the purpose of which is to guarantee a minimum economic return to us.

4. We currently offer a Multi-Territory Addendum offering certain benefits to franchisees who enter into Franchise Agreements for two or three territories simultaneously (the "**Related Territories**") and meet certain ongoing requirements in the Multi-Territory Addendum. The Multi-Territory Addendum is attached to the sample Franchise Agreement in Exhibit E to this disclosure document. If you sign a Multi-Territory Addendum to license two Territories, the Minimum Royalty Fee for the Related Territories will be:

TERRITORY 1	TERRITORY 2
Months 0-6: None	**Months 0-12:** None
Months 7-12: Calculated Using 50% of the Minimum Performance Requirement	**Months 13 to Expiration Date:** Calculated using the full Minimum Performance Requirement

Months 13 to Expiration Date: Calculated using the full Minimum Performance Requirement	

If you sign an Area Development Agreement to license three Territories, the Minimum Royalty Fee for the Related Territories will be:

TERRITORY 1	TERRITORY 2	TERRITORY 3
Months 0-6: None	**Months 0-12:** None	**Months 0-18:** None
Months 7-12: Calculated Using 50% of the Minimum Performance Requirement	**Months 7-12:** Calculated Using 50% of the Minimum Performance Requirement	**Months 19 to Expiration Date:** Calculated using the full Minimum Performance Requirement
Months 13 to Expiration Date: Calculated using the full Minimum Performance Requirement	**Months 13 to Expiration Date:** Calculated using the full Minimum Performance Requirement	

5. We reserve the right to increase your Royalty Fee by 1% of Gross Revenue if: (a) the required individuals fail to attend our annual convention for two consecutive years; (b) you do not comply with our requirement to provide "live" answering of telephone calls to the Franchised Business; or (c) you otherwise fail to comply with your obligations under the Franchise Agreement.

6. We or our affiliates may from time to time enter into agreements to provide services to customers as part of a national, regional or Key Account program (sometimes also referred to as "**National Accounts**"). If you are required to participate in a Key Account program or choose to participate in an optional program, you must pay the fees designated by us or the vendor as part of the program, which may be based on the number of franchisees participating and other factors and may include fees to support our administration of the program. The fees may be charged directly to you or may be paid to us in the form of a rebate from the vendor. We cannot estimate what the cost to you will be of participation in Key Account programs, as it will be dependent on the terms of future contracts with vendors.

7. If the proposed transferee was referred by a third-party (e.g., a broker) with whom we have a referral arrangement, then you must pay us an additional fee equal to the amount owed under that referral arrangement. If we identify the prospective purchaser, then in addition to the $10,000 fee, you must pay us the greater of: (a) $15,000; (b) 3% of the total purchase price; or (c) our actual costs to identify the prospective purchaser.

ITEM 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

A. Initial Investment – Single Unit Franchise Agreement

Type of Expenditure [1]	Amount		Method of Payment	When Due	To Whom Payment is to be Made
	Low Estimate	High Estimate			
Franchise Fee [2]	$54,500	$54,500	Lump sum	Upon signing FA	Us
Grand Opening Marketing [3]	$10,000	$10,000	Lump sum	Upon signing FA	Us
Initial Inventory and Equipment Package[4]	$15,000	$25,000	Lump sum	Before opening your Business	Us
Vehicle[5]	$1,200	$40,000	As arranged	As arranged	Third-Party Dealer/Lessor
Rent and Leasehold Improvements[6]	$60,000	$110,000	As arranged	As arranged	Landlord
Crematorr[7]	$22,077	$140,000	As arranged	As arranged	Third-Party Dealer/Lessor
Office Supplies [8]	$500	$1,000	As arranged	As arranged	Suppliers
Computer System [9]	$1,400	$3,000	As arranged	As arranged	Suppliers
Technology Fee -3 months[10]	$750	$750	As arranged	As arranged	Us
Business Licenses and Permits [11]	$6,000	$12,000	As arranged	As arranged	Third-Party Government Agencies
Insurance Premiums [12]	$2,000	$3,750	As arranged	As arranged	Third-Party Insurance Provider
Membership/ Association Dues [13]	$400	$600	As arranged	As arranged	Third-Party Associations
Initial Training Expenses[14]	$1,100	$3,000	As arranged	As arranged	Third-Party Providers (travel, lodging, etc.); Your Initial Trainees
Professional Fees [15]	$2,500	$5,000	As arranged	As arranged	Third-Party Professional(s)
Additional Funds – 3 Months [16]	$20,000	$50,000	As arranged	As arranged	Various Parties
TOTALS[17]	**$197,427**	**$458,600**			

Notes:

1. This table estimates the costs you will incur to develop and open a Franchised Business consisting of one Territory. Our estimates are based on our experience in the Pet Services industry and as a franchisor.

Unless specified otherwise, all amounts paid to us are non-refundable. We make no representation as to whether any of the estimated investment amounts payable to third parties are refundable.

2. Calculation of the Franchise Fee is discussed in detail in Item 5. The table assumes that you purchase a single Territory and that no Additional Household Fee or Franchise Fee discounts apply.

3. You will pay us a fee for pre-opening and grand opening marketing; see Item 5.

4. You will pay us between $15,000 to $25,000 for your Equipment Package and Initial Memorials Inventory. The "Memorials Inventory" includes your initial supply of urns, frames, paw print clay, and showroom displays. The "Equipment Package" includes 2 chest freezers, an engraving machine, a processing machine, a hydraulic lift, and an elevating table. See Item 8 for more details.

5. This range shown is for the estimated amounts that will typically be paid by a franchisee that is financing the purchase of the Approved Vehicle. The low end of the range in the table assumes 3 months of financing for the Approved Vehicle, a Ram Pro-Master City. The high end of the range in the table assumes you purchase the vehicle in full. Factors such as your credit history and the amount of your down payment will affect your costs.

6. We expect that you will operate the Business from a leased location, which will usually require some buildout. The amount reflects the amount of lease payments for the first three months that you operate the Business. Lease payments vary considerably depending upon regional and local factors and the type of lease negotiated by you. Lease payments for a typical location will depend upon the size, location, and market demand for the property. The rate may be higher for a metropolitan area. Landlords typically require that one month's rent be paid prior to taking possession and may require an amount equal to one month's rent as a security deposit. The high estimate contained in the table above assumes that one month's rent and a security deposit are required to be paid before opening.

The estimate includes the net cost of leasehold improvements, including floor coverings, wall treatments, ceilings, painting, electrical, carpentry, plumbing, HVAC, and similar work, as well as materials and the cost of labor.

If you are able to negotiate a tenant improvement allowance from your landlord, the landlord typically may require you to provide proof that you have paid for the leasehold improvements before reimbursing you the money. As a result, your actual out-of-pocket costs, and the cost of any construction financing that you may need to obtain may be significantly higher than the net leasehold improvement costs presented in this table.

Your actual costs will depend on, among other factors, the Studio location, the size of the Studio, the condition of the premises being remodeled, national and local economic factors, the local costs of materials and labor, and the amount of tenant improvement allowances that you are able to obtain, if any. In certain major metropolitan markets such as Boston, Chicago, New York, Los Angeles, San Francisco, Seattle, and Washington, D.C., costs could be significantly higher than the estimates provided here due to local market rates for materials and labor.

7. You must purchase an incinerator for your Business. The low end of the estimate assumes you financed a smaller incinerator for $90,000 and includes a 20% down payment plus 3 months of financing payments at 5% interest. The high end assumes you purchased a larger cremator in full.

8. You will need basic office supplies to operate your Business, those items are included in this range.

9. You will need to acquire certain computer hardware and software that meets our requirements (See Item 11).

10. You will incur a Technology Fee in connection with your Franchised Business. The range includes three months of payments.

11. The estimate assumes the cost of the general business licenses you must have for your Franchised Business. You must research the types of permits you will need to operate in your Territory and their respective cost.

12. Before you open your Franchised Business, you must purchase and maintain at your sole cost and expense the insurance coverage that we specify. Insurance cost will vary based on where your Franchised Business will be located, your prior experience with the insurance carrier, the loss experience of the carrier, and other factors. You should check with your insurance agent or broker regarding any additional insurance that you may wish to carry above our stated minimums. See Item 8 for more information regarding our insurance requirements.

13. We estimate you will spend these amounts to join local organizations.

14. We provide our initial Training Program for up to two people at no additional charge. You must pay for you, and your other trainees' expenses, including travel, lodging, meals, and wages (if applicable). The amount of the expenses will depend on the distance you must travel, the type of accommodation you choose, the number of attendees, and any wages you pay to your Business personnel who are attending training. This estimated range assumes that two or three individuals, including you, will be attending our initial Training Program. Please see Item 11 for additional information on our initial training.

15. This estimate is for your opening inventory of pet cremation supplies. The low end of the range in the table includes three months of operating supplies. The high end of the range in the table assumes you will purchase additional supplies.

16. We strongly encourage you to consult with an attorney and/or an accountant to advise you on the purchase of this franchise and the overall establishment of your Franchised Business generally.

17. You will need capital to support ongoing expenses, such as payroll, utilities, rent, Royalty Fees, and Brand Fund Fees, if these costs are not covered by sales revenue for your first three months of operation. Our estimate does not include any sales revenue you may generate. We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we calculate to be three months. This is only an estimate and there is no guarantee that additional working capital will not be necessary during this start-up phase or after. You may incur additional expenses starting your Franchised Business.

18. You should review these estimates carefully with an accountant or other business advisor before making any decisions about buying a Franchised Business. The figures shown in this Item 7 are only estimates. Factors unique to your location, including the time of year you launch your Franchised Business, can affect your actual costs.

Except as described in Item 10 for the Franchise Fee, we do not provide financing to franchisees in connection with their initial investment. The availability and terms of financing from third parties will depend on several factors, including the availability of financing generally, your creditworthiness, collateral you may have, and lending policies of financial institutions.

B. Estimated Initial Investment – Multiple Businesses Under Development Agreement[1]

Type of Expenditure	Amount (2-3 Territories)	Method of Payment	When Due	To Whom Payment Is Made
Development Fee (1)	$99,000 -$133,500	Lump sum	When sign Development Agreement	Us
Estimated Initial Investment for First Franchised Business (2)	$142,929 – $404,100	As incurred	As incurred	Us and third parties
TOTAL (3)	**$241,929 - $537,600**			

Notes to Chart 7(B) above:

1. Generally. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. This chart details the estimated initial investment associated with executing a Development Agreement for the right to own and operate three Businesses, as well as the initial investment to open your first Business under your Development Schedule.

2. Development Fee. The Development Fee is non-refundable. The Development Fee is described in greater detail in Item 5 of this Disclosure Document, and the Development Fee provided as an example in this Chart 7(B) is for the right to open and operate a total of three (3) Franchised Businesses (provided you comply with your development obligations under the Development Agreement).

3. Estimated Initial Investment to Open One (1) Business. This figure represents the total estimated initial investment required to open the first Business you agree to open and operate under the Development Agreement. You will be required to enter into our then current form of franchise agreement for the first Business at the same time you execute your Development Agreement. The range includes all the items outlined in Chart 7(A) of this Item, except for the Initial Franchise Fee (because you are not required to pay any Initial Franchise Fee for those Franchised Businesses you open under the Development Agreement).

4. *Total*. This is the Development Fee plus the estimated initial investment to open and commence operating your first Business within your Development Area. This range does not include any of the costs you will incur in opening any additional Franchised that you are granted the right to open and operate under your Development Agreement.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We have the right to require that all equipment, technology, inventory, supplies, vehicles, signs, furnishings, fixtures, décor items, retail merchandise, payment systems, and other products and services that you purchase for use or resale in the Franchised Business: (a) meet specifications that we establish from time to time; and/or (b) be purchased only from vendors that we have expressly approved; and/or (c) be purchased only from a single source (which may include us or our affiliates) at the then-current price. To the extent that we establish specifications, require approval of vendors, or designate specific vendors for particular items, we will notify franchisees via the Operations Manual or otherwise.

We and our affiliates may earn a profit on products and services we sell to you directly, and we and our affiliates may receive rebates, administrative fees, commissions, licensing fees, or other benefits from unaffiliated vendors and distributors with respect to their sales of products or services to you or other Resting Rainbow franchisees. Except as limited by applicable law, we and our affiliates have the right to retain any payments received from vendors. As we will begin selling franchises upon issuance of this disclosure document, we have not generated any revenue from franchisee required purchases.

We or our affiliate negotiate purchasing arrangements under which vendors agree to make goods or services available to Franchised Businesses on specific terms. You agree to participate in and abide by the terms of any vendor purchase program we establish.

The following specific restrictions on your purchasing are in effect as of the issuance date of this disclosure document, but we can impose other restrictions at any time:

Items you must purchase from us or affiliates:

Initial Inventory and Equipment Package. All products that carry the Marks must be purchased only from suppliers approved or designated by us. This includes all stationery, forms, marketing pieces, signage, uniforms, patches, and other private labeled materials. This includes uniforms and other branded merchandise.

Cremator. A cremator must be purchased only from us or through an approved supplier.

Ongoing Inventory Purchases. All products that carry the Marks must be purchased only from us or suppliers approved by us. This includes all stationery, forms, marketing pieces, signage, uniforms, patches, and other private labeled materials. This includes uniforms and other branded merchandise.

Grand Opening Marketing. All products that are used for the grand opening marketing must be purchased only from suppliers approved by or designated by us.

Cremation Software. You will be required to purchase the Cremation Software provided by us.

Cremation Supplies. All products that are used for the cremation must be purchased only from suppliers approved by or designated by us.

Call Center. You will be required to use the call center that is provided by us. Outside third-party call centers will not be approved.

Items you must purchase from designated or approved third parties:

We have designated approved vendors (manufacturers and distributors) for certain items. We negotiate purchasing arrangements with many of these vendors. As of the date of this disclosure document, they include:

Vehicle Wrapping. As noted in Item 7, you must pay our designated vendor to wrap your vehicle with our proprietary design.

Items that must meet our specifications:

For the following items, we have not designated a specific source or vendor that you must use, but you must follow our specifications and/or obtain our approval of the vendor. As of the date of this disclosure document, they include:

Computer System. You must purchase a point-of-sale system and certain other components of the Computer System (including software and other technology provided as part of the Technology Fee and/or the Required Software) from the suppliers that we designate from time to time. Other components of your Computer System may be purchased from suppliers of your choice and expense; however, the components must strictly adhere to our standards and specifications.

Vehicle. You must own, lease, or buy at least one vehicle that meets the requirements we specify in the Operations Manual. We will provide you with the specific make and model we require.

Insurance. You must maintain the types and minimum amounts of insurance coverage and bonds we specify for Franchised Businesses. The tables below set out our required and recommended insurance coverage as of the date of this disclosure document:

Required Insurance Coverage	
Type	**Minimum Coverage**
Commercial General Liability	$1 million per occurrence / $2 million aggregate
Professional Liability	$1 million per occurrence
Automobile Liability for Owned/Non-Owned and Hired/Rented Vehicles	No less than $1 million combined single limit per occurrence including Uninsured/Underinsured Motorist
Umbrella Liability	$1 million policy limit; self-insured retention of no more than $10,000
Workers Compensation	As required by law in your area.
Employer Liability	$1 million per incident; $1 million per employee; $1 million policy limit
Business Personal Property	No less than $10,000
Animal Floater	$2,500 minimum per animal; $25,000 per loss
Third Party Fidelity Bond	No less than $10,000 per loss

Recommended But Not Currently Required Insurance Coverage	
Type	**Minimum Coverage**
Mobile Equipment	No specific policy limits
Business Interruption	12 months loss of income, including coverage for our Royalty Fees with no-coinsurance clause
Equipment Breakdown	No specific policy limits

Your insurance policies must be written by a carrier with an industry rating acceptable to us, must name us, Resting Rainbows Pet Memorials and Cremation Franchise, LLC, and their parents, subsidiaries, and affiliates, and their respective officers, directors, members, shareholders, and employees as additional insureds, and must not have deductibles, exclusions or co-insurance that are unacceptable to us. All public liability and property damage policies must contain a waiver by the insurance company of subrogation rights against us and our affiliates, successors, and assigns.

We can increase the coverage requirements and/or require different or additional kinds of insurance as we deem necessary.

Prior to opening your Franchised Business, you must provide us with certificates of insurance demonstrating that you have met the requirements. At least 30 days before expiration of a policy, you must furnish evidence of renewal or replacement insurance. If you do not obtain the required coverage, we have the right (but no obligation) to obtain insurance on your behalf. If we do so, you must reimburse us for the cost of insurance, plus a reasonable fee for our services.

Electronic Money Programs and Loyalty Programs. If we set up programs relating to gift cards, gift certificates, stored value cards, online or mobile coupons or credits, online or mobile ordering systems, or other electronic money programs, we will designate the vendors that you must use for these programs. As of the date of this disclosure document, we do not have any such programs,

Vendor Approval Process

If we require you to use an approved vendor for a particular item, but you wish to purchase the item from a source that we have not approved, you may submit a written request for approval of the vendor, unless it is an item for which we have designated a specific vendor. To obtain approval, proposed vendors must demonstrate the ability to meet our standards and must possess adequate quality controls and capacity to supply your needs promptly and reliably. We will provide the relevant standards and specifications to vendors that wish to become approved vendors, provided that the proposed vendor signs a confidentiality agreement; however, we may refuse to disclose product formulations or specifications that we deem to be extremely sensitive. At our request, you must submit samples and other information we require to examine, test and determine whether the proposed vendor meets our specifications and quality standards. We may also require that the proposed vendor allow our representatives to inspect its facilities. We may charge vendors a license fee to use our trademarks or other proprietary property. We may also charge vendors a rebate or other fee for participation in our purchasing program.

We have no obligation to approve any specific vendor or any minimum number of vendors for any item, and any proposed vendor relationship must not jeopardize the availability of any special pricing or other benefits offered by existing vendors based on system-wide purchases. We may require you to pay a fee to cover our costs of reviewing a proposed vendor, which you must pay whether or not we approve the vendor. We generally will give you written notice of approval or disapproval of the proposed vendor within 30 days after receiving your request and completion of evaluation and testing, if required. You may not sell or offer for sale any products or services of the proposed vendor until you receive our written approval.

We have the right to revoke approval of particular vendors if we determine that their products or services no longer meet our standards. Upon receipt of written notice of revocation, you must stop buying from the disapproved vendor. In addition, if we revoke our approval of the products because they fail to meet our standards, you may be required not to use your remaining inventory of those products.

Your purchases from us or our affiliates will be at the prices and on the terms in effect at the time of your purchase.

We, or our affiliate, negotiates contracts with providers of goods and services, including but not limited to insurance, financing, fuel cards, and fleet programs, in an effort to obtain favorable pricing for our franchisees, our affiliates' company-owned outlets, several of our affiliates.

Other than as noted above, we do not currently negotiate purchasing arrangements with vendors on behalf of our franchisees, but we and our affiliates reserve the right to do so, including pricing terms. Our ability to negotiate and maintain arrangements with vendors may depend on the participation of as many Resting Rainbow franchisees as possible. Accordingly, if we name a specific vendor for a product or service, you must obtain the product or service from that designated vendor. You must comply with the terms and conditions included in the contract with a specific vendor and, if applicable, through the purchasing arrangements and/or programs that we require.

As noted above in this Item, vendors may make payments to us or our affiliates based on franchisees' use of the vendors. As of the date of this disclosure document we have no franchisees and therefore have not received any payments based on franchisees' purchases.

We estimate that your required purchases and leases from us and approved suppliers will be to 60% to 75% of all purchases and leases in establishing the Franchised Business. We estimate that your required purchases and leases from us and approved suppliers will be 50% to 75% of all purchases and leases in operating the Franchised Business, but this amount is subject to change.

There are no purchasing cooperatives or distribution cooperatives in our franchise system as of the date of this disclosure document. We do not provide material benefits to franchisees based on their purchase of particular products or services or use of particular vendors.

ITEM 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Sections 1.2 and 6.25	Items 7, 8, and 11
b. Pre-opening purchases/ leases	Section 1.11, 4, 5.4, and 10.3	Items 5, 7, and 8
c. Site development and other pre- opening requirements	Section 4	Items 5, 7, 8, and 11
d. Initial and ongoing training	Section 5	Items 6, 7 and 11
e. Opening	Sections 4.4, 4.5, 4.6	Item 11
f. Fees	Sections 2.7, 4.1, 4.5, 4.6, 5.4, 5.8, 6.6, 7, 8.5, 8.10, 9.2, 10.3, 10.4, 10.5, 15.2, 15.3, 15.4 15.9, 16.1, 16.7, 16.8, 19.1, Data Sheet (Appendix A), Brand Appendix (Appendix B)	Items 5, 6 and 7
g. Compliance with standards and policies/Operations Manual	Sections 6.1, 12	Items 11 and 14
h. Trademarks and proprietary information	Sections 11, 12, and 13	Items 13 and 14
i. Restrictions on products/ services offered	Sections 6.3 and 6.13	Items 8 and 16
j. Warranty and customer service requirements	Sections 6.1, 6.9, 6.17, 6.18, 6.20, 6.21, and 7.5.	Items 7 and 8
k. Territorial development and sales quotas	Section 6.19	Item 12
l. Ongoing product/service purchases	Sections 6.1, 6.9., and 6.10	Items 6, 7 and 8
m. Maintenance, appearance and remodeling requirements	Sections 6.16 and Section 6.24	Items 11 and 17
n. Insurance	Section 9	Items 7 and 8
o. Advertising	Sections 4.3, 7.3, and 10	Items 6 and 11
p. Indemnification	Section 20	Item 6

Obligation	Section in Agreement	Disclosure Document Item
q. Owner's participation/ management/staffing	Sections 1.15, 5.8, 6.2, 6.14, 6.23, and 18	Item 15
r. Records and reports	Sections 6.21, 8, and 22.1	Item 6
s. Inspections and audits	Sections 6.15, 6.20, 11.3, and 16.6	Item 6
t. Transfer	Section 15	Item 17
u. Renewal	Section 19	Item 17
v. Post-termination obligations	Section 17	Item 17
w. Non-competition covenants	Section 14	Item 17
x. Dispute resolution	Section 23	Item 17
y. Other – Personal Guarantee	Attached to FA	Item 15

ITEM 10
FINANCING

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

[Remainder of page intentionally left blank. Item 11 begins next page.]

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

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

We will provide the services described in this Item 11.

Pre-Opening Obligations. Before you open the Franchised Business:

A. We will provide the Training Program described in this Item to you and your senior management level employees. You must pay for your travel and related expenses. (Franchise Agreement, Section 5.1)

B. We will provide you with a copy of, or electronic access to, the Operations Manual. (Franchise Agreement, Section 12)

C. We will set you up with access to the Franchisee Portal, if applicable. We may use the Franchisee Portal for communications, training, or other purposes and may require you to use it for reporting or other purposes. (Franchise Agreement, Section 6.8)

D. We will help you set up an account with the designated Call Center, if applicable. (Franchise Agreement, Section 6.6)

E. We will provide you with information on how to acquire the software packages we designate. (Franchise Agreement, Section 6.7)

E. We will provide you with any specifications that we develop for fixtures, furnishings, equipment, and signage, which may include the names of approved suppliers. However, we do not supply these items directly, nor do we assist with delivery or installation. (Section 6.10)

G. We will work with you on creating a Pre-Opening and Grand Opening Marketing plan for the Franchised Business. (Franchise Agreement, Section 10.3)

H. We will provide opening support and assistance as we deem appropriate, at the time(s) and in the manner we determine. If you request opening support beyond what we customarily furnish to Franchised Businesses, and if we agree to furnish the additional support, then we will have the right to impose a fee, plus expenses, for providing the agreed additional support. (Franchise Agreement, Section 4.6)

Continuing Obligations. During the operation of the Franchised Business, we will:

A. Make available additional required and optional Training Programs as we deem appropriate. (Franchise Agreement, Section 5.2)

B. Develop and maintain the Brand Standards. (Franchise Agreement, Section 6.1)

C. Manage the operation of the Franchisee Portal, if applicable. (Franchise Agreement, Section 6.8)

D. Notify you, via the Operations Manual or otherwise, when we establish specifications, require approval of vendors, or designate specific vendors for particular items. (Franchise Agreement, Section 6.10)

E. Manage our Brand Standards Assessment program, which includes, among other things, our mystery shopper program. (Franchise Agreement, Section 6.21)

F. Manage the Brand Fund, as described below in this Item, and make available to you any creative materials financed by the Brand Fund which may be created by us or our affiliates or by using local, regional

or national adverting agencies, at our discretion. You agree to pay or to reimburse us for any costs to reproduce the materials and/or to customize the materials for your use. (Franchise Agreement, Section 10.2)

G. Review your proposed advertising and promotional plans and materials. (Franchise Agreement, Section 10.6)

H. Manage social media accounts, profiles, pages, and registrations that promote the Marks or the Franchised Business, if we require them to be registered in our name. (Franchise Agreement, Section 10.10)

I. If we offer a customer warranty and/or satisfaction guarantee to Resting Rainbow customers, monitor and manage compliance with the warranty/satisfaction guarantee program. (Franchise Agreement, Section 6.18)

J. Manage contracts and relationships with customers in national, regional, or key account programs ("Key Accounts"). You agree to accept and perform the terms of such agreements (including, without limitation, special pricing, payment terms, timing of services, and central invoicing) in respect of locations within your Territory. (Franchise Agreement, Section 2.5)

Site Selection

You must acquire an acceptable site within 60 days and open your Franchised Business within 180 from the effective date of the Franchise Agreement. If you fail to open your Franchised Business within 180 days of signing the Franchise Agreement, we may terminate the Franchise Agreement. When evaluating a potential site, we will consider factors such as general location and neighborhood, distance from neighboring franchisees, proximity to major roads, residential areas and commercial businesses, traffic patterns, lease terms, and demographic characteristics of the area. It is your responsibility to locate a site that satisfies our site selection criteria. We will review each site you identify and determine whether to accept it using our proprietary site selection assistance criteria, which may include evaluations of the proposed site by third-party site selection assistance. We will conduct such on-site evaluation as we consider necessary and appropriate as part of our evaluation. We will approve or disapprove of the site you identify in a reasonable timeframe, which is typically seven business days. If you are unable to find a site that we approve within 60 days, we reserve the right to terminate the Franchise Agreement and any amount paid to us by you will be deemed forfeited. We do not provide assistance with conforming the premises to local ordinances and building codes and obtaining any required permits, and/or constructing, remodeling, or decorating the premises, and/or hiring and training employees. We do not generally own the premises and leases it to you.

Typical Time to Opening

We estimate that you will open your Franchised Business approximately 60 to 90 days after you sign the Franchise Agreement. Some factors which may affect this timing are arranging for the training session, equipping the Franchise, obtaining initial inventory, financing and business permit and licensing requirements, and your personal operational needs. If you do not open the Franchised Business to the public by the opening deadline specified in your Franchise Agreement, we will have the right to terminate the Franchise Agreement. (Franchise Agreement, Sections 4.5 and 16.1.3)

You may not open your Franchised Business until: (1) initial training is completed to our satisfaction; (2) all amounts due to us have been paid; (3) we have been furnished with copies of all insurance policies and certificates required by the Franchise Agreement, or other documentation of insurance coverage and payment of premiums that we request; (4) you notify us that all approvals and conditions set forth in the Franchise Agreement have been met; (5) you have received all required permits and licenses or have made arrangements acceptable to us to operate under another existing license; and (6) you have ordered, received and installed your equipment, supplies, inventory and Computer System. You must be prepared to begin

operating your Franchised Business immediately after we state that your Franchised Business is ready for opening.

Training Program

Before the Franchised Business opens, the Key Person (see Item 15) and any Owners that we designate must attend and successfully complete our initial Training Program. The Training Program generally consists of approximately two to three weeks of in-person training. The initial Training Program is usually conducted at our office located in Miami, Florida, but the training course may be held elsewhere in the future in our discretion. The training courses are conducted as necessary. The Training Program is provided at no cost to you, but you will have to pay for travel, accommodations, meals and salaries for yourself and any senior management level employees who attend. The Training Program as held on an as needed basis, subject to our availability.

Additionally, each of your owner, controlling person, and key manager must complete the Training Programs we require before they can provide cremation services or other similar services to customers.

The following tables summarize our Training Program:

INITIAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Introduction to Resting Rainbow	1	0	Miami, Florida or another location we designate
Day to Day Operations & Business Tools	2	20	Miami, Florida or another location we designate
Sales	1	2	Miami, Florida or another location we designate
Technical Training	8	40	Miami, Florida or another location we designate
Marketing	1	2	Miami, Florida or another location we designate
Pets Preparation	1	8	Miami, Florida or another location we designate
Business Management	1	8	Miami, Florida or another location we designate
Safety Training	1	2	Miami, Florida or another location we designate
Regulatory Compliance	1	2	Miami, Florida or another location we designate
Customer Service	1	2	Miami, Florida or another location we designate
Inventory Control	1	1	Miami, Florida or another location we designate
Human Resources	1	1	Miami, Florida or another location we designate
Total	**20 Hours**	**88 Hours**	

The Training Program and other on-going training will be conducted by training personnel under the direction of our President and Vice President. We use the Operations Manual as the reference material during our training sessions. Our instructors each have over 5 years' experience in the Pet Services industry.

The individuals that we designate are required to successfully complete the pre-opening training. We alone have the right to judge whether a person has successfully completed the Training Program. Successful completion may require passing tests to establish proficiency in the delivery of services, use of technology and software applications, and other areas we designate. We will have the right to terminate the Franchise Agreement if, at any time during the pre-opening Training Program, we conclude in our sole judgment that any person required to attend the pre-opening Training Program does not possess the skills necessary to properly fulfill and discharge the demands and responsibilities required by the System or this Agreement. We have the right to vary the duration and content of initial training based on the trainee's prior experience in similar businesses.

After the Franchised Business opens, we may make available, at the time(s) and location(s) we designate, such other required and optional training programs as we deem necessary and appropriate. For training that we designate as required, the individuals that we designate are required to successfully complete the training. We have the right to provide training programs in person, by video, via the internet, or by other means, as we determine, and the training may be performed by us, our affiliates, or third parties. Advertising Programs.

Pre-Opening and Grand Opening Marketing. As described in Item 5 and Item 7, prior to the opening of your Franchised Business, you must pay us a non-refundable fee of $6,000 for pre-opening and grand opening marketing services.

Local Marketing. As described in Item 6, we may provide local advertising and marketing materials and related services to promote the Franchised Business in your Territory, in return for which you will pay us Local Marketing Fees. This is in addition to your obligations to the Brand Fund. The materials and services will include the creation, production and placement of marketing and may include commercial advertising, internet advertising, email, direct mail and other media advertising, and local promotion. Advertisements may be placed in media of our choice, but will generally be directed at customers in the Territory.

You must order sales and marketing materials and services from us. If you desire to use your own advertising materials or services, you must obtain our prior approval. It is a material breach of the Franchise Agreement to use other marketing materials or services without our prior written approval (see "Approval Requirement" below). You may not advertise outside of your Territory without our approval, which may be withheld in our sole discretion (see Item 12).

Brand Fund. Franchisees must contribute to a marketing fund for the Resting Rainbow system (the "Brand Fund"). As described in Item 6, you must pay us a Brand Fund contribution, currently 2% of Gross Revenue. We can change the Brand Fund contribution; however, the contribution will not exceed 3% of Gross Revenue. You must make the Brand Fund contribution at the same time that you pay your Royalty Fee. Affiliate-Owned Outlets will contribute to the Brand Fund on the same basis as franchisees. Unless required by law, we will not be required to deposit the Brand Fund contribution in a separate bank account, commercial account, or savings account. Your contribution to the Brand Fund will be in addition to all other advertising fees set out in this Item 11.

The purpose of the Brand Fund is to support general development and recognition of the Resting Rainbow brand. We will have the right to direct all advertising, marketing public relations, and other activities to promote, develop and enhance the brand, with final discretion over strategic direction, creative concepts, materials, endorsements, and geographic, market and media allocation. We or our affiliate will administer the Brand Fund. We may use the Brand Fund to pay costs and expenses as we determine in our sole discretion, including but not limited to: production of video, audio, written, online and mobile marketing materials; purchasing promotional items; sponsorship of sporting, charitable, or similar events; design, establishment, and maintenance of websites, social media, mobile applications and other electronic

marketing; implementation of advertising programs, in-store promotions, direct mail, and media advertising; marketing and sales training; employing advertising agencies; conducting public relations, consumer research, product development, product testing, and test marketing programs; developing and implementing trade dress and design prototypes; fulfillment charges; salaries and expenses of our and our affiliates' employees working for or on behalf of the Brand Fund; fees of accounting firms, design firms, public relations firms, consultants and ad agencies; legal fees for advertising pre-clearance, defense of false advertising claims, and defense of any claims made regarding our administration of the Brand Fund; other administrative costs and overhead incurred in activities related to the administration and activities of the Brand Fund; and interest on any monies borrowed by the Brand Fund. We do not currently use the Brand Fund to directly solicit new franchise sales but may in the future.

Our marketing and advertising department will prepare advertising, marketing, and related materials, and programs. We will make available to you any creative materials designed by the Brand Fund. You must pay or reimburse us for any costs to reproduce the materials and/or to customize the materials for your use.

We may develop advertising and promotional materials and displays for the solicitation of franchisees for the Brand. You must display such materials and displays as we require from time to time. Our consumer website and other online activities supported by the Brand Fund may also include information about our franchise opportunity.

We have no obligation to make expenditures for you from the Brand Fund that are equivalent or proportional to your contributions, or to ensure that any particular franchisee benefits directly or pro rata from expenditures by the Brand Fund. You have no right to reduce or withhold contributions based on any alleged lack of benefits to your Franchised Business or based on failure by any other franchisee (with or without our permission) to make its contributions to the Brand Fund.

We have no obligation to have the Brand Fund independently audited. We will, however, prepare an annual unaudited statement of contributions to and expenditures of the Brand Fund. You can obtain a copy by making a written request. Any expenditures for independent accounting services in connection with the annual statement will be charged to the Brand Fund.

The Brand Fund is not a trust and does not give us a fiduciary obligation. Other than our express obligations in the Franchise Agreement, we assume no liability with respect to maintenance, direction, or administration of the Brand Fund. We have the right to incorporate, replace, change, or dissolve the Brand Fund; however, the Brand Fund will not be terminated until all monies in the Brand Fund have been expended for marketing purposes or rebated to franchisees on a pro-rata basis.

Joint Marketing Programs and Cooperatives. We have the right to establish: (1) co-marketing programs in which Franchised Businesses and vendors (or other third parties) cross-promote each other's goods and services; (2) joint marketing efforts in which multiple Franchised Businesses contribute to a specific ad or event; and/or (3) local or regional marketing co-operatives ("Cooperatives") that pool funds of Franchised Businesses in a geographic area or with common characteristics on an ongoing basis to jointly promote the Marks and the Franchised Businesses. The amount we require you to spend or contribute to joint marketing programs and/or a Cooperative may be credited to your obligation for Local Marketing or, at our option, to your Brand Fund obligation, or any combination of the two. You are required to participate in each applicable joint marketing program and comply with the rules of the program. As of the date of this disclosure document, we do not require you to participate in or to contribute to an advertising cooperative. If a Cooperative applicable to the Franchised Business is established during the term of this Agreement, you are required to become a member no later than 30 days after the date we approve for the Cooperative to begin operation. We have the right to designate any geographic area or set of common characteristics for purposes of establishing a Cooperative.

Approval Requirement. All proposed advertising and promotional materials that you intend to use must be submitted to us for approval at least 30 days before their intended use. You do not have to submit samples of materials that were prepared by us or that we have approved within the last twelve months. Proposed

advertising materials are deemed to be disapproved unless we have approved them in writing within 15 days after your submission of the samples. All advertising and promotion must be in the media and of the type and format that we approve, must be conducted in a dignified manner, and must conform to our standards. You may not make any television or radio appearance or any statement to any public media in connection with the Franchised Business or Resting Rainbow unless you obtain our prior written approval.

You may not solicit or advertise to customers outside of your Territory without our permission. "Solicit" includes, but is not limited to, solicitation in person, by telephone, by mail, through the internet, social media, email, or other electronic means, and by distribution of brochures, business cards or other materials or any other advertising. If any solicitation of customers within the Territory is in media that will or may reach persons outside of the Territory, you are required to notify us in advance and obtain our consent. If you receive a request for services or products from outside the Territory, you are required to refer that request to the Franchised Business located in the applicable territory (or to us, if we have not assigned the applicable territory to a Franchised Business). Notwithstanding the foregoing, under certain limited circumstances, you may process a request from outside of the Territory if the requested service is permitted under our policies. If we permit you to advertise, solicit, service or sell in areas outside of the Territory that are not serviced by another Franchised Business or by us or an affiliate, you must comply with all of the conditions and other requirements that we specify in the Operations Manual or otherwise with respect to such activities. Gross Revenue received from customers outside your Territory will not be counted toward your Minimum Performance Requirements described below or the Minimum Royalty in Item 6. All franchisees that operate in the same marketing area may be required to use a common toll-free telephone number in their advertising media. All advertising, including internet-based advertising, must be designed to route customers to the franchisee serving that customer's location.

Electronic Marketing and Electronic Communications. The use of any digital or electronic medium constitutes advertising and promotion subject to our approval. Unless we have agreed to it in writing, you may not use, register, maintain, or sponsor any website, URL, social media, blog, messaging system, email account, user name, text address, mobile application, or other digital, electronic, mobile or internet presence that uses or displays any of our trademarks (or any derivative thereof) or that promotes any products or services of the Franchised Business. You may not, directly or indirectly, post or transmit advertisements or solicitations by telephone, e-mail, text message, instant message, website, social media, mobile apps, VoIP, streaming media, or other electronic media that are inconsistent with our brand advertising guidelines and standards. The brand advertising standards may include the use of disclaimers, warnings, and other statements that we prescribe. We have the right to require that social media accounts, profiles, pages, and registrations that primarily promote the Marks or your Franchised Business be registered in our name. For any such accounts that we permit to be registered in your name, you agree to provide us with the current login credentials within five days after opening the account or changing the credentials. We have the rights to: (i) access any social media accounts to take corrective action if the account or any postings are in violation of our policies; and (ii) take ownership of the accounts on expiration or termination of the Franchise Agreement and operate them thereafter as we see fit. We may offer to provide, or may require that you have, a website for your Franchised Business (which may be structured as a separate page of a website supported by the Brand Fund).

Pricing and Promotional Activities. To the extent permitted by applicable law where your Franchised Business is located, we have the right to establish maximum and/or minimum prices that you must follow for goods and services sold by the Franchised Business. You must participate in and comply with the terms of special promotional activities that we prescribe for franchisees generally or in specific geographic areas or for specific types of venues. These activities may include special offers, limited time offers, and pricing promotions. You must bear your own costs of participating in these activities and must display promotional signs and materials and otherwise participate in the manner we request.

Franchisee Advisory Council. We do not have an advertising council composed of franchisees that advises us on advertising policies. We may, in our discretion, create a franchisee advisory council to communicate ideas, including proposed advertising policies. If created, we will determine in advance how franchisees are selected to the council. We reserve the right to change or dissolve the council at any time.

Our Obligation to Make Advertising Expenditures. Except as described above, we have no obligation to spend any amount on advertising in your Territory.

Technology Requirements

We have the right to specify the point-of-sale (POS) system, customer relationship management (CRM) system, back-office system, software applications, audio/visual equipment, security systems, electronic payment devices, and other hardware, software, and network connectivity for the Franchised Business. You must sign any standard license agreement or user agreement that may be required to use a system that we specify. You must use the required systems for service calls, managing inventory, reporting Gross Revenue and other information, training personnel, and other functions as we specify from time to time. You must ensure that your employees are adequately trained to use the systems and that they follow applicable policies.

As of the date of this disclosure document, we require the following:

- You must have or purchase a personal computer, smart phone, and/or tablet which meet our specifications and are capable of running the latest version of Microsoft Windows or iOS operating system. Your computer must be equipped to support Microsoft Office Professional suite and latest versions of Microsoft's web browser or Safari browser software. We estimate the cost for these items will be $750.

- You must have access to the internet, communication networks and telephone system with adequate speeds to connect to our systems and conduct daily business activities.

- We require that you to purchase third party software or license software as a service (SaaS) (this could be email, QuickBooks, or other software) from us or our approved vendor list to support business activities and information / data integration to our systems. You must pay to our designated vendor the then-current fee. The current Technology Fees are described in Item 6.

- You will be required to implement industry-standard administrative, physical, and technical security measures and devices to protect data from unauthorized access, acquisition, loss, destruction, disclosure or transfer, including firewalls and anti-virus systems. You are solely responsible for protecting the Franchised Business from computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, and attacks by hackers and other unauthorized intruders. If you refuse to purchase any required security products, we may purchase them for you and you must reimburse us. You are also required to use best efforts to verify that your suppliers, lenders, landlords, customers, and governmental agencies are reasonably protected. You will be solely responsible for data and data breaches and the associated risks and liability, even if we recommend a vendor. In the event of a known or suspected security breach, you agree to notify us promptly and comply with applicable laws and any instructions from us regarding response to the breach.

- You must update and upgrade your technology, at your expense, as we may require periodically to meet our specifications as they evolve. Upgrades, in some cases, may only be available through our designated suppliers. We may change the designated suppliers occasionally on written notice to you. (See Item 8). Neither we nor our affiliates have any obligation under the Franchise Agreement to provide ongoing maintenance, repairs, upgrades, or updates. There is no contractual limitation on the frequency or expense you may incur for hardware and software upgrades and updates. We estimate the total annual cost of optional or required maintenance, updates and upgrades will be $290 to $1,000.

We anticipate the cost to purchase or lease a computer system and software meeting the above requirements will be approximately $2,050 if you do not already have the necessary system and software. We estimate that these optional updates or upgrades will be approximately $100 to $1,500 per year.

Our system requirements and specifications may evolve over time. You must promptly update and upgrade your systems as we require, at your own expense. There is no contractual limitation on the frequency and cost of this obligation. We have the right to change to a different vendor for all of these systems and, in some cases, required items may only be available through us and/or designated vendors.

Data Access. We have the right to independently access your business data, wherever maintained. We also have the right to require you to deliver business data to us. We can use (and authorize others to access and use) franchisees' business data to, among other uses: (i) verify sales; (ii) monitor progress of Franchised Businesses, including compliance with Minimum Performance Requirement; (iii) prepare a financial performance representation for our franchise disclosure document; and (iv) share vendor and supplier pricing data with our affiliates. There is no contractual limitation on our right to receive or use this information.

We own and have the right to access all Customer Data (defined in Item 14), in whatever form existing, and wherever stored. Because we own the Customer Data, we can share it with our affiliates, service providers, contracted third parties, or any other person, for any purpose, without notifying or compensating you, both during and after the term of the Franchise Agreement, including marketing and cross-selling products and services. Whenever we request, and without request upon termination or expiration of your Franchise Agreement, you must promptly deliver all Customer Data in your possession or control, without retaining any of it in any media. You may not sell or disclose to anyone else any personal information or aggregated or non-aggregated Customer Data without first obtaining our written consent. In the event of an approved sale of the Franchised Business to a new owner who will continue to operate the Franchised Business under an agreement with us, you may not transfer the customer data to the new owner.

If permitted by applicable law, we may monitor your e-mail, or other electronic communications and may disclose this information if we have a good faith reason to believe it is necessary for the purposes of ensuring your compliance with the Franchise Agreement or protecting our rights, property, and interests (or those of our affiliates and franchisees and customers of our franchisees). As you use the Resting Rainbow website, you may receive, access, or use information, materials, graphics, software, data and content originated by us or other parties. We may terminate or suspend your access to, and listing or related information on, the Resting Rainbow website at any time. Upon termination or suspension, your right to use the Resting Rainbow website will immediately cease and any information you may have stored on the Resting Rainbow website may no longer be accessible or available for retrieval. You are required to provide us with any information or material we deem necessary to comply with applicable law to promote your Franchised Business on the Resting Rainbow website.

Operations Manual

The Table of Contents of the Operations Manual is in Exhibit D to this disclosure document. The Operations Manual has approximately 200 pages. Our Manual is still under construction and may change from its current form.

ITEM 12
TERRITORY

Your franchise is granted for the Approved Location only. Your Approved Location must be a commercial building that you lease or purchase, and which has been approved by us. You may not relocate your business premises without our prior written approval. If you ask to relocate, we will evaluate your request using the same standards that we apply to reviewing the proposed location of new Franchised Businesses. Unless otherwise agreed in writing, relocation does not change your Territory.

You will have a protected territory ("Territory") during the term of your Franchise Agreement, provided you are in full compliance with the terms of the Franchise Agreement, including certain Minimum Performance Requirements (described below) and your obligation not to service customers outside of your

Territory. "Protected" means that we will not operate a business under the Marks and the System in the Territory or authorize others to operate Franchised Businesses within the Territory, except as described below. This does not prohibit us from advertising or soliciting employees or independent contractors in your Territory.

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

Typically, your Territory is based on 75,000 to 100,000 Households and defined using postal zip codes present at the time your Territory is defined, although it can vary. You will be able to choose your Territory based on available pre-defined territories, subject to our approval. We will use the most recent population information available in the U.S. Census Data, or other population statistical sources of our choosing to determine populations. Once we have determined your Territory, it will be defined in Appendix A to your Franchise Agreement.

In our sole discretion, we may allow you to add Households to your existing Territory during the term of your Franchise Agreement. If we do so, you will be required to pay our then-current Additional Household Fee, currently $0.36 per Household.

We and our affiliates retain all rights not expressly granted to you in the Franchise Agreement. Among other things, regardless of the proximity to or the effect on your Franchised Business, we and our affiliates can:

- establish, operate, franchise, and license others to operate businesses under the Marks at any location outside of the Territory;

- operate a business under the Marks inside the Territory if: (i) we (or our affiliate) is operating a business under the Marks in the Territory as of the date you sign the Franchise Agreement; or (ii) we have notified you before you signed the Franchise Agreement that we (or our affiliate) intends to operate a business under the Marks in the Territory;

- use the Marks in other lines of business, anywhere in the world;

- establish and operate, and grant to others the right to establish and operate, similar businesses or any other businesses offering similar or dissimilar products and services through similar or dissimilar channels of distribution, at any locations inside or outside the Territory, under trademarks or service marks other than the Marks;

- develop, manufacture, have manufactured, advertise, market, sell and distribute, at retail or wholesale, and license others to manufacture, sell or distribute, goods or services that are identical or similar to and/or competitive with those provided at your Franchised Business, whether under the Marks or any other name or mark, through dissimilar channels of distribution, including but not limited to through the internet, mobile applications, telemarketing, retail stores, and wholesale clubs, or other distribution outlets (other than Franchised Businesses) both inside and outside the Territory;

- establish and operate, and to grant others the right to operate, businesses offering dissimilar products and services both inside and outside the Territory under the Marks; and

- To acquire, be acquired by, or merge with other brands or outlets, even if the concepts or outlets are similar to the business operated under the System, and even if they have locations in the Territory. We will also have the right, in our sole discretion, to convert one or more outlets of the acquired, acquiring or merged brand to a Franchised Business within the Territory.

We have no obligation to compensate you in connection with any of these activities.

Activities Outside of the Territory. You may not perform services or sell products related to the Franchised Business outside of the Territory without our prior written consent, which we may give and withdraw as we deem appropriate, and which we may condition on you obtaining a separate phone number or other requirements. You may not solicit or advertise to customers outside of the Territory without our permission. "Solicit" includes, but is not limited to, solicitation in person, by telephone, by mail, through the internet, social media, email, or other electronic means, and by distribution of brochures, business cards or other materials or any other advertising. If any solicitation of customers within the Territory is in media that will or may reach persons outside of the Territory, you are required to notify us in advance and obtain our consent. If you receive a request for services or products from outside the Territory, you are required to refer that request to the Franchised Business located in the applicable territory (or to us or our affiliate, if we have not assigned the applicable areas outside of your Territory to a Franchised Business). However, under certain limited circumstances, you may process a request from outside of the Territory if the requested service is permitted under our policies or otherwise approved by us. Gross Revenue received from customers outside your Territory will not be counted toward your Minimum Performance Requirements described below or the Minimum Royalty in Item 6. If we permit you to advertise, solicit, service or sell in areas outside of the Territory that are not serviced by another Franchised Business or by us (or our affiliate), you will be required to comply with all of the conditions and other requirements that we may from time to time specify in the Brand Standards Manuals or otherwise in writing with respect to such activities. We may at any time condition your continued out-of-Territory sales and services on your agreement to purchase the franchise rights for the territory in which the sales and services are being performed. At any time upon our demand or upon notice from us that the territory in question has been assigned to another Franchised Business, you must immediately cease all activities in that territory and comply with our procedures for the transition of customer accounts for that territory. Under no circumstances will we be liable to you for violations by other Franchised Businesses of our policies on out-of-Territory sales and services.

Key Accounts. We may from time to time enter into agreements to provide services to customers as part of a national, regional, or key account program ("Key Accounts") at locations which include locations within the Territory. To participate in the Key Account program, you must meet the following qualifications: (i) be in compliance with all agreements you have with us; (ii) submit all required documents to us, including but not limited to proof of insurance, a W-9 form, EIN notice, and any other documentation we may request and/or require from time to time; and (iii) satisfy any additional training requirements we designate as a condition of participation in the program. We may charge you a fee to participate in Key Accounts (see Item 6), and you must sign our then-current Key Account agreement (not applicable as of the date of this disclosure document). You must accept and perform the terms of such agreements (including, without limitation, special pricing, payment terms, timing of services, and central invoicing) with respect of locations within the Territory. Certain Key Account agreements may require you to pay rebates to the customer, which we will negotiate with the customer on a case-by-case basis. If you refuse to perform the required services or we determine that your Franchised Business is not qualified, interested, able or available to perform the services, you are required to allow either our employee(s) or another franchisee to enter the Territory to perform the required services. In the case of an agreement under which the customer will pay a fixed amount for services at all locations listed in the agreement, we may allocate the fixed amount among the businesses performing the services.

Alternative Channels of Distribution. You may not offer products or services through any channel other than those we have expressly approved. If you request approval of any other distribution channel or type of outlet, we will consider the factors we deem appropriate, which may include the period of time you have been operating the Franchised Business, your sales volume, whether you have met quality standards and other benchmarks, and other standards that we may determine. You may not sell products to any vendor who would in turn sell to consumers.

Minimum Performance Requirements and Modifications to Your Territory. During the term of your Franchise Agreement, you will be required to meet the following minimum performance requirements (the "Minimum Performance Requirements"):

Time Period Following Original Opening Date

Minimum Gross Revenue for 12-Month Period	
Year 1	$180,000
Year 2	$280,000
Year 3	$380,000

"Original Opening Date" means the date on which you or any prior owner or predecessor operator of the Franchised Business first opened the Franchised Business.

If you do not achieve the applicable Minimum Performance Requirements, we will have the right

- reduce the size of the Territory;
- establish or license a third party(ies) to establish a Franchised Business within the Territory;
- require you to implement a revenue improvement program, which may include, among other things, engaging in specified marketing activities, or
- terminate your Franchise Agreement.

If we require you to implement a revenue improvement program, your failure to comply with the terms of the revenue improvement program or failure to achieve Minimum Performance Requirements will allow us to terminate the Franchise Agreement. The Minimum Performance Requirements are not a representation of, or guarantee of, any financial results.

We do not have an obligation to reserve contiguous territories for you. You do not receive an option, right of first refusal or similar rights to acquire additional franchises within your Territory or contiguous territories.

ITEM 13
TRADEMARKS

The principal trademark we license you to use is the Resting Rainbow logotype shown on the cover page of this disclosure document. The term "principal trademarks" means the primary trademarks, service marks, names, logos, and commercial symbols that you will use to identify the Franchised Business and does not include every trademark associated with the Resting Rainbow brand. The term "Marks" is a broader term encompassing all of the marks we designate for the operation of Resting Rainbow businesses.

Our affiliate, Peaceful Paws Memorial, LLC, owns, has applied for registration of the following Marks on the Principal Register of the United States Patent and Trademark Office ("USPTO"), and has granted us the right to license the Marks to you through a License Agreement:

TRADEMARK	US. APP. SERIAL NUMBER	APPLICATION DATE
Resting Rainbow	98013088	May 25, 2023

All required affidavits and renewals have been or will be filed for the marks listed above.

At this time, we do not have a federal registration for these Marks. Therefore, these Marks do not have as many legal benefits and rights as a federally registered trademark. If our right to use these Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or of any court, nor is there any pending infringement, opposition or cancellation proceedings or any pending material litigation involving the principal marks. Other than the License Agreement, there are no currently effective agreements that limit our right to use or license the use of the principal marks. We do not know of any superior prior rights or infringing uses that could materially affect your use of the principal Marks in your state.

We may also use a number of unregistered, common-law trademarks. You must follow our rules when you use our Marks. You may not use any of the Marks alone or with modifying words, designs, or symbols as part of a corporate or business name or in any form on the internet, including but not limited to URLs, domain names, e-mail addresses, locators, links, metatags, or search techniques. You must get our prior written approval of your company name before you file any registration documents. You must indicate, as required in the Franchise Agreement, and specified in the Operations Manual, that you are an independent operator. Guidelines regarding proper trademark use and notices are in the Operations Manual and will be updated periodically at our discretion. You may not use the Marks with an unauthorized product or service, or in a manner not authorized in writing by us.

You must notify us immediately when you learn about an infringement of or challenge to your use of the Marks. We may take whatever action we deem appropriate. We are not required to participate in your defense and/or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving the Marks. However, if we request you to join in any action, we will bear all of your out-of-pocket costs for such participation.

If we replace, add to, modify, or discontinue any of the Marks, you must make corresponding changes as we direct. If this happens, you are responsible for the costs of compliance (for example, changing letterhead and business cards). You must not directly or indirectly contest our rights to the Marks, or any other trademarks, trade names, service marks, logos, trade secrets or business techniques that are part of our business.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents. We do not own any patents that are material to the franchise.

Copyrights. We (or our affiliates, in some cases) claim copyright protection for certain materials (the "Works"), which may include, but are not limited to, the Operations Manual, our websites, software, mobile apps, advertisements, artwork, promotional materials, signs, and vehicle graphics. We have not registered the copyrights in any of the Works, but we may do so at any time. You can use the Works only for the purpose of establishing and operating your Franchised Business.

Proprietary Information. We (or our affiliates, in some cases) claim proprietary rights in all Confidential Information, as defined in the Franchise Agreement, including the proprietary CRM, financial, local marketing, operating and scheduling software systems (which we reserve the right to change from time to time) identified in the Operations Manual, the standards, methods, procedures and specifications of the System and the contents of the Operations Manual. You must maintain the absolute confidentiality of the Confidential Information both during the term and after the termination or expiration of the Franchise Agreement and not disclose any of the Confidential Information for any reason except as permitted by the Franchise Agreement. You can disclose the Confidential Information to your owners, officers, directors, members, partners, manager, and employees only to the extent necessary for the operation of the Franchised Business in accordance with the Franchise Agreement. You further agree not to use any of the Confidential Information, directly or indirectly, in any other business or in any other manner or obtain any benefit from it not specifically approved in writing by us both during the term of the Franchise Agreement or afterwards. You may not at any time copy, duplicate, record or otherwise reproduce any part of the Operations Manual.

All data that you collect from customers and potential customers in connection with the Franchised Business during the term of the Franchise Agreement ("Customer Data") is our proprietary information and property and you must provide the Customer Data to us at any time that we request. We reserve the right to require that you provide us with remote access to your computer systems and all data related to the Franchised Business stored therein, in a manner that meets our System Standards and specifications. You have the right to use Customer Data while the Franchise Agreement or a renewal Franchise Agreement is in effect, but only in connection with operating the Franchised Business and only in accordance with the policies that we establish from time to time. You may not sell, transfer, or use Customer Data for any purpose other than operating and marketing the Franchised Business. If you transfer the Franchised Business, you cannot transfer the Customer Data to the buyer. At the expiration or termination of the Franchise Agreement for any reason, you will promptly turn over to us the Customer Data and make no further use of it for any purpose. Since your business relationship with customers is attributable solely to the Marks and the goodwill associated with the Marks, all such business relationships with all customers will revert to us and become our sole and exclusive property upon termination or expiration of the Franchise Agreement.

You may not introduce any "Improvement" (defined as any change, idea, innovation, concept (including any advertising slogan or idea), product, process, or improvement that may enhance or improve the System) into the Franchised Business without our prior written consent. Any Improvement developed by you or any owner, employee or agent is deemed to be our property. At our request, you must provide us with information about the Improvement and sign any documents necessary to verify assignment of the Improvement to us, without compensation. We will have the right to use, disclose, and/or license the Improvement for use by others.

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

You must designate an individual who will be responsible for the day-to-day operational performance of the Franchised Business and who has the authority to bind Franchisee in all decisions regarding the Franchised Business (the "Key Person"). If the Franchisee is an entity, your Key Person must be your majority owner for the first full year you operate your Franchised Business. Starting in your second year of operations, you may designate another person to serve as the Key Person so long as that person conforms to our then-current Brand Standards (which may include, among other things, a requirement that the Key Person own at least a 5% interest in the Franchisee). The Key Person must complete our initial training program described in Item 11 and must work on premises at your business office.

We have the right to rely on any statement, agreement, or representation made by the Key Person on your behalf. The Key Person must certify your financial statements as correct and complete when you submit them to us. If the Key Person leaves your organization, you must nominate a replacement within 30 days, and if you have not obtained our approval of a replacement within 90 days, you will be in material default of the Franchise Agreement.

If the Franchisee is or will be a business entity, all of its Owners (whether or not they are involved in the operation of the Franchised Business) who own five percent or greater interest in the business entity must sign the Personal Guarantee attached to the Franchise Agreement, making each Owner individually liable for all obligations under the Franchise Agreement. If any of your Owners is also a business entity instead of an individual, we have the right to require that the Personal Guarantee be executed by individuals and any other business entities that have direct or indirect ownership in the Franchisee.

The spouse of an Owner is not required to sign a Personal Guarantee if the spouse has no ownership interest in the business entity.

At our request, the Owners, Key Person, officers, directors, limited liability company managers and/or members and executives that we designate are required to sign a separate Confidentiality and Non- Compete

Agreement (the form of which is attached to the Franchise Agreement). In addition, you and the Owners authorize us to run credit and background checks and to make inquiries of your bank, suppliers, and trade creditors concerning the Franchised Business.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You are required to offer and sell all products and services that we designate as required items for Resting Rainbow businesses. You may also offer for sale any optional products and services that we have approved for sale in the Franchised Business. You are prohibited from offering any unapproved products or services without our prior written consent, and you must discontinue selling or offering for sale any products or services that we disapprove at any time. You primarily will be targeting homeowners as customers.

We have the right to add products or services that you must offer. There are no limits on our right to do so. We will have the right to determine if services offered are appropriate for your Franchised Business.

You may not offer products or services through any channel other than those we have expressly approved. If you request approval of any other distribution channel or type of outlet, we will consider the factors we deem appropriate, which may include the period of time you have been operating the Franchised Business, your sales volume, whether you have met quality standards and other benchmarks, and other standards that we may determine. You do not receive the right to sell products to any vendor who would in turn sell to consumers.

In the marketing and operation of the Franchised Business, you must use only the customer contracts, waivers, and/or other forms we designate from time to time. We may provide templates or sample forms of such items, but it is your responsibility to have all items which are to be used with prospective and/or actual customers reviewed by an attorney licensed to practice law in the state(s) where the Franchised Business is operated, for compliance with all applicable state and local legal requirements. We do not represent that any contracts, waivers and/or other forms and/or materials we supply are in compliance with the laws of any particular state(s) or locality.

You must provide services for any Key Accounts with locations in your Territory (see Item 12). If you refuse to perform the required services, or if we determine that your Franchised Business is not qualified, interested, able or available to perform the services, you are required to allow us or another franchisee to service the Key Account.

You may not perform services or sell products related to the Franchised Business outside of your Territory without our prior written consent, which we may give and withdraw as we deem appropriate. We may condition approval on, among other things, you obtaining a separate phone number or other requirements. You may not solicit or advertise to customers outside of the Territory without our permission. “Solicit” includes, but is not limited to, solicitation in person, by telephone, by mail, through the internet, social media, email, or other electronic means, and by distribution of brochures, business cards or other materials or any other advertising. Please see Item 12 for further details.

You may be required to participate in programs relating to gift cards, gift certificates, stored value cards, online or mobile coupons or credits, online or mobile ordering systems, and other electronic money programs we prescribe for Franchised Businesses. Participation includes both issuing program benefits or credits and accepting them for payment by customers and may require you to purchase additional equipment. We will have the right to coordinate the crediting and debiting of funds among Franchised Businesses based on customer purchases and redemption of stored value. You are also required to participate in any customer loyalty programs we prescribe. You may not offer your own gift card, electronic money, or loyalty program for the Franchised Business without our prior written approval.

[Remainder of page intentionally left blank. Item 17 begins next page.]

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

A. Franchise Agreement

Provision	Section in Franchise Agreement	Summary
a. Length of the franchise term	Section 3	10 years
b. Renewal or extension of the term	Section 19	You can renew the Franchise Agreement for additional terms of 5 years if you meet certain conditions.
c. Requirements for you to renew or extend	Section 19	Conditions include: Written notice of your desire to renew; no default; good record of customer service and compliance with Brand Standards; on good terms with us, including no litigation or other adversarial legal proceedings with us; at our option, sign our then-current form of Franchise Agreement; pay renewal fee; sign general release of claims against us; meet our training requirements; demonstrate right to remain in the Approved Location for the renewal term; remodel, refurbish, or renovate your vehicles and premises; and update computer systems and vehicles. The successor Franchise Agreement may contain terms that are materially different from your expiring Franchise Agreement, such as different fee requirements and adjustment of the Territory.
d. Termination by you	Not applicable	Subject to applicable state law.
e. Termination by us without cause	Not applicable	Not applicable
f. Termination by us with cause	Section 16	See g. and h. below. In addition, your default under any other agreement that you or an affiliate has with us or our affiliates will constitute a default, subject to any applicable provisions for notice and cure set forth in the other agreement.
g. "Cause" defined - defaults which can be cured	Sections 16.2, 16.3, 16.6 and 16.7	You have seven days to cure non-payment and 30 days to cure other defaults, except for those described in h. below. We have a "step in" right if you fail to cure a default within the applicable cure period (if any). This clause gives us the right, but not the obligation, to operate the Franchised Business on your behalf (or designate a third party to do so) until we determine that the default has been cured. If we exercise the step-in right, you must pay us (or our designee) a fee of up to $500 per day and reimburse us (or our designee) for all costs and overhead incurred in connection with the operation of your Franchised

Provision	Section in Franchise Agreement	Summary
		Business, including costs of personnel and their travel and lodging. In addition, you must indemnify us against any fines, claims, suits, or proceedings which may arise out of our operation of the Franchised Business. The step-in right does not preclude our right to terminate the Franchise Agreement if your default is not cured. We also have certain other pre-termination options if you are in default. They include: removing the Franchised Business from listings of our locations, prohibiting you from attending brand meetings, charging a default royalty rate (see Item 6), suspending access to the Call Center and technology platforms, and suspending other services. These actions are in addition to our right to terminate and/or bring a claim for damages.
h. "Cause" defined – non-curable defaults	Section 16.1	Non-curable defaults include: failure to obtain an Approved Location or to open for business by deadline; failure to complete pre-opening training to our satisfaction; unauthorized closing; loss of premises or right to do business; refusing inspection or access to records; operating Competing Business (see q. below); unapproved transfer of ownership or business assets; disclosure of our confidential information; maintaining false books, underreporting sales, engaging in fraud or embezzlement, or misappropriating employee funds; conviction of felony or certain other crimes; insolvency, receivership, or dissolution of your business entity or loss of business license; if Franchisee or any Owner appears on a list of "blocked" persons under any anti-terrorism or similar law; breach of essential provision; failure to achieve minimum score on consecutive assessments; failure to maintain required insurance; failure to resolve customer complaint; failure to attend our annual convention for two consecutive years; failure to conduct background checks; repeated defaults even if cured.
i. Your obligations on termination/non- renewal	Sections 16.8 and 17	We have the option to assume your lease (if any), buy the business assets, and take over your customer contracts. If we do not exercise these options, your obligations include ceasing to operate the Franchised Business, complete de- branding, deactivating or transferring domain name registrations and social media accounts for the Franchised Business, transferring your business telephone number and listings to us, paying all amounts due, returning all of our materials, and complying with confidentiality and non-compete

Provision	Section in Franchise Agreement	Summary
		restrictions, among others (also see o. and r. below). If termination was based on your default, you must also pay us liquidated damages (see Item 6).
j. Assignment of contract by us	Section 15.8	No restriction on our right to assign.
k. "Transfer" by you – definition	Section 15.1	Restrictions apply to transfers of any direct or indirect interest in the Franchise Agreement, in the assets of the Franchised Business, or in the equity ownership of Franchisee (if the Franchisee is a corporation or other entity).
l. Our approval of transfer by franchisee	Section 15.1	We have the right to approve all transfers.
m. Conditions for our approval of transfer	Sections 15.2 and 15.3	We can impose any reasonable conditions, including: no default exists; proposed transferee meets our qualifications, signs our then-current Franchise Agreement (and owners sign our personal guarantee), successfully completes training, makes arrangements to upgrade the business to our current standards, and, if a current franchisee at another location, is not in default and signs a general release; you pay transfer fee (plus any applicable third-party broker fee) and sign release of claims against us (Exhibit G to this disclosure document); price and terms do not harm viability of Franchised Business; and any financing is subordinated to obligations to us.
n. Our right of first refusal to acquire your business	Section 15.6	We have the right to match any offer that would result in a change of control of the Franchised Business, except in the case of transfer to a spouse and/or adult children.
o. Our option to purchase your business	Section 17.1	No option except upon expiration or termination of the franchise. See i. above.
p. Your death or disability	Section 15.4	Your executor or personal representative must apply to us within three months to transfer the interest of the deceased or incapacitated person to an approved party and must complete transfer within one year. If the deceased or incapacitated person is the Key Person, we have the right to manage the Franchised Business until the transfer is completed.
q. Non-competition covenants during the term of the franchise	Section 14.1	No involvement in "Competing Business," defined as any business that: (i) engages in pet cremation services and/or other ancillary services similar to those offered by the Franchised Business, (ii) grants franchises or licenses to others to operate such businesses, or (iii) is the same or substantially similar in nature or purpose to the Franchised Businesses (other than a "Resting Rainbow" business operated under a Franchise Agreement with us). This is subject to applicable state law.
r. Non-competition covenants after the franchise is terminated or expires	Section 14.2	No involvement with Competing Business for two years after expiration, termination, or approved transfer of the franchise. Applies if the Competing

Provision	Section in Franchise Agreement	Summary
		Business is located or serves customers (i) within the Territory, (ii) within forty (40) miles of the Territory, (iii) within any zip code where the Franchised Business served customers during the term, (iv) within the territory of any other then-existing Franchised Businesses plus the area formed by extending the boundaries of that territory ten (10) miles in all directions, or (v) within the territory serviced by any business operated under the Marks by us or our affiliates, plus the area formed by extending the boundaries of that territory ten (10) miles in all directions. This is subject to state law.
s. Modification of the agreement	Sections 22.12 and 22.13	Modifications must be in writing signed by both parties, except: (a) we have the right to change the Brand Standards Manuals, and (b) all of your existing Franchise Agreements are amended by signing the Franchise Agreement for an additional location.
t. Integration/merger clause	Section 22.12	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.
u. Dispute resolution by arbitration or mediation	Sections 23.2, 23.3 and 23.4	With the exception of actions for provisional relief, to collect fees due under the Franchise Agreement, to seek an injunction, to protect our intellectual property, to terminate the Franchise Agreement for default, and to enforce post-term obligations, we, you, and the Owners must arbitrate all disputes in Opa, Locka, Florida. Subject to applicable state law.
v. Choice of forum	Section 23.6	Subject to the arbitration requirement, you and the Owners must file any suit against us in federal court in the district where our headquarters is located at the time the suit is filed (currently Opa Locka, Florida). We can sue you in federal or state court in the district where our headquarters is located at the time the suit is filed or where the Franchised Business is located. You and we both waive the right to trial by jury and the right to seek punitive damages. All of these provisions are subject to state law in your state.
w. Choice of law	Section 23.1	Florida law applies (subject to state law).

B. Development Agreement

Provision	Section in Development Agreement	Summary
a. Length of the franchise term	Section 5	The term expires upon the deadline to develop the Businesses specified in the Development Schedule or upon the development of all Businesses.
b. Renewal or extension of the term	Not Applicable	Not Applicable
c. Requirements for franchisee to renew or extend	Not Applicable	Not Applicable
d. Termination by franchisee	Not Applicable	Not Applicable
e. Termination by us without cause	Not Applicable	Not Applicable
f. Termination by us with cause	Section 6.1	We can terminate only if you default (see (g.) and (h.) below).
g. "Cause" defined – curable defaults	Not Applicable	Not Applicable
h. "Cause" defined – non-curable defaults	Section 6.1	You fail to have open and operating, the minimum number of Businesses specified in the Development Schedule by any Opening Deadline specified in the Development Schedule; any Franchise Agreement is terminated a result of default; or you breach or otherwise fail to comply fully with any other provision of the Development Agreement.
i. Franchisee's obligations on termination/non-renewal	Section 6.2	You will lose the right to continue to develop 1611 Indoor Golf Club businesses in your Development Area.
j. Assignment of contract by us	Section 7	Fully assignable and transferrable by us.
k. "Transfer" by franchisee – definition	Section 7	Includes transfer of the Development Agreement, any interest in the Development Agreement, or, if you are a business entity, any interest in the entity.
l. Our approval of transfer by franchisee	Section 7	We have the right to approve or not approve all transfers in our sole discretion.
m. Conditions for our approval of transfer	Section 7	We have sole discretion in setting conditions for our approval of a transfer.
n. Our right of first refusal to acquire franchisee's business	Section 7	We have the first right of refusal on all transfer, exercisable withing 30 days of receiving an executed copy of the contract of transfer.
o. Our option to purchase your business	Not Applicable	Not Applicable
p. Death or disability of franchisee	Not Applicable	We have the right approve or disapprove any transfer in our sole discretion.
q. Non-competition covenants during the term	Section 8	The non-competition covenants in your Franchise Agreement shall apply to your Development Agreement
r. Non-competition covenants after the Franchise Agreement is terminated or expires	Section 8	The non-competition covenants in your Franchise Agreement shall apply to your Development Agreement.
s. Modification of the agreement	Section 9	No modifications to the Development Agreement unless you and we agree in writing. We may amend the Manual at any time.

Provision	Section in Development Agreement	Summary
t. Integration/merger clause	Section 9	Only the terms of the Development Agreement and any Franchise Agreements are binding (subject to applicable state law). Any promises outside the Development Agreement, the Franchise Agreements, and this FDD may not be enforceable. However, nothing in the Franchise Agreement will have the effect of disclaiming any of the representations made in this FDD.
u. Dispute resolution by arbitration or mediation	Section 8	The dispute resolution provisions of the Franchise Agreement apply to any disputes under the Development Agreement (subject to applicable state law)
v. Choice of forum	Section 8	The choice of forum provision of the Franchise Agreement applies to the Development Agreement (subject to applicable state law)
w. Choice of law	Section 8	The choice of law provision of the Franchise Agreement applies to the Development Agreement (subject to applicable state law)

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

This financial performance representation is based upon the historic operating revenue of our "Affiliate-Owned Outlet" operated by our affiliate in the Opa Locka, Florida area for each "Measuring Period" which cover from January 1, 2022, to June 30, 2022 ("Q1/Q2 2022"), from July 1, 2022 to December 31, 2022 ("Q3/Q4 2022"), and from January 1, 2023 to June 30, 2023 ("Q1/Q2 2023"). We obtained these historical financial results from the profit and loss reports submitted by the Affiliate-Owned Outlet. There are no other outlets operated by us or our affiliates, and there are no Franchised Businesses operated by franchisees as of the issuance date of this Disclosure Document. Neither we nor a certified public accountant have independently audited or verified the information.

Except as discussed in the notes below, the Affiliate-Owned Outlet operates in a substantially similar manner and a substantially similar Territory to how your Franchised Business will operate. The explanatory notes included with the following chart are an integral part of this financial performance representation and should be read in their entirety for a full understanding of the information contained in the following chart.

Table 1: Q1/Q2 2022 Revenue and Cases by Month			
Month	**2022 Revenue**	**2022 Cases[3]**	**Average Revenue Per Transaction[1]**
January	$45,340.51	149	$304.30
February	$23,190.19	103	$225.15
March	$42,019.02	157	$267.64
April	$33,788.67	120	$281.57
May	$40,878.93	172	$237.67
June	$40,136.61	181	$221.75
Total	**$225,353.93**	**882**	**$255.50**

Table 2: Q3/Q4 2022 Revenue and Cases by Month			
Month	**2022 Revenue**	**2022 Cases[3]**	**Average Revenue Per Transaction[1]**
July	$46,638.69	180	$259.10
August	$42,168.06	173	$243.75
September	$51,630.39	228	$226.45
October	$47,154.16	215	$219.32
November	$51,216.46	266	$192.54
December	$66,908.94	412	$162.40
Total	**$305,716.70**	**1,474**	**$207.41**

Table 3: Q1/Q2 2023 Revenue and Cases by Month			
Month	**2023 Revenue**	**2023 Cases[3]**	**Average Revenue Per Transaction[1]**
January	$59,936.35	421	$142.37
February	$58,361.92	367	$159.02
March	$64,631.43	447	$144.59
April	$64,831.29	391	$165.81
May	$64,209.13	454	$141.43
June	$75,857.30	479	$158.37
Total	**$387,827.42**	**2,559**	**$151.55**

Table 4: Q1/Q2 Year-Over-Year Change in Monthly Revenue			
Month	**Q1/Q2 2022**	**Q1/Q2 2023**	**Year-Over-Year Change[2]**
January	$45,340.51	$59,936.35	+32.2%
February	$23,190.19	$58,361.92	+151.7%
March	$42,019.02	$64,631.43	+53.8%
April	$33,788.67	$64,831.29	+91.9%
May	$40,878.93	$64,209.13	+57.1%
June	$40,136.61	$75,857.30	+89.0%
Total	**$225,353.93**	**$387,827.42**	**+72.1%**

Table 5: Q1/Q2 Year-Over-Year Change in Monthly Cases			
Month	**Q1/Q2 2022**	**Q1/Q2 2023**	**Year-Over-Year Change[2]**
January	149	421	+182.6%
February	103	367	+256.3%
March	157	447	+184.7%
April	120	391	+225.8%
May	172	454	+164.0%
June	181	479	+164.6%
Total	**882**	**2,559**	**+190.1%**

Notes for Tables 1-5 above:

1. "Revenue" means all revenue derived from operating the Affiliate-Owned Outlet. Revenue does not include (i) any credits that are actually provided to customers, (ii) any shipping charges that collected from a customer and actually paid to a third-party shipping or logistics company for the delivery of items to customers, and (iii) any sales or other taxes that collected from customers and paid directly to the appropriate taxing authority.

2. "COGS" or "Costs of Goods Sold" includes the costs to purchase inventory and supplies used in the performance of sales and services to customers.

3. "Average Revenue Per Transaction" is calculated as the monthly revenue divided by the number of cases completed per Measurement Period.

4. "Year-Over-Year Change" means the percent change in monthly revenue and monthly cases from Q1/Q2 2022 to Q1/Q2 2023.

5. "Cases" is how the Affiliate-Owned Outlet labels cremations. Each Case is a cremation performed.

Table 6: Gross Sales and Certain Expenses of the Affiliate-Owned Outlet for each Measurement Period			
	Q1/Q2 2022	**Q3/Q4 2022**	**Q1/Q2 2023**
Income			
Total Sales	$225,353.93	$305,626.70	$387,827.42
Cost of Goods Sold	$16,526.69	$25,943.15	$32,802.52
Gross Profit	**$208,827.24**	**$279,683.55**	**$355,024.90**
Expenses			
Advertising and Marketing	$30,043.22	$25,710.01	$44,460.29
Vehicles	$4,619.99	$4,747.07	$3,437.76
Job Supplies	$8,940.70	$8,947.03	$5,886.67
Payroll	$19,258.00	$35,613.35	$52,685.19
Rent	$16,241.25	$16,401.00	$16,614.00
Total Utilities	$30,797.56	$33,703.49	$44,538.24

Total Expenses	**$109,900.72**	**$125,121.95**	**$167,622.15**
Franchise Adjustments			
Royalty Fee	$15,774.78	$21,393.87	$27,147.92
Brand Fund Contribution	$4,507.08	$6,112.53	$7,756.55
Call Center Fee	$6,760.62	$9,168.80	$11,634.82
Technology Fee	$1,500.00	$1,556.00	$1,879.50
EBITDA (if franchised)	**$70,384.05**	**$116,330.40**	**$138,983.96**
EBITDA (if franchised) Margin	**31.2%**	**38.1%**	**35.8%**

Table 7: Q1/Q2 Year-Over-Year Change in Revenue and Certain Expenses of the Affiliate-Owned Outlet

	Q1/Q2 2022	Q1/Q2 2023	Year-Over-Year Change
Income			
Total Sales	$225,353.93	$387,827.42	+72.1%
Cost of Goods Sold	$16,526.69	$32,802.52	+98.5%
Gross Profit	**$208,827.24**	**$355,024.90**	**+70.0%**
Expenses			
Advertising and Marketing	$30,043.22	$44,460.29	+48.0%
Vehicles	$4,619.99	$3,437.76	-25.6%
Job Supplies	$8,940.70	$5,886.67	-34.2%
Payroll	$19,258.00	$52,685.19	+173.6%
Rent	$16,241.25	$16,614.00	+2.3%
Total Utilities	$30,797.56	$44,538.24	+44.6%
Total Expenses	**$109,900.72**	**$167,622.15**	**+52.5%**
Franchise Adjustments			
Royalty Fee	$15,774.78	$27,147.92	+72.1%
Brand Fund Contribution	$4,507.08	$7,756.55	+72.1%
Call Center Fee	$6,760.62	$11,634.82	+72.1%
Technology Fee	$1,500.00	$1,879.50	+25.3%
EBITDA (if Franchised)	**$70,384.05**	**$138,983.96**	**+97.5%**
EBITDA (if Franchised) Margin	**31.2%**	**35.8%**	**+14.7%**

Notes to Tables 6 and 7 above:

1. "Total Sales" means all revenue derived from operating the Affiliate-Owned Outlet. Revenue does not include (i) any credits that are actually provided to customers, (ii) any shipping charges that collected from a customer and actually paid to a third-party shipping or logistics company for the delivery of items to customers, and (iii) any sales or other taxes that collected from customers and paid directly to the appropriate taxing authority.

2. "COGS" or "Costs of Goods Sold" includes the costs to purchase inventory and supplies used in the performance of sales and services to customers.

3. "Total Utilities" includes expenses for internet, electricity, and natural gas.

4. "Franchise Adjustments" are for expenses that you will be required to pay to us as a franchisee but that were not incurred by our Affiliate-Owned Outlet. The recurring monthly royalty fee is 7%. The recurring monthly brand fund contribution is 2%. The recurring monthly call center fee is 3%. The recurring monthly Technology Fee is a minimum of $250 for your first 300 cases in a month, thereafter it is an additional $0.50 per case.

5. "EBITDA (if franchised)" means the earnings before interest, taxes, depreciation, and amortization of the business if it were a Franchised Business.

6. "EBITDA (if franchised) Margin" is calculated as EBITDA (if franchised) divided by the Total Sales in each Measurement Period.

Table 8: Cases by Source Classification			
	Q1/Q2 2022	**Q3/Q4 2022**	**Q1/Q2 2023**
Veterinary Clinic	382	794	1,923
Walk-In	500	680	636
Total Cases	**882**	**1,474**	**2,559**

Table 9: Average Income Per Case from Veterinary Clinics			
	Q1/Q2 2022	**Q3/Q4 2022**	**Q1/Q2 2023**
Total Cases	**382**	**794**	**1,923**
Income			
Total Sales	$82.45	$64.63	$67.18
Cost of Goods Sold	$4.20	$4.49	$3.32
Gross Profit	**$78.25**	**$60.14**	**$63.86**
Expenses			
Advertising and Marketing	$0.00	$0.00	$0.00
Vehicles	$3.02	$1.49	$0.45
Job Supplies	$5.85	$2.82	$0.77
Payroll	$12.60	$11.21	$6.85
Rent	$10.63	$5.16	$2.16
Total Utilities	$31.27	$19.44	$15.22
Total Expenses	**$63.38**	**$40.13**	**$25.44**
Franchise Adjustments			
Royalty Fee	$5.77	$4.52	$4.70
Brand Fund Contribution	$1.65	$1.29	$1.34
Call Center Fee	$2.47	$1.94	$2.02
Average Income Per Case	**$4.98**	**$12.25**	**$30.35**

Table 10: Q1/Q2 Year-Over-Year Change For Average Income Per Case from Veterinary Clinics			
	Q1/Q2 2022	**Q1/Q2 2023**	**Year-Over-Year Change**
Income			
Sales Revenue Per Transaction	$82.45	$67.18	-18.5%
Cost of Goods Sold	$4.20	$3.32	-21.0%
Gross Profit	**$78.25**	**$63.86**	**-18.4%**
Expenses			
Advertising and Marketing	$0.00	$0.00	-
Vehicles	$3.02	$0.45	-85.1%
Job Supplies	$5.85	$0.77	-86.8%
Payroll	$12.60	$6.85	-45.6%
Rent	$10.63	$2.16	-79.7%
Total Utilities	$31.27	$15.22	-51.3%
Total Expenses	**$63.38**	**$25.44**	**-59.9%**
Franchise Adjustments			
Royalty Fee	$5.77	$4.70	-18.5%
Brand Fund Contribution	$1.65	$1.34	-18.5%
Call Center Fee	$2.47	$2.02	-18.5%
Average Income Per Case	**$4.98**	**$30.35**	**+509.9%**

Table 11: Average Income Per Case from Walk-Ins			
	Q1/Q2 2022	**Q3/Q4 2022**	**Q1/Q2 2023**
Total Cases	**500**	**680**	**636**
Income			
Total Sales	$387.72	$374.12	$406.53
Cost of Goods Sold	$29.85	$32.91	$35.71
Gross Profit	**$357.87**	**$341.21**	**$370.82**
Expenses			
Advertising and Marketing	$60.09	$37.81	$69.91
Vehicles	$6.93	$5.24	$4.05
Job Supplies	$13.41	$9.87	$6.94
Payroll	$28.89	$39.28	$62.13
Rent	$24.36	$18.09	$19.59
Total Utilities	$37.70	$26.87	$24.01
Total Expenses	**$171.38**	**$137.15**	**$186.63**
Franchise Adjustments			
Royalty Fee	$27.14	$26.19	$28.46

Table 11: Average Income Per Case from Walk-Ins			
	Q1/Q2 2022	**Q3/Q4 2022**	**Q1/Q2 2023**
Brand Fund Contribution	$7.75	$7.48	$8.13
Call Center Fee	$11.63	$11.22	$12.20
Average Income Per Case	**$139.96**	**$159.17**	**$135.41**

Table 12: Q1/Q2 Year-Over-Year Change For Average Income Per Case from Walk-Ins			
	Q1/Q2 2022	**Q1/Q2 2023**	**Year-Over-Year Change**
Income			
Total Sales	$387.72	$406.53	+4.9%
Cost of Goods Sold	$29.85	$35.71	+19.6%
Gross Profit	**$357.87**	**$370.82**	**+3.6%**
Expenses			
Advertising and Marketing	$60.09	$69.91	+16.3%
Vehicles	$6.93	$4.05	-41.6%
Job Supplies	$13.41	$6.94	-48.2%
Payroll	$28.89	$62.13	+115.1%
Rent	$24.36	$19.59	-19.6%
Total Utilities	$37.70	$24.01	-36.3%
Total Expenses	**$171.38**	**$186.63**	**+8.9%**
Franchise Adjustments			
Royalty Fee	$27.14	$28.46	+4.9%
Brand Fund Contribution	$7.75	$8.13	+4.9%
Call Center Fee	$11.63	$12.20	+4.9%
Average Income Per Case	**$139.96**	**$135.41**	**-3.3%**

Notes to Tables 9 - 12 above:

1. "Total Utilities" includes expenses for internet, electricity, and natural gas.

2. "Franchise Adjustments" are for expenses that you will be required to pay to us as a franchisee but that were not incurred by our Affiliate-Owned Outlet. The recurring monthly royalty fee is 7%. The recurring monthly brand fund contribution is 2%. The recurring monthly call center fee is 3%.

Notes Regarding the Affiliate-Owned Outlets and Item 19 *Generally*:

1. The figures in the tables above use the historical information that the Affiliate-Owned Outlet provided to us. You should be advised that no certified public accountant has audited these figures or expressed his or her opinion concerning their contents or form, nor have we sought to independently verify their accuracy. Upon your reasonable request, we will provide written substantiation for this financial performance representation.

2. The actual performance of any outlet will depend on a number of factors specific to the location, including:

- Any applicable law and/or regulatory compliance expenses;
- Rent, interest or other financing costs for land, buildings, equipment, and inventory;
- Initial franchise fee and organization costs;
- Economic and weather conditions of various geographic areas;
- Competition from a variety of other businesses;
- Different acquisition, development, construction, and property costs;
- Cost of equipment;
- Occupancy expenses such as rent, utilities and property taxes;
- Labor costs, payroll taxes and laws concerning employees and employee benefits;
- Different traffic counts, accessibility, visibility, and parking;
- Different results from advertising;
- Outlets have been in business for different periods of time in their respective markets;
- Cost of product and supply costs;
- Franchise payments including royalties; and
- Workers' compensation and insurance coverage.

These and other expenses you incur will affect the net income and cash flow of the outlet. You should consider them and evaluate the impact on your operations.

3. The Pet Services industry, and the market for it is highly competitive and affected by, among other things, changes in geographic area, changes in preferences, local, regional, and national economic conditions, and population trends. The performance of your Business will be affected by the region in which you operate, your competitors, and the success you have in marketing and managing your operations.

3. This Item 19 does not reflect certain pre-opening costs and expenses over the Measuring Periods that you are likely to incur in connection with the development of a new Business. See Item 7 for details about pre-opening costs for your Business.

4. Written substantiation to support the information appearing in this financial performance representation is available to you upon reasonable request.

SOME OUTLETS HAVE SOLD THIS MUCH. YOUR INDIVIDUAL RESULTS MAY DIFFER. THERE IS NO ASSURANCE YOU WILL SELL AS MUCH.

We recommend that you make your own independent investigation to determine whether the franchise may be profitable to you. We strongly suggest you consult your financial advisor or accountant (a) to help you determine how to interpret the information contained in this Item, (b) concerning financial projections; and (c) federal, state, and local income taxes and any other applicable taxes that you may incur in operating a Resting Rainbow Franchised Business.

Other than the preceding financial performance representations, we do not make any financial performance representations about a franchisee's future financial performance or the past financial performance of Affiliate-Owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting the Franchise Department, Resting Rainbow Pet Memorials and Cremation Franchise, LLC at 13700 NW 19th Ave., Suite 11, Opa Locka, FL 33054, 786-673-7297, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE 1
Systemwide Outlet Summary
For Years 2020 to 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	0	0	0
	2021	0	0	0
	2022	0	0	0
Company Owned	2020	1	1	0
	2021	1	1	0
	2022	1	1	0
TOTALS	**2020**	**1**	**1**	**0**
	2021	**1**	**1**	**0**
	2022	**1**	**1**	**0**

TABLE 2
Transfers of Outlets from Franchisee to New Owners (other than the Franchisor)
For Years 2020 to 2022

State	Year	Number of Transfers
TOTALS	**2020**	**0**
	2021	**0**
	2022	**0**

TABLE 3
Status of Franchised Outlets
For Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Company	Ceased Operations For Other Reasons	Outlets at End of Year
TOTALS	**2020**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2021	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	2022	**0**	**0**	**0**	**0**	**0**	**0**	**0**

TABLE 4
Status of Company-Owned Outlets
For Years 2020 to 2022

State	Year	Outlets at the Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
FL	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
TOTALS	**2020**	**1**	**0**	**0**	**0**	**0**	**1**
	2021	**1**	**0**	**0**	**0**	**0**	**1**
	2022	**1**	**0**	**0**	**0**	**0**	**1**

TABLE 5
Projected New Franchised Outlets as of December 31, 2022

State	Franchise Agreements Signed But Outlet Not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
FL	0	10	0
GA	0	5	0
NC	0	5	0
TOTALS	**0**	**20**	**0**

Attached as Exhibit C is a list of our franchise owners, the number of territories each owns and the addresses and telephone numbers of their business offices as of December 31, 2022. There are none.

Attached as Exhibit C is a list of the franchisees who (i) had a franchise terminated, canceled, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement in 2022; (ii) had a franchise not renewed during 2022; or (iii) transferred ownership of the Franchised Business during 2022. There are no franchisees who have not communicated with us within the ten weeks prior to the issuance date of this disclosure document. During the last three (3) fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

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

We do not have any trademark specific franchisee associations that we sponsor or that have requested to be included in our Franchise Disclosure Document.

ITEM 21
FINANCIAL STATEMENTS

Attached as Exhibit A to this Disclosure Document is our audited balance sheet as of August 31, 2023 and our unaudited opening balance sheet as of June 06, 2023. As we were formed in May 2023 and will begin offering franchises upon issuance of this Disclosure Document, we have not been in business for three years or more and cannot include all of the financial statements required by the FTC Rule for our last three fiscal years. Our fiscal year ends on December 31.

ITEM 22
CONTRACTS

The following agreements are attached to this disclosure document:

Location in FDD	Contract
Exhibit E	Franchise Agreement
Exhibit to FA	Franchisee Compliance Questionnaire
Exhibit F	Area Development Agreement
Exhibit G	Form of General Release
Exhibit H	Form of Nondisclosure and Non-Compete Agreement
Exhibit I	State-Specific Disclosures and Contract Addenda

ITEM 23
RECEIPTS

This disclosure document was issued June 9, 2023, and amended January 7, 2024. The last two pages of this disclosure document are receipt pages. Please sign, date, and detach the last two pages and return one signed copy to us.

EXHIBIT A

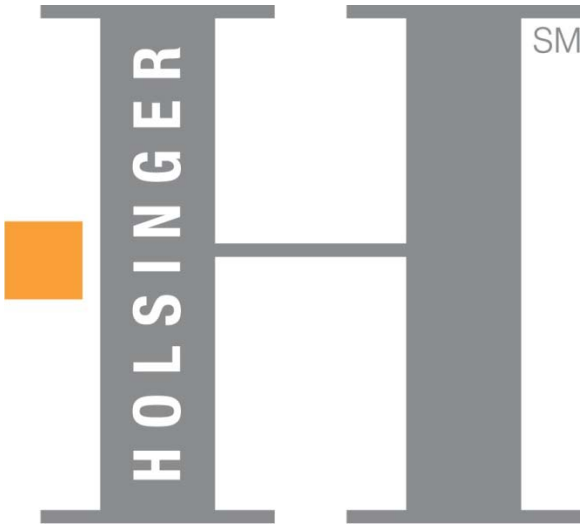
FINANCIAL STATEMENTS

Outside the box. Within the lines.℠

Financial Statements

RESTING RAINBOW PET MEMORIALS AND CREMATION FRANCHISE LLC

MAY 24, 2023 (INCEPTION) TO AUGUST 31, 2023



Outside the box. **Within the lines.**

RESTING RAINBOW PET MEMORIALS AND CREMATION FRANCHISE LLC
AUGUST 31, 2023

Contents

	Page
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Balance Sheet	3
Statement of Operations and Members' Equity	4
Statement of Cash Flows	5
Notes to Financial Statements	6

INDEPENDENT AUDITORS' REPORT

To the Members
Resting Rainbow Pet Memorials and
Cremation Franchise LLC
Opa Locka, FL

Opinion

We have audited the accompanying financial statements of Resting Rainbow Pet Memorials and Cremation Franchise LLC (a Florida Limited Liability Company), which comprise the balance sheet as of August 31, 2023, and the related statement of operations and members' equity, and cash flows for the period from inception May 24, 2023 to August 31, 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Resting Rainbow Pet Memorials and Cremation Franchise LLC (the "Company") as of August 31, 2023, and the results of its operations and its cash flows for the initial period then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Holsinger.cpa
117 VIP Drive, Suite 220, Wexford, PA 15090 ▪ 724.934.4880 ▪ Fax 724.934.3990
MSI Global Alliance Independent Member Firm

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Holsinger P.C.

Wexford, Pennsylvania
October 19, 2023

Holsinger.cpa
117 VIP Drive, Suite 220, Wexford, PA 15090 ▪ 724.934.4880 ▪ Fax 724.934.3990
MSI Global Alliance Independent Member Firm

RESTING RAINBOW PET MEMORIALS AND CREMATION FRANCHISE LLC
BALANCE SHEET
AS OF AUGUST 31, 2023

ASSETS

Current Assets:	
Cash	$ 110,122
Total Current Assets	110,122
Right-of-Use Asset - Operating Lease	291,995
Total Assets	$ 402,117

LIABILITIES AND MEMBERS' EQUITY

Current Liabilities:	
Due to related parties	$ 25,682
Operating lease liability - current	55,104
Total Current Liabilities	80,786
Operating Lease Liability, net	240,760
Members' Equity	80,571
Total Liabilities and Members' Equity	$ 402,117

The accompanying notes are an integral part of this financial statement.

RESTING RAINBOW PET MEMORIALS AND CREMATION FRANCHISE LLC
STATEMENT OF OPERATIONS AND MEMBERS' EQUITY
FOR THE PERIOD MAY 24, 2023 (INCEPTION) THROUGH AUGUST 31, 2023

General and Administrative Expenses	$ 19,529
Net Loss	(19,529)
Members' Equity, at inception (May 24, 2023)	-
Contributions	100,100
Members' Equity, End of Period	$ 80,571

The accompanying notes are an integral part of this financial statement.

RESTING RAINBOW PET MEMORIALS AND CREMATION FRANCHISE LLC
STATEMENT OF CASH FLOWS
FOR THE PERIOD MAY 24, 2023 (INCEPTION) THROUGH AUGUST 31, 2023

Operating Activities:		
Net Loss	$	(19,529)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Net change in right-of-use asset		3,869
Changes in assets and liabilities:		
Due to related parties		25,682
Net Cash Provided by (Used in) Operating Activities		10,022
Financing Activities:		
Member contributions		100,100
Net Cash Provided by (Used in) Financing Activities		100,100
Increase (Decrease) in Cash		110,122
Cash - Beginning of Period		-
Cash - End of Period	$	110,122
Supplemental Disclosure of Cash Flow Information:		
Non-cash Investing and Financing Activities:		
Right-of-use asset obtained in exchange for lease liability during the period May 24, 2023 to August 31, 2023	$	301,113

The accompanying notes are an integral part of this financial statement.

Note 1 – Nature of Planned Operations

Nature of Operations – Resting Rainbow Pet Memorials and Cremation Franchise LLC (the "Company") organized under the laws of Florida on May 24, 2023, and offers franchises the operation of pet funerary, memorial, euthanization, cremation services and other related services. The Company will provide franchise opportunities to prospective franchisees throughout the United States of America. The Company has not commenced principal operations as of the date of this report.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting – The Company uses the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recorded as incurred.

Members' Equity – Membership interests in the Company are composed of 100 membership units.

Revenue Recognition – Revenue is measured based on consideration specified in contracts with franchisees and excludes incentives and amounts collected on behalf of third parties. The Company recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a franchisee.

The following describes principal activities, separated by major product service, from which the Company generates its revenues:

Initial Franchise Fees

The initial franchise fees are calculated as follows:

Number of Franchised Businesses	Initial Franchise Fee (for each Franchised Business)
First	$ 54,900
Second	$ 44,500
Third	$ 34,500

The initial fee is paid in consideration of the rights granted in the franchise agreement and is non-refundable. The fee is recognized as revenue over the term of the initial franchise agreement. Subject to certain requisites, the Company may renew the term of a franchisee upon expiration of the initial term, for an additional five-year period. The renewal fee of $10,000 is paid in consideration of the rights granted in the franchise agreement and is non-refundable. The renewal fee is recognized as revenue over the term of the renewal period.

Equipment Fees

The initial equipment package fee is $10,000 to $15,000 for the purchase of the equipment package (as defined in the franchise agreement). Additionally, the franchisee must purchase a cremator for $140,000. Financing is available for the cremator and requires a minimum down payment of $22,077. The franchisee obtains control of the equipment and revenue is recognized upon the execution of the franchise agreement.

Note 2 – Summary of Significant Accounting Policies – Continued

Inventory Fees

The initial inventory fee ranges from $5,000 to $10,000 for the purchase of franchise inventory (as defined in the franchise agreement). The franchisee obtains control of the inventory and revenue is recognized upon the execution of the franchise agreement.

Franchise Royalties

Franchise royalties are calculated based upon the greater of 7% of franchisee gross revenue or a minimum royalty fee (as defined in the franchise agreement). Franchise royalties are collected and recognized as revenue on a monthly basis. Franchise royalties are nonrefundable and are paid in consideration of the franchisee's right to use the Company's marks and systems (as defined in the franchise agreement).

Brand Fund Revenue

Brand fund revenue is calculated at 2% of franchisee gross revenue (as defined in the franchise agreement). The Company may charge an additional brand fund fee not to exceed 3% of franchisee gross revenue. The Company will use the brand fund fee to conduct advertising research and public relations campaigns, develop websites and other online media programs, develop marketing materials such as television, radio, internet, and print advertising production, and promotional materials for use in each Franchisee's local market, and implement advertising and marketing campaigns. Brand fund revenues are collected and recognized monthly.

Local Area Marketing Revenue

Local area marketing revenue is $3,000 per month (as defined in the franchise agreement) and is recognized by the Company in the month charged.

Franchisees are required to participate in any local marketing cooperatives established by the Company or by a majority of the Franchised Businesses in the designated market area where two or more unaffiliated franchises are located and operated.

Technology Fee Revenue

Franchisees are required to pay $250 per location plus $0.50 per pet over 300 per month for access and usage to cremation software, intranet, mobile applications and the website. Revenues are recognized in the month charged.

Pre-Opening Services

Pre-opening services include training and general assistance. The Company has adopted the franchisor practical expedient under FASB ASC 606, which allows the Company to treat pre-opening services as distinct from one another. Training is provided to the franchisee at no additional cost unless additional training is required. Additional training fees are recognized when the service is provided. Pre-opening assistance is provided to the franchisee as needed, and recognized when the service is charged.

Note 2 – Summary of Significant Accounting Policies – Continued

Other Non-Recurring Fee Revenue

The Company also reserves the right to charge franchisees for various non-recurring services. Non-recurring services are recognized when the service is charged.

Income Taxes – The Company's taxable status, as determined by management, is a pass-through entity and the Company has no recorded liability for uncertain tax positions. Therefore, no provision for income tax is included in the financial statements. Management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings.

Fair Value of Financial Instruments – The recorded amounts due and from related party approximate fair value due to the short-term nature of the financial instruments.

Use of Estimates – The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Leases – The Company has an operating lease of a building for office space. The Company assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of 12 months or less are not recorded on the balance sheet. Lease expense is recognized for these leases on a straight-line basis over the lease term. As the lease does not provide an implicit rate, the Company elected to use the risk-free based on the information available at the commencement date in determining the present value of lease payments. The lease has a remaining lease term of approximately 5 years, which includes multiple options to extend the lease. The lease includes escalations of payment amounts throughout the lease term. The exercise of lease renewal options is at the Company's sole discretion. The depreciable life of assets are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise.

Recently Adopted Accounting Standards – In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which supersedes existing guidance for accounting for leases under *Topic 840, Leases*. The FASB also subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, *Land Easement Practical Expedient for Transition to Topic 842;* ASU 2018-10, *Codification Improvements to Topic 842, Leases;* ASU 2018-11, *Leases (Topic 842): Targeted Improvements;* ASU 2018-20, *Narrow-scope Improvements for Lessors;* and ASU 2019-01, *Leases (Topic 842): Codification Improvements*. The most significant change in the new leasing guidance is the requirement to recognize right-to-use (ROU) assets and lease liabilities for operating leases on the balance sheet.

During the period ended August 31, 2023, the Company adopted Accounting Standards Update (ASU) No. 2016-02, *Leases,* which requires lessees to recognize leases on the balance sheet and disclose key information about leasing arrangements. As a result of implementing ASU No. 2016-02, the Company recognized a right-of use asset of $291,995 and lease liability of $295,864 in its balance sheet as of August 31, 2023.The adoption did not result in a significant effect on amounts reported in the statement of operations and members' equity for the year ended August 31, 2023.

Note 3 – Franchising

The Company grants franchise licenses to prospective franchisees. The initial term of each license begins on the effective date of the franchise agreement and ends on an anniversary of the effective date as specified in the agreement. Upon expiration of the initial term, and subject to certain requisites, the franchisee has the option to obtain additional terms.

No franchises were sold during the period ended August 31, 2023. No franchisees have commenced principal operations, and no franchisees closed, as of August 31, 2023.

Note 4 – Leasing Activities

The following summarizes the line items in the balance sheets which include amounts for operating leases as of August 31, 2023:

Operating Lease:		
Right-of-use asset	$	291,995
Operating lease liability - current		55,104
Operating lease liability - long-term		240,760
Total operating lease liability	$	295,864

The following summarizes the weighted average remaining lease term and discount rate as of August 31, 2023:

Weighted Average Remaining Lease Term (in years)	
Operating lease	4.83
Weighted Average Discount Rate	
Operating lease	4.00%

The maturities of lease liabilities as of August 31, 2023 were as follows:

Periods Ending August 31,		
2024	$	64,880
2025		63,439
2026		66,611
2027		69,942
2028		60,693
Total lease payments	$	325,565
Less: interest		29,701
Present value of lease liability	$	295,864

Note 4 – Leasing Activities – Continued

Total lease expense for the period ended August 31, 2023 was $8,112 and was recorded as part of general and administrative on the statement of operations. Under the lease agreement, the Company is also responsible for variable lease costs, including common area maintenance and utilities, that are not included in the determination of right-of-use assets and liabilities. No amounts were charged related to these costs from lease inception on July 1, 2023 to August 31, 2023.

As of August 31, 2023, the Company has no additional operating and finance leases that have not yet commenced.

Note 5 – Related Party Transactions

During the period May 24, 2023 through August 31, 2023, Peaceful Paws Memorial Service LLC and Franchise World Review LLC, the members of the Company, provided cash advances to the Company of $7,650 and $18,032, respectively. These amounts are expected to be repaid and are included in amounts due to related parties at August 31, 2023.

Note 6 – Subsequent Events

Management has evaluated all subsequent events through October 19, 2023, the date the financial statements were available to be issued and determined that no material subsequent events have occurred.

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

Resting Rainbow Pet Memorials and Cremation Franchise

Balance Sheet

As of June 6, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Business Adv Fundamentals - 7454 - 1	100,000.00
Total Bank Accounts	**$100,000.00**
Total Current Assets	**$100,000.00**
TOTAL ASSETS	**$100,000.00**
LIABILITIES AND EQUITY	
Liabilities	
Total Liabilities	
Equity	
Opening balance equity	100,000.00
Retained Earnings	0.00
Net Income	0.00
Total Equity	**$100,000.00**
TOTAL LIABILITIES AND EQUITY	**$100,000.00**

EXHIBIT B

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

List of State Regulatory Administrators

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

LIST OF STATE ADMINISTRATORS	
CALIFORNIA Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677	**CONNECTICUT** State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230
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	**ILLINOIS** Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
INDIANA Indiana Secretary of State Franchise Section 302 Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**MARYLAND** Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48933 (517) 373-7117	**MINNESOTA** Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600
NEW YORK New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222	**NORTH DAKOTA** North Dakota Securities Department State Capitol Department 414 600 East Boulevard Avenue, Fourteenth Floor Bismarck, North Dakota 58505-0510 (701) 328-4712
OREGON Department of Business Services Division of Finance and Corporate Securities Labor and Industries Building 350 Winter Street, NE Room 410 Salem, Oregon 97310 (503) 378-4387	**RHODE ISLAND** Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
SOUTH DAKOTA 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) 371-9051
WASHINGTON Department of Financial Institutions Securities Division, P.O. Box 9033 Olympia, Washington 98507 (360) 902-8760	**WISCONSIN** Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

List of Agents for Service of Process

We intend to register this disclosure document as a "franchise" in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

LIST OF STATE AGENT FOR SERVICE OF PROCESS	
CALIFORNIA Commissioner Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 Toll Free (866) 275-2677	**CONNECTICUT** Banking Commissioner Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230
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	**ILLINOIS** Illinois Attorney General Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
INDIANA Indiana Secretary of State Franchise Section 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	**MARYLAND** Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
MICHIGAN Michigan Attorney General's Office Corporate Oversight Division, Franchise Section 525 W. Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48933 (517) 373-7117	**MINNESOTA** Minnesota Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600
NEW YORK New York Secretary of State 99 Washington Avenue, 6th Floor Albany, NY 12231 (518) 472-2492	**NORTH DAKOTA** North Dakota Securities Commissioner State Capitol 600 East Boulevard Avenue, Fifth Floor Bismarck, North Dakota 58505 (701) 328-4712
OREGON Secretary of State Corporation Division - Process Service 255 Capitol Street NE, Suite 151 Salem, OR 97310-1327 (503) 986-2200	**RHODE ISLAND** Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527
SOUTH DAKOTA Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	**VIRGINIA** Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
WASHINGTON Director, Department of Financial Institutions Securities Division, 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760	**WISCONSIN** Administrator, Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139

EXHIBIT C

LIST OF CURRENT FRANCHISEES

CURRENT FRANCHISEES

NONE.

FORMER FRANCHISEES

NONE.

EXHIBIT D

OPERATIONS MANUAL TABLE OF CONTENTS

RESTING RAINBOW

OPERATIONS MANUAL TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION

- Company Overview
- Welcome to Resting Rainbow
    - ✓ Mission
    - ✓ Vision
    - ✓ Values
- History of Resting Rainbow

CHAPTER 2: FRANCHISING WITH US

- Ethical Standards
- Legal & Regulatory
    - ✓ Confidentiality
    - ✓ Definition of Trade Secrets and Confidential Information
- Resting Rainbow Operations Manual
- FDD & Franchise Agreement
- System Compliance
- What Franchises Can Expect from Corporate
- What Corporate Expects from Franchisees
- Brand Identity, Trademarks & Copyrights
    - ✓ Logo Usage
- Conclusion

CHAPTER 3: START-UP

- Overview
    - ✓ Pre-Opening Checklist
- Form the Business
- Types of Business Structures
- Obtain Business Licenses and Forms
    - ✓ Federal Employer's Identification Number (EIN)
    - ✓ Sales Taxes
    - ✓ Business Accounting Records
- Bank Accounts
- Insurance
    - ✓ Required Insurance
    - ✓ Additional Named Insured
    - ✓ Worker's Compensations Laws
- Initial Equipment Package
    - ✓ Pre-lease Tasks
- Computer Hardware & Software

        - ✓ Pet Cremation Tracking System
        - ✓ Delightree Services
        - ✓ Business Number and E-Fax
        - ✓ Call Center
- Conclusion

CHAPTER 4: LOCATION SELECTION

- Demographic Analysis
    - ✓ Site requirements
    - ✓ General Site Criteria
- Environmental & Regulatory Requirements
- Leasing
- State Air Permit Compliance
- Building Permit Process
- Construction
    - ✓ Construction Oversight Services
    - ✓ Permitting Process
    - ✓ Gas Installation
    - ✓ Pet Incinerator Installation
    - ✓ Air Permit
    - ✓ Inspection & Licenses
- Reviewing Facility Utilities

CHAPTER 5: ACCOUNTING SYSTEMS

- Roles and Responsibilities
    - ✓ Franchise Owner Obligations and Opportunities
    - ✓ Financial Support Roles and Responsibilities
    - ✓ Consistent Financial Management
- Record Keeping
- Accounting Services
- Financial Management Terminology
- Payroll and Taxes
- Other Taxes
- Payments to Corporate
- General Accounting Best Practices
- Payment Transactions
- Conclusion

CHAPTER 6: HR RULES & REGULATIONS

- Rules and Regulations
    - ✓ Labor Law Compliance
    - ✓ General Guidelines to Laws & Regulations
    - ✓ Statutory Benefits
- Hiring Employees
    - ✓ Recruiting

        - ✓ Interview Process
        - ✓ New Employee Orientation
        - ✓ Employee Handbook
        - ✓ Managing Labor Costs
- Employee Roles & Expectations
        - ✓ Quality Standards of Services
        - ✓ Customer Experience
        - ✓ Professionalism
- Uniform Policy
        - ✓ Personal Appearance
        - ✓ Uniform Rules
- Starting a Team
        - ✓ Start-Up Training
        - ✓ Employee attitude
        - ✓ Share Duties, Spaces and Responsibilities
        - ✓ Employee Scheduling

CHAPTER 6: DAILY BUSINESS OPERATIONS

- General Business Operation Information
- Opening Procedures
- Customer Service
        - ✓ Interacting With Costumers
        - ✓ Proper Phone Etiquette
        - ✓ Handling Customer Complaints
- Sales
        - ✓ Sales Preparation
        - ✓ Cremation Service Options
        - ✓ Walk-In Sales/Intake
        - ✓ Communications Skills
        - ✓ The Art of Conversations
- Daily Paperwork
        - ✓ Data Entry
- Cash Handling Procedures
        - ✓ Credit Card Procedures
        - ✓ Cash Procedures
- Daily Checklists
- Morning Shift Duties
- Night Shit Duties
- Cleaning
- Closing Procedures

CHAPTER 7: CREMATION PROCESS

- Introduction

- Overview of the Cremation Process
    - ✓ Definition of Cremation
    - ✓ Glossary of Terms
    - ✓ Cremation Process
- Equipment and Operations
    - ✓ The Incinerator
    - ✓ Cremation Science
    - ✓ Common Components
    - ✓ Incinerator Design
    - ✓ Control
- Cremation Process in Detail
    - ✓ Receiving Pets
    - ✓ Picking up Pets
    - ✓ Preparation for Cremation
    - ✓ Cremation Process
    - ✓ Processing of Remains
    - ✓ Quality Control Procedures
- Chain of Custody
    - ✓ Documentation
    - ✓ Reception of Pets
    - ✓ Tracking Pets/Remains
    - ✓ Returning Cremated Ramins
- Limiting Legal Liability
    - ✓ Operations
    - ✓ Staff Training
    - ✓ Compliance

Chapter 8: Memorial Items

- Introduction
- Memorial Items
    - ✓ Urns
    - ✓ Keepsake Jewelry
    - ✓ Paw prints
    - ✓ Plaques
- Materials
    - ✓ Wood
    - ✓ Metals
    - ✓ Glass
- Personalization Options
    - ✓ Engraving
    - ✓ Customs Designs
    - ✓ Personal Touches
- Pricing
    - ✓ Cost of Items

        - ✓ Additional Fees
        - ✓ Shipping
- Ordering Process
        - ✓ Placing Order
        - ✓ Estimated Delivery Times

Chapter 9: Equipment & Facility Maintenance

- Introduction
- Types of Equipment's
- Maintenance & Repairs
- Training and Certifications
- Record Keeping
- Safety Considerations
- Budgeting for Maintenance
- Future Needs

Chapter 10: Sales and Pricing

- Understanding the Market
- Product Pricing Strategies
        - ✓ Retails
        - ✓ Veterinarians
- Sales Techniques
- Promotional Strategies
- Customer Service
- Discounts & Special Offers

Chapter 11: The Minivan

- Introduction
- Types of Vehicles
- Vehicle Wrapping
- Vehicle Maintenance
- Vehicle Upgrades
- Insurance & Legal Requirements

Chapter 12: Safety Procedures

- Safety and Security
- Maintain a Safe Work Place
- Personal Protective Equipment
- Cremation Equipment
- Fire Safety
- Emergency Procedures
- Training

Chapter 13: Inventory

- Office Management Software
- Approved Vendors
- Inventory Tracking
- Reordering and Restocking
- Inventory Control

Chapter 14: Training and Support

- Delightree App
- Orientation
- Certified Pet Crematory Operator Program (CPCO)
- Continuing Education
- Support Systems

Chapter 15: Marketing & Advertising

- Target market
- Marketing Plan Overview
- Marketing Channels
- Branding
- Content Marketing
- Customer Reviews

Chapter 16: Standard Forms

- Introduction
- Types of Forms
- Intake Forms
- Authorizations Forms
- Cremation Certificate
- Standardization & Compliance

EXHIBIT E

FRANCHISE AGREEMENT
WITH ATTACHMENTS

FRANCHISE AGREEMENT

between

RESTING RAINBOW PET MEMORIALS AND CREMATION FRANCHISE, LLC

and

_____

Franchisee

TABLE OF CONTENTS

SECTION		Page
1.	DEFINITIONS	3
2.	FRANCHISE GRANT AND TERRITORIAL PROTECTION	5
3.	AGREEMENT TERM	6
4.	PRE-OPENING	7
5.	TRAINING	7
6.	OPERATION OF THE FRANCHISED BUSINESS	8
7.	FEES	13
8.	REPORTS, FINANCIAL STATEMENTS, CUSTOMER DATA, AND DATA SECURITY	15
9.	INSURANCE	18
10.	MARKETING AND ADVERTISING	18
11.	LICENSED MARKS AND COPYRIGHTS	21
12.	BRAND STANDARDS MANUALS	22
13.	CONFIDENTIAL INFORMATION	23
14.	RESTRICTIONS ON COMPETITION	23
15.	SALE OR ASSIGNMENT	24
16.	DEFAULT AND TERMINATION	27
17.	OBLIGATIONS UPON TERMINATION OR EXPIRATION	30
18.	BUSINESS ENTITY REQUIREMENTS	32
19.	RENEWAL	33
20.	INDEMNIFICATION	34
21.	NOTICES	34
22.	GENERAL PROVISIONS	35
23.	DISPUTES	37

ATTACHMENTS

A. Franchisee Specific Terms
B. Personal Guaranty of Owner
C. Electronic Funds Transfer Form
D. Lease Rider
E. Franchisee Compliance Questionnaire

FRANCHISE AGREEMENT

This Agreement is between the company identified as "Franchisor" on the cover page (**"we"**, **"us"** or **"Franchisor"**), and the individual or company identified as "Franchisee" on the cover page (**"you"** or **"Franchisee"**). If Franchisee is a company, the term **"Owners"** means the individual(s) identified on the Data Sheet as the owners of the Franchisee, plus any other individual(s) we may approve in the future to hold an interest in the Franchisee.

1. DEFINITIONS

The terms defined in this Section 1 have the meanings set forth below. Other capitalized terms used in this Agreement are defined where they first appear within the text.

1. **"Agreement Date"** means the Agreement Date shown on the cover page of this Agreement.

2. **"Approved Location"** means the street address or specific site that we have approved for your business premises, as shown on the cover page of this Agreement. If the Approved Location has not been determined when we sign this Agreement, you are required to obtain our approval of a location within three (3) months after signing this Agreement. Once we approve the location, we will insert the street address or specific site on the cover page of this Agreement or otherwise confirm the approved address to you in writing.

4. **"Brand"** means the brand identified on the cover page of this Agreement.

5. **"Brand Fund"** means the fund to which you will contribute to support development and recognition of the Brand, as more fully described in Section 10.2, and may be referred to by names other than the "Brand Fund."

6. **"Brand Standards"** means our required and recommended specifications, standards, policies and procedures for products, services, image, and operations of Franchised Businesses.

7. **"Brand Standards Manuals"** means, collectively, the materials and content we have developed relating to the establishment and operation of Franchised Businesses, consisting of one or more manuals, handbooks, and training materials regardless of format, including electronic files, video or audio recordings, and other media or otherwise communicated in writing to you, all of which we can modify, replace, and supplement. The Brand Standards Manuals are sometimes referred to as the "Operations Manuals."

8. **"Confidential Information"** means all knowledge and data not generally known to the public, whether or not constituting trade secrets, that we disclose to you and/or the Owners or that you obtain by virtue of this Agreement or any activities under this Agreement, including but not limited to: (i) methods, techniques, specifications, standards, policies, procedures, and design and layout plans relating to the operation of Franchised Businesses; (ii) future marketing plans and promotional programs for the Brand; (iii) customer data and other information concerning consumer preferences; (iv) inventory requirements and specifications; (v) sales, operating results, financial performance and other financial data of Franchised Businesses; (vi) the contents of the Brand Standards Manuals and our training programs; (vii) vendor lists, terms of purchase, and other information concerning the selection and sourcing of products, services, technology, equipment and supplies; (viii) marketing studies, surveys, and cost studies; (ix) research and development, test results, and feasibility studies; and (x) business plans and non-public financial information of or about us and our affiliates.

9. **"Data Sheet"** means Attachment A to this Agreement, which collects certain details specific to Franchisee and this Agreement.

10. **"Designated Vendor"** means a particular manufacturer, wholesaler, distributor or other source that we designate for particular products or services, which may be a third party, us, or our affiliate.

11. **"Equipment Package"** means the list of equipment and accessories that we prescribe for Franchised Businesses as of the time you are preparing to open.

12. **"Franchised Business"** means the business that you operate under this Agreement at and from the Approved Location. "Franchised Businesses" means your Franchised Business plus all other businesses that we have authorized to operate under the Marks and System by means of a valid franchise agreement.

13. **"Gross Revenue"** means all revenue from the sale of products and services and all other income of every kind related to the Franchised Business, whether for cash, credit, trade, barter or other value and regardless of collection in the case of credit and even if you have contracted with third parties to provide certain of the services, less any bona fide refunds given to customers in the ordinary course of business. Gross Revenue also includes amounts billed to insurance or government programs. You agree that "Gross Revenue" includes all revenue related to the sale of any products and the performance of any services (whether or not the products or services are approved by Franchisor) that are provided using any portion of the Franchised Business in any manner, including the Marks (such as service vehicles, invoices, and uniforms bearing the Marks), the System, Confidential Information, any of the employees of the Franchised Business, or the telephone number of the Franchised Business. "Gross Revenue" also includes any proceeds of business interruption insurance. "Gross Revenue" shall not be reduced on account of any fees or commissions you pay to third parties who refer customers. "Gross Revenue" does not include any sales taxes or other taxes you collect from customers and pay directly to the appropriate taxing authority. We reserve the right to modify our policies and practices regarding revenue recognition, revenue reporting, and the inclusion or exclusion of certain revenue from "Gross Revenue" as circumstances, business practices, and technology change.

14. **"Improvement"** means any change, idea, innovation, concept (including any advertising slogan or idea), product, process, or improvement that may enhance or improve the System.

15. **"Key Person"** means the individual who is responsible for the day-to-day operational performance of the Franchised Business and who has the authority to bind Franchisee in all decisions regarding the Franchised Business. The initial Key Person is named in the Data Sheet.

16. **"Marks"** means the logo shown on the cover page of this Agreement and all other trademarks, service marks, logos, and commercial symbols that we expressly designate for use in connection with the System.

17. **"Opening Deadline"** means the date specified in the Data Sheet by which you are required to have the Franchised Business open and operating.

18. **"Proprietary Products"** means products bearing the Marks and/or prepared using formulations and/or methods of preparation developed by or for Franchisor. They may include apparel, accessories, and other products sold or used in the Franchised Business. We have the right to modify, discontinue, substitute, and/or add items to the Proprietary Products from time to time in our sole discretion.

19. **"System"** means the know-how and system of operation developed for the Brand and owned by Franchisor. The distinctive elements of the System include, but are not limited to: the products and services offered; customer service standards; the warranty program, if applicable; standards and specifications for equipment, technology, supplies, and operations; our advertising and promotional programs and marketing

techniques; the exterior and interior design, décor, color scheme, fixtures, and furnishings of the business premises; and the accumulated experience reflected in our Brand Standards Manuals, training program, and instructional materials.

20. **"Territory"** means the geographic area defined in the Data Sheet and/or in a map attached to the Data Sheet.

2. FRANCHISE GRANT AND TERRITORIAL PROTECTION

1. Right Granted. We grant you the right, and you undertake the obligation, on the terms and conditions of this Agreement, to establish and operate one (1) Franchised Business at the Approved Location only, and to use the Marks and the System only in connection with the Franchised Business, and only within the Territory. You agree to operate the Franchised Business for the full Agreement term specified in Section 3.

2. Territorial Protection. While this Agreement is in effect, and provided that you are not in default beyond any applicable cure period, we will not operate a business under the Marks and the System in the Territory or authorize others to operate Franchised Businesses within the Territory, except as permitted under Sections 2.3, 2.4 and 2.5 below. This does not prohibit us from advertising or soliciting employees or independent contractors in your Territory.

3. Rights Reserved. We and our affiliates retain all rights not expressly granted to you, including the rights (despite anything to the contrary in Section 2.2 and regardless of the proximity to or effect on the Franchised Business):

3.1 To establish, operate, franchise, and license others to operate businesses under the Marks at any location outside of the Territory;

3.2 To operate a business under the Marks inside the Territory if: (i) Franchisor (or its affiliate) is operating a business under the Marks in the Territory as of the Agreement Date; or (ii) Franchisor has notified Franchisee before Franchisee signed this Agreement that Franchisor (or its affiliate) intends to operate a business under the Marks in the Territory;

3.3 To use the Marks in other lines of business, anywhere in the world;

3.4 To establish and operate, and to grant others the right to establish and operate, similar businesses or any other businesses offering similar or dissimilar products and services through similar or dissimilar channels of distribution, at any locations inside or outside the Territory, under trademarks or service marks other than the Marks.

3.5 To develop, manufacture, have manufactured, advertise, market, sell and distribute, at retail or wholesale, and license others to manufacture, sell or distribute, goods or services that are identical or similar to and/or competitive with those provided at the Franchised Business, whether under the Marks or any other name or mark, through dissimilar channels of distribution, including but not limited to through the Internet, mobile applications, telemarketing, retail stores, and wholesale clubs, or other distribution outlets (other than Franchised Businesses) both inside and outside the Territory;

3.6 To establish and operate, and to grant others the right to operate, businesses offering dissimilar products and services both inside and outside the Territory under the Marks; and

3.7 To acquire, be acquired by, or merge with other brands or outlets, even if the concepts or outlets are similar to the business operated under the System, and even if they have locations in the Territory. We will also have the right, in our sole discretion, to convert one or more outlets of the acquired, acquiring or merged brand to a Franchised Business within the Territory.

4. Activities Outside of the Territory. You may not perform services or sell products related to the Franchised Business outside of the Territory without our prior written consent, which we may give and

withdraw as we deem appropriate, and which we may condition on obtaining a separate phone number or other requirements. You may not solicit or advertise to customers outside of the Territory without our permission. **"Solicit"** includes, but is not limited to, solicitation in person, by telephone, by mail, through the Internet, social media, email or other electronic means, and by distribution of brochures, business cards or other materials or any other advertising. If any solicitation of customers within the Territory is in media that will or may reach persons outside of the Territory, you are required to notify us in advance and obtain our consent. If you receive a request for services or products from outside the Territory, you are required to refer that request to the Franchised Business located in the applicable territory (or to Franchisor or its affiliate, if we have not assigned the applicable territory to a Franchised Business). Notwithstanding the foregoing, under certain limited circumstances, Franchisee may process a request from outside of the Territory if the requested service is permitted under our policies as set forth in the Brand Standards Manuals or otherwise designated by Franchisor. If Franchisor permits Franchisee to advertise, solicit, service or sell in areas outside of the Territory that are not serviced by another Franchised Business or by Franchisor or its affiliate, Franchisee is required to comply with all of the conditions and other requirements that we may from time to time specify in the Brand Standards Manuals or otherwise in writing with respect to such activities. We may at any time condition your continued out-of-Territory sales and services on your agreement to purchase the franchise rights for the territory in which the sales and services are being performed. At any time upon our demand or upon notice from us that the territory in question has been assigned to another Franchised Business, Franchisee agrees to immediately cease all activities in that territory and to comply with our procedures for the transition of customer accounts for that territory. Under no circumstances will we be liable to you for violations by other Franchised Businesses of our policies on out-of-Territory sales and services.

5. Key Accounts. Franchisor may from time to time enter into agreements to provide services to customers as part of a national, regional or key account program ("**Key Accounts**", sometimes also referred to as "**National Accounts**") at locations which include locations within the Territory. You agree to accept and perform the terms of such agreements (including, without limitation, special pricing, payment terms, timing of services, central invoicing) in respect of locations within the Territory. If you refuse to perform the required services or we determine that the Franchised Business is not qualified, interested, able or available to perform the services, you are required to allow either Franchisor's employee or another franchisee to enter the Territory to perform the required services. In the case of an agreement under which the customer will pay a fixed amount for services at all locations listed in the agreement, we may allocate the fixed amount among the businesses performing the services.

6. No Other Sales Channels. You may not offer products or services through any channel other than those we have expressly approved. If you request approval of any other distribution channel or type of outlet, we will consider the factors we deem appropriate, which may include the period of time you have been operating the Franchised Business, your sales volume, whether you have met quality standards and other benchmarks, and other standards that we may determine. This Agreement does not license you to sell products to any vendor who would in turn sell to consumers. This Agreement does not restrict Franchisor or its affiliates from engaging in, and does not grant you any rights to participate in, any other business concepts of Franchisor or its affiliates other than the Franchised Business.

7. Relocation. You may not relocate the Franchised Business without our prior written consent. Any relocation must be to a location within the Territory. Unless otherwise agreed in writing, relocation of the Franchised Business does not change the Territory. If your relocation request is granted you must pay us a Relocation Fee equal to $2,500, this fee is non-fundable.

3. AGREEMENT TERM

This Agreement will expire on the anniversary of the Agreement Date (the "**Expiration Date**") specified in Attachment A, Franchise Specific Terms. You will have an opportunity to renew the franchise rights when the term expires, subject to the terms of Section 19 and provided that you meet the conditions in that Section.

4. PRE-OPENING

1. Preparation for Opening. You are required to prepare your Franchised Business and business premises as necessary to conform to the Brand Standards. The Brand Standards may require expenditures for, among other things, structural changes and modification of the premises; new or modified service vehicles, equipment, signs, fixtures and furnishings; interior and exterior remodeling and redecoration; installation of new technology and/or additions and upgrades to existing technology; and resurfacing of parking areas. As applicable, and as may be designated by Franchisor, you are required to order the Equipment Package and all other technology equipment, signs, fixtures, furnishings, inventory, and supplies from a Designated Vendor. If required by the this Agreement, you are required to pay us specified fees for outfitting the Franchised Business. You are required to notify us of the anticipated completion date and provide updates as requested during the build-out process. During the pre-opening period, you are required to permit our representatives to inspect the premises at reasonable times. We may specify further details of the build-out process in the Brand Standards Manuals.

2. Permits. You are required to obtain all zoning classifications, permits, and clearances (including, as applicable, construction permits, certificates of occupancy, health permits, environmental permits, sign permits, and mall or strip center clearances) that may be required by federal, state, or local law or your landlord for the Franchised Business. You have sole responsibility for operating your Franchised Business in compliance with all permits and laws.

3. Pre-Opening Marketing. You are required to conduct pre-opening marketing, as specified in Section 10.3, to attract an initial customer base for the Franchised Business.

4. Approval to Open. You agree not to open the Franchised Business for business until we notify you that: (1) all of your pre-opening obligations have been fulfilled; (2) pre-opening training of your personnel has been completed as required by Section 5; and (3) we have been furnished with copies of all certificates of insurance required by Section 9.1.

5. Opening Deadline. You are required to open the Franchised Business to the public by the Opening Deadline. If you request an extension of the Opening Deadline, we have complete discretion whether to give an extension. If we agree to an extension, we have the right to charge you an extension fee of up to $1,000 per month of extension.

6. Opening Support. We will provide such opening support and assistance for the Franchised Business as we deem appropriate, at the time(s) and in the manner we determine. If you request opening support beyond what we customarily furnish to Franchised Businesses, and if we agree to furnish such additional support, then we will have the right to impose a fee, plus expenses, for providing the agreed additional support.

5. TRAINING

1. Initial Training. Franchisor will offer, at the time(s) and location(s) selected by Franchisor, a pre-opening training program to Franchisee and to those employees of Franchisee whom Franchisor deems appropriate. The individuals that we designate are required to successfully complete the pre-opening training. We have the right to vary the duration and content of initial training based on the trainee's prior experience in similar businesses. We alone have the right to judge whether a person has successfully completed the training program. Successful completion may require passing tests to establish proficiency in the delivery of services, use of technology and software applications, and other areas we designate. We will have the right to terminate this Agreement under Section 16.1 if, at any time during the pre-opening training program, we conclude in our sole judgment that any person required to attend the pre-opening training program does not possess the skills necessary to properly fulfill and discharge the demands and responsibilities required by the System or this Agreement.

2. Additional Training. After the Franchised Business opens for business, we will make available, at the time(s) and location(s) we designate, such other required and optional training programs as we deem necessary and appropriate. For training that we designate as required, the individuals that we designate are required to successfully complete the training.

3. Training Methods. We have the right to provide training programs in person, by video, via the Internet, or by other means, as we determine, and the training may be performed by us, our affiliates, or third parties.

4. Training Fees. We may charge a training fee: (a) for additional trainees that you request in excess of the maximum number we designate for a training program, currently $00 per day per extra trainee, plus our trainers' reasonable costs and expenses, when applicable; (b) if we require remedial training as a result of your failure to comply with our Brand Standards, currently $500 per day and you must reimburse our reasonable out-of-pocket expenses; (c) for re-training persons who are repeating a training program, or their substitutes; and (d) for training programs that we make optional for franchisees.

5. Travel Expenses. For all training, including initial training, you are responsible for all travel expenses, living expenses, wages, and other expenses incurred by your trainees. If we conduct training at any location other than our headquarters, you may be required to pay the reasonable travel, meal and lodging expenses of our trainer(s).

6. Training Assistance. After the Franchised Business opens, you agree to give us reasonable assistance in training or assisting other franchisees of the Brand. We will reimburse you for your reasonable costs and expenses in providing such assistance.

7. Employee Training. Except for the training in Sections 5.1 and 5.2, you are responsible for all employee training for the Franchised Business.

8. Brand Conferences and Conventions; Non-Attendance Fee. The Key Person and/or Owners of Franchisee, as designated by us, are required to attend an annual convention and regional conferences of franchise owners, if called by us. Franchisee is responsible for the costs of travel and accommodations of its attendees. Franchisor reserves the right to charge a fee for each conference. If none of the designated Franchisee representatives attend the annual convention, we may charge Franchisee a non-attendance fee of $2,000. If the Key Person, Owners, and/or employees of Franchisee, as designated by us, do not attend the annual convention for two (2) consecutive years, you will be in default of this Agreement, and we will have the right to terminate this Agreement (or, in lieu of termination, increase your royalty fee by one percent (1%) of Gross Revenue under Section 7.6 until you attend the annual convention as designated by us), as well as any other rights and remedies available to us at law or in equity.

6. OPERATION OF THE FRANCHISED BUSINESS

1. Compliance with Brand Standards. In order to protect the reputation and goodwill of the Brand and to maintain high standards of operation under the System, you agree to comply strictly with all of our required Brand Standards. The Brand Standards may relate to any aspect of the appearance, operation, and marketing of the Franchised Business. Any material failure to comply with the required Brand Standards or to pass our inspection will constitute a material breach of this Agreement. However, we have the right to vary our standards and specifications to accommodate the individual circumstances of different franchisees. Franchisor's specifications do not constitute a warranty or representation, express or implied, as to quality, safety, suitability, fitness for a particular purpose or any matter. We will not be liable to you or others on account of the designation of Brand Standards for the operation of the Franchised Business under the System.

2. Management. The Franchised Business is required at all times to be under the day-to-day supervision of the Key Person. We have the right to rely on any statement, agreement, or representation made by the Key Person. If the Key Person leaves your organization, you are required to nominate a replacement within thirty (30) days thereafter. If you have not obtained our approval of a replacement within ninety (90) days, you will be in material default of this Agreement.

3. Approved Products and Services. You are required to offer for sale from the Franchised Business all products and services that we designate from time to time as required items. You may also offer for sale any optional products and services that we have approved for sale in the Franchised Business. You are prohibited from offering any unapproved products or services without our prior written consent. The service system and processes are integral to the System and that failure to adhere to them strictly will constitute a default of this Agreement. You are required to discontinue selling or offering for sale any products or services that we disapprove at any time, in our sole discretion.

4. Pricing and Promotional Activities. To the extent permitted by applicable law where the Franchised Business is located, we have the right to establish maximum and/or minimum prices that you are required to follow for products and services sold in the Franchised Business. Subject to applicable law, you are required to participate in and comply with the terms of special promotional activities that we prescribe for Franchised Businesses generally or for Franchised Businesses in specific geographic areas or having particular characteristics. These activities may include special offers and other pricing promotions. Subject to the limitations in Section 10, you agree to bear your own costs of participating in these activities. You are required to display promotional signs and materials and otherwise participate in the manner we request.

5. Telephone Numbers. You are required to obtain one or more separate telephone numbers that are identified with the Franchised Business and no other business. At the termination or expiration of this Agreement, those telephone numbers and any online listings become our property. We may require that telephone numbers and electronic identities you use in connection with the Franchised Business be owned and controlled by us or an approved supplier, and that you transfer to an approved call routing and tracking supplier all telephone numbers associated with the Franchised Business.

6. Call Center. Telephone calls to the Franchised Business are required to be answered by "live" voices during the hours specified in the Brand Standards Manuals. You may not have calls answered by answering machines, voicemail, or digital assistants. We have the right to require you to use a designated call center for the Brand (the **"Call Center"**) for incoming calls, which may be us or our affiliate. We will charge you a fee, currently 3% of monthly Gross Revenue, for using the Call Center service, whether the service is required or optional. As of the Agreement Date, the Call Center Fee is the amount set forth in this Agreement and is due at the same time as your royalty payments. We reserve the right to increase the Call Center Fee, to charge a minimum fee for this service, and to change the timing of payment of the fee. We also reserve the right to terminate your access to the Call Center or to cancel the Call Center program. We will give you at least thirty (30) days' notice prior to terminating the Call Center, modifying the Call Center Fee, or changing the timing of payment.

7. Technology Requirements. We have the right to specify the point-of-sale (POS) system, customer relationship management (CRM) system, back-office system, software applications, audio/visual equipment, security systems, electronic payment devices, and other hardware, software, and network connectivity for the Franchised Business. You agree to sign any standard license agreement or user agreement that may be required to use a system that we specify. You are required to use the required systems for service calls, managing inventory, reporting Gross Revenue and other information, training personnel, and other functions as we specify from time to time. You are required to ensure that your employees are adequately trained to use the systems and that they follow applicable policies. You are required to maintain your technology systems in good working order at all times and promptly install upgrades, additions, modifications, substitutions and/or replacements of hardware, software, connectivity, power, and other system components as necessary. You agree to bear all costs of acquisition, installation, use, maintenance, and upgrade of your systems.

8. Franchisee Portal. We have the right (but no obligation) to establish one or more websites and/or mobile applications that are open only to franchisees (the **"Franchisee Portal"**). If applicable, you are required to use the Franchisee Portal for reporting, training, ordering merchandise and supplies, or other purposes as we direct.

9. Payment Systems and Customer Retention Programs. You are required to participate in programs relating to gift cards, gift certificates, stored value cards, online or mobile coupons or credits, online or mobile ordering systems, and other electronic money programs we prescribe from time to time for Franchised Businesses. Participation includes both issuing program benefits or credits and accepting them for payment by customers and may require you to purchase additional equipment. We have the right to coordinate the crediting and debiting of funds among Franchised Businesses based on customer purchases and redemption of stored value. You are required to comply with our policies regarding acceptance of payment by credit and/or debit cards, mobile payment systems, and digital coupons, including, for example, minimum purchase requirements and/or surcharges for use of a card. You are required to also participate in any customer loyalty programs we prescribe from time to time. You may not offer your own gift card, electronic money, or loyalty program for the Franchised Business without our prior written approval. The payment systems and loyalty programs we designate may require you to obtain new hardware, software, equipment, and training at your own expense.

10. Sourcing. We have the right to require that all equipment, technology, inventory, supplies, vehicles, signs, furnishings, fixtures, décor items, retail merchandise, payment systems, and other products and services that you purchase for use or resale in the Franchised Business: (a) meet specifications that we establish from time to time; and/or (b) be purchased only from vendors that we have expressly approved; and/or (c) be purchased only from a single source (which may include us or our affiliates) at the then-current price. To the extent that we establish specifications, require approval of vendors, or designate specific vendors for particular items, we will notify franchisees via the Brand Standards Manuals or otherwise. We and our affiliates will earn revenue and profits on sales that we make directly to you. We may negotiate purchasing arrangements under which vendors agree to make goods or services available to Franchised Businesses on specific terms. You agree to participate in and abide by the terms of any vendor purchase program established by Franchisor. Subject to applicable law, we may earn money in the form of rebates, licensing fees, administrative fees, commissions, or other payments from vendors based on your purchases. Subject to applicable laws and our arrangements with the vendors, we have no obligation to remit the funds to you.

11. Inventory. You are required to keep a sufficient inventory of products, merchandise, and supplies in the Franchised Business to meet the Brand Standards (or to meet reasonably anticipated customer demand, if we have not prescribed specific standards).

12. No Liability for Others' Products. We disclaim all express and implied warranties and all other liability concerning any defects, malfunctions, or other deficiencies in equipment or other products manufactured by anyone other than us or our affiliates. You agree not to make any claims against us or our affiliates with respect to products that we and our affiliates did not manufacture, even if we or our affiliate sold you the product or designated or approved its source. You are required to assert any claims only against the manufacturer of the product, even if you obtained it through us or our affiliate.

13. Use of Approved Location; Hours of Operation. You are required to use the Approved Location only for the operation of the Franchised Business, to keep the Franchised Business open and in normal operation for the minimum hours and days specified in the Brand Standards Manuals (subject to applicable laws), and to not use or permit others to use the Approved Location or the Franchised Business for any other purpose or activity without first obtaining our written consent. We have the right to vary the minimum hours and days of operation by market, type of facility, or other basis.

14. Required Equipment, Vehicles, Signs, Furnishings and Other Items. Throughout the Agreement term, you are required to acquire, use, and install, as we may require, at your expense, all equipment, vehicles, technology, audio/visual equipment, security features, décor, furnishings, promotional materials, and signs that we require from time to time. You must not install or use in the Approved Location or Franchised Business any equipment, vehicles, technology, furnishings, signs, vehicle graphics, or other items that we have not approved.

15. Condition of Business Assets. You are required to keep the equipment, vehicles, signs, and other tangible assets of the Franchised Business in a clean, orderly condition and in excellent repair and condition, at your own expense. At our request, you are required to provide us with copies of any report of inspection of the Franchised Business conducted by a vendor or government agency.

16. Condition of Premises. If customers routinely visit the Approved Location, then you are required to periodically remodel your business premises to conform to our then-current Brand Standards for a new Franchised Business. We will not require remodeling more often than once every five (5) years. Remodeling may require expenditures for, among other things, replacement or renovation of furnishings, fixtures, equipment, and signs; interior and exterior painting, flooring, and redecoration; and upgrades to technology, restrooms, and customer amenities. The remodeling obligation in this section is separate from and does not limit your obligations in any other Section of this Agreement or in your lease.

17. Customer Contracts. In the marketing and operation of the Franchised Business, Franchisee is required to use only the customer contracts, waivers, and/or other forms designated by Franchisor from time to time, except where Franchisor does not designate such items. Franchisor may provide Franchisee with templates or sample forms of such items, but it is Franchisee's responsibility to have all items which are to be used with prospective and/or actual customers reviewed, at Franchisee's expense, by an attorney licensed to practice law in the state(s) where the Franchised Business is operated, for compliance with all applicable state and local legal requirements. Franchisor makes no warranty or representation that any contracts, waivers and/or other forms and/or materials, whether supplied by Franchisor or otherwise, are in compliance with the laws of any particular state(s) or locality.

18. Customer Warranty or Guarantee. If the Brand Standards include a customer warranty or a satisfaction guarantee, you are required to provide the warranty or satisfaction guarantee to each customer and comply with the requirements of the warranty/guarantee program, as set forth in the Brand Standards Manuals.

19. Performance Requirements. You agree to continuously exert best efforts to promote and enhance the performance of the Franchised Business and the goodwill of the Marks. You are required to achieve Minimum Performance Requirements. If you do not achieve the Minimum Performance Requirements, we will have the right to: (i) reduce the size of the Territory; (ii) establish or license a third party(ies) to establish a Franchised Business within the Territory; (iii) require Franchisee to implement a revenue improvement program, as we specify, which may include, among other things, engaging in specified marketing activities, by the conclusion of which Franchisee is required to achieve the Minimum Performance Requirements; or (iv) terminate this Agreement. If we elect the option in clause (iii), your failure to comply with the terms of the revenue improvement program or failure to achieve Minimum Performance Requirements will allow us to terminate this Agreement. The Minimum Performance Requirements are not a representation or guarantee of any financial results to Franchisee from the exercise of the rights granted in this Agreement.

20. Territory Visits and Inspections. You are required to permit our representatives to inspect the operations of the Franchised Business and to enter your business premises during normal business hours to review records, to observe, photograph and record operations, to remove samples of goods, materials and supplies for testing and analysis, and to interview your customers, employees, and vendors. You are required to provide assistance as requested by our representatives. Upon notice from us, you are required to immediately begin any steps necessary to correct deficiencies noted during a Territory visit.

21. Brand Standards Assessments. You are required to comply with our Brand Standards monitoring program, at your own expense. The program may include, among other things, customer satisfaction surveys, mystery shopper reports, employee satisfaction and perception surveys, health and safety reviews, and third-party observation of your operations. If you do not achieve the minimum score or standard that we prescribe for a specific Brand Standards category, we may require you and/or your employees to complete additional training at a location we designate, at your expense. If you do not achieve the prescribed minimum score or standard on two consecutive assessments or on three or more assessments in any five (5) year period, we will have the right to terminate this Agreement under Section 16.1.

22. Brand Programs. You are required to participate in and comply with any other programs that we prescribe for Franchised Businesses.

23. Employer Responsibilities. You are required to maintain proper staffing in the Franchised Business to meet the Brand Standards. You have sole responsibility for all employment decisions and functions relating to the Franchised Business, including but not limited to decisions related to recruiting, screening, hiring, firing, scheduling, training (other than the training in Section 5), compensation, benefits, wage and hour requirements, recordkeeping, supervision, safety, security, and discipline of employees. Any information we provide about employment matters, whether voluntarily or in response to your request, and whether directly or by means of any technology tools, is a recommendation only and not intended to exercise control over the wages, hours or working conditions of your employees or the means and manner by which they carry out their duties. You alone will direct and control all employees of the Franchised Business, subject only to the Brand Standards that we prescribe to protect the goodwill associated with the Marks, which may include the requirement of initial and periodic drug testing and background checks. You are required to clearly inform all workers, before hiring and periodically thereafter, that Franchisee, and not Franchisor, is their employer and that Franchisor does not assume and will not accept any employer, co-employer, or joint employer obligations. You agree to indemnify us for any liability, cost, expense, loss or damage, including attorney's fees and costs, arising from any claim or allegation that Franchisor or any affiliate is the employer, co-employer, or joint employer of Franchisee, its Owners, or any workers in the Franchised Business.

24. Modifications to System. We can modify the System and the products and services offered by the Franchised Businesses from time to time (such as, but not limited to, by adding, deleting, and changing approved products or services, equipment, operating procedures, and Brand Standards). You agree to comply, at your own expense, with all such modifications, including without limitation any associated replacement or renovation of equipment, remodeling, redecoration, modifications to existing improvements, and structural changes.

25. Compliance with Lease. You are required to comply with all terms of the lease or sublease for the Approved Location and all other agreements affecting the operation of the Franchised Business. You are required to use best efforts to maintain a good working relationship with your landlord and refrain from any activity that may jeopardize your right to remain in possession of the Approved Location.

26. Compliance with Laws. You are required to operate the Franchised Business in compliance with all applicable municipal, county, state and federal laws, rules, regulations, and ordinances, including maintaining all regulatory licenses. You have sole responsibility for compliance despite any information or advice that we may provide.

27. Taxes and Indebtedness. You are required to promptly pay when due all taxes and all accounts and other indebtedness you incur in the operation of the Franchised Business. In the event of any bona fide dispute as to your liability for taxes assessed or other indebtedness, you may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law, but you may not permit a tax sale or seizure or attachment by a creditor against the Franchised Business.

7. FEES

1. Franchise Fee. You must pay us an initial franchise fee as set forth in Attachment A, Franchise Specific Terms (the "Franchise Fee") upon execution of this Agreement. The initial Franchise Fee is paid in consideration of the rights granted in Section 2 and will be deemed fully earned at the time paid. You acknowledge that we have no obligation to refund the Franchise Fee, in whole or in part, for any reason.

2. Royalty Fee. You must pay us a monthly royalty fee (the **"**Royalty Fee**"**) equal to the greater of (i) 7% of your Gross Revenue (as defined in Section 7.2(a)) for the previous month or (ii) the Minimum Royalty. The Royalty Fee is non-refundable and is paid in consideration of the ongoing right to use the Marks and the System in accordance with this Agreement and not in exchange for services rendered by us. The "Minimum Royalty" is determined as follows:

Time Period Following Original Opening Date	
Minimum Gross Revenue for 12-Month Period	
Year 1	$180,000
Year 2	$280,000
Year 3	$380,000

a) "Gross Revenue" means all revenue that you receive or otherwise derive from operating the Franchised Business, including the sale of commissioned art pieces, and any revenue derived from organizing and hosting off-site events, whether from cash, check, credit or debit card, gift card or gift certificate, or other credit transactions, and regardless of collection or when you actually provide the products or services in exchange for the revenue. If you receive any proceeds from any business interruption insurance applicable to loss of revenue at the Franchised Business, there shall be added to Gross Revenue an amount equal to the imputed gross revenue that the insurer used to calculate those proceeds. Gross Revenue includes promotional allowances or rebates paid to you in connection with your purchase of products or supplies or your referral of customers. Gross Revenue does not include (i) any bona fide returns and credits that are actually provided to customers, (ii) any bone fide shipping charges that you collect from a customer and actually pay to a third-party shipping or logistics company for the delivery of items to customers, and (iii) any sales or other taxes that you collect from customers and pay directly to the appropriate taxing authority. You may not deduct payment provider fees (i.e., bank or credit card company fees and gift card vendor fees) from your Gross Revenue calculation.

3. Brand Fund Contribution. You are currently required to contribute 2% of your monthly Gross Revenue to the Brand Fund. We shall have the right to increase the Brand Fund Contribution, not to exceed 3% of your monthly Gross Revenue. The Brand Fund contribution will be calculated for the same period and paid in the same manner as the royalty fee and will be used as described in Section 10.2.

4. Technology Fees. You must pay to us, or a third party that we designate, a technology fee for various technology services that we will provide or arrange for third parties to provide, which services are subject to change over time (a "Technology Fee**"**). The Technology Fee is $250 per month, and is subject to increase upon 30 days written notice to you. The Technology Fee begins from the date that you begin receiving the technology services. The first month will be assessed pro rata from the date on which you begin receiving the technology services. The Technology Fee currently includes fees related to your access to and usage of our reservation system, our intranet, any mobile applications we develop, and the System Website. We may add, delete, or otherwise modify the products and services that are included in the Technology Fee.

5. Service Deficiency Reimbursements. If a customer of the Franchised Business complains to us that your services were deficient and we determine, after discussion with you, that there is merit to the customer's complaint, we reserve the right to perform or cause to be performed services to the customer's

satisfaction or to reimburse the customer for any money the customer may have paid for the deficient services. You are required to promptly reimburse us for any costs we incur to perform the services or to reimburse the customer, upon receipt of an invoice from us.

6. Non-Compliance Royalty Rate. If we determine that Franchisee is not in compliance with this Agreement, we are entitled to give notice declaring Franchisee non-compliant. Such notice shall be delivered with sufficient detail to provide Franchisee the opportunity to cure its non-compliance. As of the first Royalty Fee payment due date to occur more than ten (10) days after delivery of the notice of non-compliance by Franchisor, and continuing until the non-compliant condition has been removed, Franchisor shall have the right to assess Royalty Fees at the rate one percent (1%) higher than the rate payable under Section 7.2, in Franchisor's sole and absolute discretion. This right is cumulative of all other rights of Franchisor arising from Franchisee's non-compliance.

7. Payment Method. For all amounts payable to us, you are required to use the payment method(s) that we designate from time to time. If we require payment by Automated Clearing House (ACH) or electronic funds transfer, you are required to designate an account at a commercial bank of your choice (the **"Account"**) from which we are able to make withdrawals. You agree to complete and submit to us an authorization for Automated Clearing House or other electronic funds transfer in the form attached to this Agreement as Attachment C or such other form as we or your financial institution may require. You agree to maintain sufficient funds in the Account to cover the amounts payable to us. If funds in the Account are insufficient to cover the amounts payable at the time we make our periodic electronic funds transfer, the amount of the shortfall will be deemed overdue. Additionally, if the electronic funds transfer payment request is returned due to insufficient funds, you are required to pay us a fee equal to the greater of: (a) $50 or (b) the amount the bank charges us due to the insufficient funds. If we permit you to pay with a credit card, you agree to reimburse us for the resulting charges we incur, subject to applicable law.

8. Late Reports and Estimated Payments. If Franchisee's Gross Revenue report required by Section 8 is not received when due, (i) all payments owed by Franchisee for such time period shall be deemed overdue until the reports are received by Franchisor, regardless of whether payment was actually made; (ii) Franchisee shall be responsible for applicable late fees and interest under Section 7.9; and (iii) Franchisor will have the right to estimate Gross Revenue (and Franchisee agrees that 15% greater than previously reported Gross Revenue is a reasonable estimate, among other methods to estimate) and to draft from Franchisee's bank account the estimated amount due for royalties, Brand Fund contributions, and any other charges that are calculated based on Gross Revenue. When you provide the delinquent report(s), we will reconcile any difference between the estimated amount and the actual charges due for the period, and, if an overpayment, we will credit you on your next payment obligation to us.

9. Interest and Late Fees. If any payment to us is overdue, you are required to pay us, in addition to the overdue amount, interest on the overdue amount from the date it was due until paid, at the rate of 12% per annum or the maximum rate permitted by law, whichever is less. In addition, we will have the right to charge a late fee of $100 for the second occurrence of a payment or report that is more than thirty (30) days past due, $200 for the third such occurrence, and $300 for the fourth and each subsequent occurrence. The late fee is to compensate us for our administrative costs incurred in enforcing your obligation to pay us or submit reports to us.

10. Security Interest. To secure payment of: (a) the amounts you owe to us and our affiliates from time to time under this Agreement and under any other agreement between you and us or our affiliates; and (b) the costs and expenses that we and our affiliates incur to collect or attempt to collect amounts due from you and to enforce this Section (together, the **"Obligations"**), you hereby grant us a security interest in all of the assets of the Franchised Business, including but not limited to: (i) all equipment, furnishings, fixtures, motor vehicles, merchandise, inventory, goods and other tangible personal property; (ii) all accounts, accounts receivable, other receivables, contract rights, leases, software, chattel paper and general intangibles; (iii) all instruments, documents of title, policies and certificates of insurance, securities, bank deposits, bank accounts and cash; (iv) all books, records and documents; (v) all permits and licenses for the

operation of the Franchised Business; and (vi) all accessions, additions and improvements to, and all replacements, substitutions and parts for, and all proceeds and products of, the foregoing, including proceeds of insurance (collectively, the **"Collateral"**). Franchisee agrees to execute and deliver to Franchisor any other documents reasonably requested by Franchisor to create, maintain, perfect, or assure the priority of the security interest granted above. Franchisee hereby appoints Franchisor as its agent and attorney-in-fact to execute and deliver documents and to take all other actions (to the extent permitted by law) in Franchisee's name and on Franchisee's behalf that Franchisor may deem necessary or advisable to create, maintain, perfect, assure the priority of, or foreclose its security interest in and lien on the Collateral. This appointment is coupled with an interest and is irrevocable as long as any of the Obligations remain outstanding.

11. No Set-off; Application of Payments. Your obligation for timely payment of the fees in this Agreement is absolute and unconditional. You may not set off, deduct, delay, escrow, or withhold any payment based on our alleged non-performance of obligations, including any money you allege that we or our affiliates owe you or any other claims that you believe you have against us or our affiliates. We can apply payments received from you to royalty fees, Brand Fund contributions, technology fees, purchases from us or our affiliates, interest, late charges, or any other obligation in the order we choose, regardless of any designation you make.

12. Taxes. The payments that you are required to make to us must be the gross amount determined according to the applicable section of this Agreement without deduction for any taxes. You will pay all state and local taxes, including, without limitation, taxes denominated as franchise, business, gross receipts, commercial activity, property, ad valorem, sales, use, or excise taxes, that may be imposed on us or you arising out of or related to our receipt or accrual of fees referenced under this Agreement or related agreements, or ownership or use of any property or materials in your Territory in the course of providing services to you under this Agreement. In any case, you will pay to us (and to the appropriate governmental authority) such additional amounts as are necessary to provide us, after taking such taxes into account (including any additional taxes, penalties, interests, or expenses), with the same amounts that we would have received or accrued had such withholding or other payment, whether by you or by us, not been required. If you fail to withhold or pay any such obligations to the appropriate government authority, you must indemnify us for any obligations including penalties, interest, and expenses (including legal and accounting fees) resulting from your failure to timely withhold or to pay the taxes.

13. Transfer Fee. If you transfer (as defined in section 15.2) your Franchised Business or this Agreement, you must pay us a Transfer Fee as specified in section 15.2.3.

8. REPORTS, FINANCIAL STATEMENTS, CUSTOMER DATA, AND DATA SECURITY

1. Business Records and Reports. You are required to prepare, and to preserve for at least five (5) years from the dates of their preparation, complete and accurate books, records, and accounts, in accordance with generally accepted accounting principles and in the form and manner we prescribe. We may designate the chart of accounts and/or the accounting program or platform that you are required to use. You are required to provide to us upon request all books, records, tax returns, accounting records, and supporting documents relating to the Franchised Business, including but not limited to daily cash reports, cash receipts journals, general ledgers, cash disbursement journals, weekly payroll registers, monthly bank statements, daily deposit slips, canceled checks, credit card statements, business tax returns, personal tax returns for all Owners and guarantors, supplier invoices, balance sheets, income statements, records of promotions and coupon redemptions, and lists of customers (both current and past) serviced by the Franchised Business. Concurrently with each payment of the Royalty Fee, you are required to send us a report of Gross Revenue for the preceding period, and at our request, you are required to send us accounting records, inventory reports, and such other information and supporting records as we may specify. These records are required to be maintained at the Approved Location except as otherwise permitted by Franchisor.

2. Financial Statements and Tax Returns. Within fifteen (15) days after the end of each calendar month, you are required to submit a statement of financial condition (a balance sheet) as of the end of the calendar month and a Profit and Loss financial statement for the month and for the fiscal year-to-date. The financial statements are required to be certified as correct and complete by the Key Person. We have the right to require financial statements on a more frequent periodic basis. By May 1 of each year, you are required to submit to us a copy of the federal and state tax returns for the Franchised Business for the prior year.

3. Parent and Guarantor Financial Statements. At our request, you agree to furnish an annual statement of financial condition for each individual or corporate guarantor of your obligations to us and, if applicable, for each of Franchisee's direct and indirect corporate parents.

4. Access to Your Systems. You are required to give us independent access to your systems and provide us with login credentials if necessary for that purpose. You are required to maintain an electronic connection with us at all times.

5. Right to Examine or Audit. We have the right, at any time, to examine and copy, at our expense, the books, records, accounts, and tax returns of the Franchised Business and the personal tax returns of the Owners. We also have the right, at any time, to have an independent audit made of the books and records of the Franchised Business. You are required to cooperate with the persons making the examination or audit on our behalf. If you or we discover at any time, by means of an audit or otherwise, that there has been an underpayment of royalty fees or other amounts due, you are required to promptly pay the amount due, together with applicable late fees and interest. Your payment and our acceptance of the overdue amounts will not constitute a waiver of or prejudice our right to exercise any other remedy in this Agreement, including termination.

6. Cost of Examination or Audit. If we perform an examination or audit due to: (i) your failure to submit reports of Gross Revenue or required financial statements, or (ii) your failure to maintain books and records as required, or if (iii) the cumulative Gross Revenue you report for any period of three consecutive months is more than 2% below the actual Gross Revenue for the period as determined by the examination or audit, then you are required to pay us the cost of the examination or audit, including travel and lodging expenses for the examiners or auditors. For purposes of calculating the cost, we will use hourly rates for our own personnel that are consistent with the rates of mid-level professionals of independent accounting firms.

7. Business and Customer Data. In this Section: **"Customer Data"** means Personal Information (as defined below), sales and payment history, and all other information about any person or entity the Franchised Businesses have serviced, wherever stored, including data regarding customers of businesses converted to a Franchised Business, and any other information we may identify in the Brand Standards Manuals; **"Personal Information"** includes any information that, by itself or in conjunction with other information, may be used to specifically identify an individual, such as name, physical address, telephone number, e-mail address, social media accounts, billing and payment history, customer service requests, and any other information as defined in applicable law; and "**Business Data**" means all financial reports, vendor and supplier pricing data, and all other data about the Franchised Businesses other than Customer Data. Franchisee agrees that:

7.1 We have the right to independently access all Business Data, wherever maintained. Franchisor also has the right to require Franchisees to deliver Business Data to Franchisor. Franchisor has the right to use (and to authorize others to access and use) Business Data to, among other uses: (i) verify sales; (ii) monitor progress of its franchisees, including compliance with Minimum Performance Requirements; (iii) prepare a financial performance representation for Franchisor's Franchise Disclosure Document; and (iv) share vendor and supplier pricing data with its affiliates.

7.2 Franchisor owns and has the right to access all Customer Data, in whatever form existing, and wherever stored. Because we own the Customer Data, including Personal Information, we can share it with our affiliates, service providers, contracted third parties, or any other person, for any purpose, without notifying or compensating you, both during and after this Agreement, including for the performance of services for Franchisor or its parents or affiliates, as well as for marketing and cross-selling products and services of any of the foregoing parties. Whenever we request, and without request upon termination or expiration of this Agreement, you are required to promptly deliver to Franchisor all Customer Data in your possession or control, without retaining any of Customer Data in any media. You may not sell or disclose to anyone else any Personal Information or aggregated or non-aggregated Customer Data without first obtaining our written consent. In the event of an approved sale of the Franchised Business to a new owner who will continue to operate the Franchised Business under an agreement with us, you may not transfer the Customer Data to the new owner. You agree to install and maintain the security measures and devices necessary to protect Customer Data from unauthorized access or disclosure, including (but not limited to) the minimum measures in Section 8.8.

8. Privacy and Security.

8.1 You are required to comply with applicable laws and our requirements pertaining to the collection, use, processing, protection, integrity, transfer of, consumer access to, correction of, and deletion of Personal Information. You are required to ensure that you collect Personal Information with express or implied consent of the consumer. Where required by applicable law, you are required to provide a written privacy notice to consumers regarding your collection, use, and disclosure of Personal Information, and are required to comply in all respects with any such written privacy policy. In addition to any restrictions set forth in Section 8.7.2 above, if Franchisor provides Franchisee with Personal Information (i) for the purpose of performing a service on behalf of Franchisor, or (ii) at the direction of the consumer, then the following restrictions shall apply to Franchisee's use of such Personal Information: Franchisee shall not (i) sell, rent, release, disseminate, make available, transfer, or otherwise communicate orally, in writing, or by electronic or other means, Personal Information; (ii) retain, use, or disclose Personal Information for any purpose other than fulfilling the purpose for which it was provided and as permitted in this Agreement, including any restrictions set forth in Section 10; or (iii) retain, use, or disclose Personal Information outside of the direct business relationship between Franchisor and Franchisee. If Franchisor provides Personal Information to Franchisee, Franchisee certifies that it understands and will comply with the restrictions and obligations under any applicable laws on such Personal Information. Upon Franchisor's request, Franchisee shall provide reasonable assistance to Franchisor in complying with any request from a consumer to exercise rights under any applicable law. Without limiting the foregoing, upon Franchisor's request, Franchisee shall delete some or all Personal Information that Franchisee maintains.

8.2 You are required to implement industry-standard administrative, physical, and technical security measures and devices to protect data from unauthorized access, acquisition, loss, destruction, disclosure or transfer. Without limiting the foregoing, you agree to comply with the then-current Payment Card Industry Data Security Standards (PCI/DSS), as those standards may be revised by the PCI Security Standards Council, LLC (see *www.pcisecuritystandards.org*) or successor organization; to implement the security requirements that the Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards; and to complete PCI/DSS audits as and when required by the standards. Compliance with PCI/DSS is not a guarantee that a security breach will not occur. Any losses or expenses we incur as a result of an actual or suspected security breach will be subject to indemnification under Section 20.

9. Data and Network Security. You are required to implement industry-standard administrative, physical, and technical security measures and devices to protect data (whether Personal Information, Customer Data, Confidential Information, intellectual property, or other data) and any portion of the Franchised Business from unauthorized access, acquisition, loss, destruction, disclosure or transfer. Franchisee is solely responsible for protecting the Franchised Business from computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders. Franchisee waives any and all claims Franchisee may have

against Franchisor as the direct or indirect result of such disruptions, failures or attacks. Franchisee is also required to use best efforts to verify that Franchisee's suppliers, lenders, landlords, customers, and governmental agencies on which Franchisee relies, are reasonably protected. This includes best efforts to secure Franchisee's systems, including, but not limited to, use of firewalls, access code protection, anti-virus systems, and backup systems. In the event of a known or suspected security breach, you agree to notify us promptly and comply with applicable laws and any instructions from us regarding response to the breach.

10. Late Report Fee. To encourage prompt delivery of all Gross Revenue reports, Customer Data, Certificates of Insurance, and any other reports or records required or that may be requested by Franchisor under this Agreement, Franchisee shall pay, upon demand, for each report or record that Franchisee fails to deliver when due, a late report fee under Section 7.8.

11. Third Party Information. Franchisee hereby authorizes Franchisor and its agents and representatives to make credit and background checks of Franchisee and Owners, and to make inquiries of Franchisee's bank, suppliers, and trade creditors concerning the Franchised Business and hereby directs such persons and companies to provide to Franchisor such information and copies of documents pertaining to the Franchised Business as Franchisor may request.

12. Licenses. Franchisee is required to provide to us, within 10 days after you receive them and upon our request, true and correct copies of all state and other licenses related to the Franchised Business and correspondence related to renewals, expirations, or denials thereof.

9. INSURANCE

1. Basic Requirements. You must maintain the types and minimum amounts of insurance coverage and bonds we specify for Franchised Businesses, at your own expense. The policies must be written by carriers with an industry rating acceptable to us; must name Franchisor, our affiliates, and their respective officers, directors, shareholders, and employees as additional insureds as we direct; and must not have deductibles, exclusions or co-insurance that are unacceptable to us. Each insurance policy must contain a waiver by the insurance company of subrogation rights against Franchisor, its affiliates, and their successors and assigns. You are required to provide us with evidence of all required insurance coverage and payment of premiums at the times we require. At least thirty (30) days before each insurance policy expires, you are required to furnish a copy of renewal or replacement insurance and evidence of payment of the premium. Your obligation to obtain coverage is not limited by insurance that we maintain.

2. Changes. We have the right to increase the amounts of insurance coverage required and to require different or additional kinds of insurance. If you do not have the insurance required by this Agreement, we have the right (but no obligation) to obtain insurance on your behalf. If we do so, you agree to reimburse us for the cost of insurance, plus a reasonable fee for our services.

10. MARKETING AND ADVERTISING

1. Acknowledgments. You acknowledge the importance of standardization of marketing and advertising programs to the goodwill and public image of the System, the Marks, and Franchised Businesses generally. You further acknowledge our rights in this Section to modify advertising, marketing and public relations programs and the manner in which marketing and advertising funds are used from time to time.

2. Brand Fund. You are required to contribute to the Brand Fund as provided in Section 7.3. The purpose of the Brand Fund is to support general recognition of the Franchised Businesses and the Brand. The Brand Fund will operate as follows:

2.1 We will have the right to direct all advertising, marketing, public relations, and other activities to promote, develop and enhance the Brand, with final discretion over strategic direction, creative concepts,

the materials and endorsements to be used, and the geographic market and media placement. We may use the Brand Fund to pay costs and expenses as we determine in our sole discretion, including but not limited to: production of video, audio, written, online and mobile marketing materials; purchasing promotional items; sponsorship of sporting, charitable, or similar events; design, establishment, and maintenance of websites, social media, mobile applications and other electronic marketing; implementation of advertising programs, in-store promotions, direct mail, and media advertising; marketing and sales training; employing advertising agencies; conducting public relations, consumer research, product development, product testing, and test marketing programs; developing and implementing trade dress and design prototypes; fulfillment charges; salaries and expenses of employees of Franchisor and affiliates working for or on behalf of the Brand Fund; fees of accounting firms, design firms, public relations firms, consultants and ad agencies; legal fees for advertising pre- clearance, defense of false advertising claims, and defense of any claims made regarding our administration of the Brand Fund; other administrative costs and overhead incurred in activities related to the administration and activities of the Brand Fund; and interest on any monies borrowed by the Brand Fund.

2.2 We will make available to you any creative materials financed by the Brand Fund. You agree to pay or to reimburse us for any costs to reproduce the materials and/or to customize the materials for your use.

2.3 We may seek the advice of franchisees by formal or informal means with respect to the creative concepts and media used for programs financed by the Brand Fund. We retain final authority on all programs financed by the Brand Fund. We have the right to incorporate, replace, change, or dissolve the Brand Fund.

2.4 We will not be obligated, in administering the Brand Fund, to make expenditures for you that are equivalent or proportional to your contributions, or to ensure that any particular franchisee or Franchised Business benefits directly or pro rata from expenditures by the Brand Fund. You have no right to reduce or withhold contributions based on any alleged lack of benefits to the Franchised Business or based on failure by any other franchisee (with or without our permission) to make its contributions to the Brand Fund.

2.5 Nothing in this Agreement is intended or will be construed to impose a trust or fiduciary duty on Franchisor in connection with the Brand Fund, including, but not limited to, with respect to the collection of contributions, maintenance of the bank account, bookkeeping, and disbursement of monies from the Brand Fund. Except as expressly provided in this Section 10.2, we assume no direct or indirect liability or obligation to you with respect to maintenance, direction, or administration of the Brand Fund.

3. Pre-Opening and Grand Opening Marketing. You are required to conduct pre-opening and grand opening marketing for the Franchised Business in accordance with a plan that you will create, subject to our approval. You are required to spend at least $10,000 to implement the pre-opening/grand opening marketing plan. We reserve the right to require you to deposit with us the funds required under this Section, which we will distribute as necessary to carry out the approved plan. If you purchase more than 1 Protected Territory, you will be required to spend the following amounts:

Total Number of Territories Purchased	Aggregate Pre-Opening and Grand Opening Marketing Obligation
Two	$15,000
Three	$20,000

4. Local Marketing. You are required to spend at least $3,000 for local advertising and promotion of the Franchised Business (**"Local Marketing"**). This is in addition to your obligations under Sections 10.2 and 10.3. We have the right to specify that you pay Local Marketing funds to us, our affiliate, or a third party vendor. We and our affiliates may earn revenue and profits on products or services we provide and may receive rebates, licensing fees, administrative fees, commissions, or other payments on products and

services that third party vendors provide. With respect to all Local Marketing funds you pay to a third party, you are required to provide us with monthly Local Marketing expense statements (including receipts supporting the reported expenditures) evidencing compliance with the Local Marketing spend requirements. All Local Marketing is required to be approved by us pursuant to Section 10.6 below. You must be listed in the local Internet based directories and in the Yellow Pages or comparable telephone directory if available, as we designate.

5. Joint Marketing Programs and Cooperatives. We have the right to organize: (1) co-marketing programs in which Franchised Businesses and vendors (or other third parties) cross-promote each other's goods and services; (2) joint marketing efforts in which multiple Franchised Businesses contribute to a specific ad or event; and/or (3) local or regional marketing co-operatives (**"Cooperatives"**) that pool funds of Franchised Businesses in a geographic area or with common characteristics on an ongoing basis to jointly promote the Marks and the Franchised Businesses. The amount we require you to spend or contribute to joint marketing programs and/or a Cooperative will be credited to your obligation for Local Marketing under Section 10.4 or, at our option, to your Brand Fund obligation under Section 7.3, or any combination of the two. You are required to participate in each applicable joint marketing program and comply with the rules of the program. If an existing Cooperative is applicable to your Franchised Business at the time it opens, you are required to immediately become a member of the Cooperative. If a Cooperative applicable to the Franchised Business is established during the term of this Agreement, you are required to become a member no later than thirty (30) days after the date we approve for the Cooperative to begin operation. We have the right to designate any geographic area or set of common characteristics for purposes of establishing a Cooperative.

6. Approval Requirement. All proposed advertising and promotional plans and materials that you intend to use are required to meet our standards and specifications and be submitted to us for approval at least, thirty (30) days before their intended use. You are required to use the method(s) we specify to submit materials for approval. You do not have to submit samples of plans or materials that were prepared by us or that we have approved within the last twelve (12) months. Proposed advertising plans or materials are deemed to be disapproved unless we have approved them in writing within fifteen (15) days after your submission of the samples. All advertising and promotion is required to be in the media and of the type and format that we approve, conducted in a dignified manner, and conform to our standards.

7. Ownership of Advertising and Promotional Materials. You agree that Franchisor owns all copyrights and other rights to all existing and future advertising and promotional materials that contain any of the Marks or that otherwise relate to the Franchised Business, as well as any products, materials, and rights that result from any advertising, marketing, and promotional programs created, purchased, produced or conducted by or on behalf of Franchisee, Franchisor, the Brand Fund, or any Cooperative, regardless of the party that created such materials. No copyrights or other rights or interest in any tangible or intangible materials or in the Marks will vest in Franchisee as a result of any contribution to, or participation in, any advertising, marketing, or promotional program. If, notwithstanding this provision, Franchisee is deemed to have acquired any copyrights, contractual rights or common law rights in any advertising programs or materials, Franchisee shall execute (and shall cause its employees and agents to execute) such documents or instruments as Franchisor requests to effect assignment of such rights to Franchisor or its affiliate.

8. Solicitation of New Franchisees. We may from time to time develop advertising and promotional materials and displays for the solicitation of franchisees for the Brand. You agree to display all such materials and displays as required by us from time to time.

9. Media Appearances. You shall not make any television or radio appearance, or make any statement to any public media, in connection with any Franchised Business or the Brand unless you obtain our prior written approval.

10. Electronic Marketing and Electronic Communications. Unless we have agreed to it in writing, you may not use, register, maintain, or sponsor any website, URL, social media, blog, messaging system, email

account, username, text address, mobile application, or other digital, electronic, mobile or Internet presence that uses or displays any of the Marks (or any derivative thereof) or that promotes any products or services of the Franchised Business. The use of any digital or electronic medium constitutes advertising and promotion subject to our approval under Section 10.6. You agree not to post or transmit, or cause any other party to post or transmit, advertisements or solicitations by telephone, e-mail, text message, instant message, website, social media, mobile apps, VoIP, streaming media, or other electronic media that are inconsistent with our brand advertising guidelines and standards. The brand advertising standards may include the use of disclaimers, warnings, and other statements that Franchisor may prescribe. You are responsible for ensuring that your employees do not violate the policies relating to the use of social media. We have the right to require that social media accounts, profiles, pages, and registrations that primarily promote the Marks or the Franchised Business be registered in Franchisor's name. For any such accounts that we permit to be registered in Franchisee's name, you agree to provide us with the current login credentials within five (5) days after opening the account or changing the credentials. You agree that we have the rights to: (i) access any social media accounts to take corrective action if the account or any postings are in violation of our policies; and (ii) take ownership of the accounts on expiration or termination of this Agreement and operate them thereafter as we see fit. We may offer to provide, or may require that you have, a website for your Franchised Business (which may be structured as a separate page of a consumer website(s) supported by the Brand Fund).

11. LICENSED MARKS AND COPYRIGHTS

1. Identification of the Franchised Business; Public Notice of Independent Status. You are required to operate, advertise, and promote the Franchised Business only under the Marks. In conjunction with any use of the Marks, you are required to conspicuously identify yourself in all dealings with customers, employees, contractors, suppliers, public officials, and others as an independent franchisee operating under authority of this Agreement. You are required to display a prominent notice, in the form that we prescribe, in the Franchised Business and on all business cards, stationery, advertising, signs, invoices, and other materials, identifying us as the owner of the Marks and stating that you are a licensed user of the Marks.

2. Your Acknowledgments. You acknowledge that: (a) the Marks are valid and serve to identify the Brand and the Franchised Businesses operating under the System; (b) your use of the Marks under this Agreement does not give you any ownership interest in the Marks; and (c) all goodwill associated with and identified by the Marks belongs exclusively to Franchisor. Upon expiration or termination of this Agreement, no monetary amount will be attributable to goodwill associated with your activities as a franchisee under the Marks. Both during and after this Agreement, you agree not to contest or aid in contesting the validity or ownership of the Marks or take any action harmful to our rights in the Marks.

3. Limitations on Use of the Marks. You agree to:

3.1 Use the Marks only for the operation of the Franchised Business within the Territory, for approved activities outside of the Territory, and for approved marketing and advertising for the Franchised Business;

3.2 Use the Marks to promote and to offer for sale only the products and services that we have approved, and not use any Marks in association with the products, materials or services of others;

3.3 Use only the Marks designated by us and use them only in the manner we authorize;

3.4 Comply with our instructions in filing and maintaining any requisite trade name or fictitious name registrations, and sign any documents we deem necessary to obtain protection for the Marks or to maintain their continued validity and enforceability;

3.5 Not independently register or apply for registration of any trademark, service mark, trade name, domain name or electronic identifier relating directly or indirectly to the Marks, anywhere in the world,

without our prior written consent. Any such registration or application by you, whether or not authorized by us, will be deemed to be owned by Franchisor and you agree to take such steps, including signing an assignment document, as we may request to confirm our ownership;

3.6 Permit us or our representatives to inspect your operations to assure that you are properly using the Marks;

3.7 Not use the Marks to incur any obligation or indebtedness on our behalf;

3.8 Not use any of the Marks as part of your corporate or legal name;

3.9 Not use any of the Marks on any employee forms, employee manuals, employee policies, pay stubs, benefits forms, payroll records, or other employee materials; and

3.10 Ensure that the Marks bear the "®", "™", or "℠" symbol, as we prescribe.

4. Changes to the Marks. We have the right to change, discontinue, or substitute for any of the Marks and to adopt new Marks that you are required to or may use. You agree to implement any such change at your own expense.

5. Copyrighted Materials. You acknowledge that Franchisor is the owner of certain copyrighted or copyrightable works (the **"Works"**) and that the copyrights in the Works are valuable property. The Works include, but are not limited to, the Brand Standards Manuals, advertisements, promotional materials, signs,

Internet sites, mobile applications, vehicle graphics, and facility designs. We authorize you to use the Works on the condition that you comply with all of the terms and conditions of this Section 11. This Agreement does not confer any interest in the Works on you, other than the right to use them in the operation of the Franchised Business in compliance with the terms of this Agreement. If you prepare any adaptation, translation or other work derived from the Works, whether or not authorized by us, you agree that the material will be our property and you hereby assign all your right, title, and interest therein to us. You agree to sign any documents we deem necessary to confirm our ownership.

6. Third-Party Challenges. You agree to notify us promptly of any unauthorized use of the Marks or Works that you suspect or of which you have knowledge. You also agree to inform us promptly of any challenge to the validity of, our ownership of, or our right to license others to use any of the Marks or Works. We have the exclusive right (but no obligation) to initiate, direct and control any litigation or administrative proceeding relating to the Marks and Works, including any settlement. You agree to sign documents and render any other assistance our counsel may deem necessary to protect our interests in the Marks and the Works.

7. No Representation. Franchisor makes no representation or warranty, express or implied, as to the use, exclusive ownership, validity or enforceability of the Marks or Works.

12. BRAND STANDARDS MANUALS

We will furnish you with one copy of, or electronic access to, the Brand Standards Manuals. We own the copyright in the Brand Standards Manuals and any portions in your possession or control are on loan from us and remain our property. We have the right to modify the Brand Standards Manuals at any time to reflect changes in the Brand Standards. In the event of a dispute about the contents of the Brand Standards Manuals, the master copy at our principal office takes precedence. The Brand Standards Manuals and any credentials necessary to access digital versions of the Brand Standards Manuals are part of the Confidential Information.

13. CONFIDENTIAL INFORMATION

1. Nondisclosure. You are prohibited, both during and after the term of this Agreement, from communicating or divulging Confidential Information to any unauthorized person and from using Confidential Information for your benefit or for the benefit of any other person, other than for operation of the Franchised Business. You may divulge Confidential Information only: (i) to your employees and agents who must have access in order to carry out their duties relating to the Franchised Business; and (ii) to your contractors and landlord with our prior written approval. All information that we designate as confidential will be deemed to be Confidential Information for purposes of this Agreement.

2. Individuals Affiliated with the Franchised Business. At our request, the Owners, Key Person, and any employees we designate are required to sign a separate Confidentiality and Non-Compete Agreement in the form of Exhibit H to the Franchise Disclosure Document. At our request, you are required to use best efforts to obtain signed confidentiality agreements from your landlord, contractors, and any other person outside of your organization to whom you wish to disclose any of our Confidential Information. The confidentiality agreements are required to be in a form satisfactory to us and identify us as a third party beneficiary with the independent right to enforce the agreement.

3. Improvements. You may not introduce any Improvement into the Franchised Business without our prior written consent. Any Improvement developed by you or any Owner, employee or agent of Franchisee is the property of Franchisor. At our request, you are required to provide us with information about the Improvement and sign any documents necessary to verify assignment of the Improvement to us, without compensation. We will have the right to use, disclose, and/or license the Improvement for use by others.

14. RESTRICTIONS ON COMPETITION

1. During the Term. The relationship established by this Agreement will provide access to valuable Confidential Information, training, and business opportunities that you and the Owners did not possess before entering into this Agreement. Accordingly, while this Agreement is in effect, except as we otherwise approve in writing, you may not, either directly or indirectly:

1.1 Own, maintain, operate, engage in, invest in, be employed by, provide any assistance to, or have any interest in any "**Competing Business**," as defined in this Agreement or any other agreement which is part of this Franchise Disclosure Document; or

1.2 Appropriate or duplicate any part of the System for a purpose other than to operate the Franchised Business, or divert or attempt to divert any present or prospective business or customer to any Competing Business, or do anything else harmful to the goodwill associated with the Marks and the System.

2. After Expiration, Termination or Transfer. You agree that you will not, for a period of two (2) years commencing on the date of: (a) a transfer permitted under Section 15 of this Agreement; (b) expiration of this Agreement; (c) termination of this Agreement (regardless of the cause for termination); or (d) a final arbitration or court order (after all appeals have been taken) with respect to enforcement of this Section 14.2 to the extent such order is later than the respective foregoing event:

2.1 Own, maintain, operate, engage in, invest in, be employed by, provide assistance to, or have any interest in any Competing Business that is located in or serves customers within (i) the Territory, (ii) forty (40) miles of the Territory, (iii) any zip code where Franchisee's Franchised Business served customers during the term, (iv) the territory of any other then-existing Franchised Businesses plus the area formed by extending the boundaries of that territory ten (10) miles in all directions, or (v) the territory serviced by any business operated by Franchisor, its affiliates or their licensees under the Marks at such time plus the area formed by extending the boundaries of that territory ten (10) miles in all directions; or

2.2 Appropriate or duplicate any part of the System for a purpose other than to operate a Franchised Business under a valid agreement with us, or divert or attempt to divert any present or prospective business or customer to any Competing Business, or do anything else harmful to the goodwill associated with the Marks and the System.

3. Enforcement.

3.1 You acknowledge that a violation of this Section 14 would result in irreparable injury for which no adequate remedy at law may be available. You consent to the issuance of an injunction, without the need to post bond, prohibiting any violation of this Section 14. Injunctive relief is in addition to any other remedies we may have.

3.2 Neither you nor any person bound by the restrictions of this Section 14 may circumvent the restrictions by engaging in prohibited activity indirectly through any other person or entity.

3.3 For the individuals who are bound personally by the restrictions in this Section 14 or by a separate non-competition agreement with you or us, the time period in Section 14.2 will run from the expiration, termination, or transfer of the Franchised Business or from the end of the individual's relationship with Franchisee, whichever occurs sooner.

3.4 The time periods in Section 14.2 and Section 14.3.3 will be tolled for any period of time during which Franchisee or the restricted individual is in breach of the section and will resume only when Franchisee or such person begins or resumes compliance.

3.5 The existence of any claim Franchisee or any Owner may have against Franchisor or its affiliates, whether or not arising under this Agreement, shall not constitute a defense to Franchisor's enforcement of the restrictions in this Section 14 or any separate confidentiality or non-competition agreement.

3.6 You represent that Franchisee and each of its Owners possess skills and abilities of a general nature that provide them with other opportunities for employment and, therefore, our enforcement of the restrictions in Sections 14.2 and 14.3.3 will not deprive Franchisee or any of its Owners of their personal goodwill or ability to earn a living through alternative means.

3.7 We have the right to reduce the scope of any restriction in this Section 14, effective immediately upon written notice to Franchisee.

15. SALE OR ASSIGNMENT

1. No Transfer of Interest without Our Consent. We have entered into this Agreement in reliance on the business skill, financial capacity, and personal character of Franchisee and its Owners. Accordingly, neither Franchisee nor the Owners may sell, assign, give away, pledge, or encumber, either voluntarily or by operation of law (such as through divorce or bankruptcy proceedings) any direct or indirect interest in this Agreement, in the assets of the Franchised Business, or in the equity ownership of Franchisee without obtaining our prior written consent. This section applies to any transfer that would occur by any mechanism, including but not limited to family financial planning, estate planning, corporate reorganization, issuance or offering of securities, employee ownership plans, divorce, new marriage, bankruptcy, or receivership. If Franchisee is a corporation, limited liability company, or other business entity, this Section also applies to the transfer of a direct or indirect ownership interest in Franchisee. We can approve or disapprove the proposed transferee in our sole discretion. If we approve the proposed transferee, we can still impose conditions on the transfer. Franchisee and the Owners agree that the conditions in Sections 15.2 through 15.7 below are reasonable and that they do not preclude other conditions that we may impose. Franchisee and the Owners agree to notify us in writing of each proposed transfer, to provide all information and documentation relating to the proposed transfer that we request, and to refrain from completing the transfer

until we advise you that all requirements of this Section 15 have been satisfied. If we have not responded within sixty (60) days after receiving all requested information, we will be deemed to have refused consent. We have the right to communicate with and counsel Franchisee, the Owners, and the proposed transferee on any aspect of a proposed transfer. Unless otherwise agreed, we do not waive any claims against the transferring party if we approve the transfer. If we do not approve the transfer, you are required to continue to operate the Franchised Business in accordance with this Agreement.

2. Transfer of Business. The conditions set forth in this Section apply to a proposed transfer of this Agreement and/or substantially all of the assets of the Franchised Business, as well as to a proposed transfer, alone or together with other previous, simultaneous, or proposed transfers, of any direct or indirect equity ownership interest in Franchisee that would result in a change of control of Franchisee or the Franchised Business (**"Change of Control"**). Unless waived by Franchisor, the conditions are:

2.1 Franchisee and the Owners are required to be in compliance with all obligations to us under this Agreement and any other agreement with us and our affiliates as of the date of the request for our approval of the transfer, or make arrangements satisfactory to us to come into compliance by the date of the transfer.

2.2 The proposed transferee is required to:

2.2.1 Demonstrate to our satisfaction that the proposed transferee and its owners and managers meet all of our then-current qualifications to become a franchisee of the Brand, which may include educational, managerial, and business standards; absence of involvement with Competing Businesses; good moral character, business reputation, and credit rating; and aptitude and ability to operate the Franchised Business. If the proposed transferee is already a franchisee of the Brand, that fact does not guarantee approval to become the operator of the Franchised Business. We have no less discretion with respect to a proposed transferee than we have with granting a new franchise.

2.2.2 At our option, sign our then-current standard form of Franchise Agreement (or the standard form most recently offered to new franchisees) and related documents. The new Franchise Agreement may include new or increased fees and may otherwise differ, without limitation, from the terms of this Agreement.

2.2.3 Require all owners of a beneficial interest in the transferee to sign our then-current form of Personal Guarantee and our other then-current standard documents.

2.2.4 Successfully complete our then-current training requirements.

2.2.5 Make arrangements to modernize and upgrade the Franchised Business, at the transferee's expense, to comply with our then-current Brand Standards.

2.2.6 If the proposed transferee is another franchisee of the Brand, the proposed transferee is required to not have any outstanding notice of default under any agreements with us, have a good record of customer service and compliance with Brand Standards, and sign a general release in a form acceptable to us.

2.3 Franchisee is required to pay us a transfer fee of $10,000 ("**Transfer Fee**"). If the proposed transferee had been referred to you or us by a third-party (e.g., a broker) with whom we have a referral arrangement, then we must receive as a condition of approval, an additional fee equal to the amount owed under that referral arrangement. If we identify the prospective purchaser, then in addition to the Transfer Fee, we must receive the greater of: (a) $15,000; (b) three percent (3%) of the total purchase price; or (c) our actual costs to identify the prospective purchaser. Any amounts paid pursuant to this Section are non-refundable.

2.4 Franchisee and all Owners are required to sign a general release, in a form satisfactory to us, of all claims against us and our past, present and future affiliates, officers, directors, shareholders, agents and

employees. Franchisee and the Owners will remain liable to us for all obligations arising before the effective date of the transfer.

2.5 The price and other proposed terms of the transfer must not, in our judgment, have the effect of negatively impacting the future viability of the Franchised Business.

2.6 Any financing incurred in connection with the transfer is required to be expressly subordinated to the transferee's obligations to us.

3. Transfer of Minority Ownership Interest. For any proposal to admit a new Owner, to remove an existing Owner, to change the distribution of ownership shown on the Data Sheet, or otherwise modify the ownership in a way that would not result in a Change of Control of Franchisee or the Franchised Business, Franchisee is required to give us advance notice and submit a copy of all documents and other information concerning the transfer that we may request. We will have a reasonable time (not less than forty-five (45) days) after we have received all requested information to evaluate the proposed transfer. We may withhold our consent or give our consent subject to the conditions in Section 15.2 that we deem to be applicable, except that, instead of a transfer fee, we will only charge (i) the applicable, then-current change of ownership fee set by Franchisor from time to time (as of the Agreement Date, it is the greater of $500 or Franchisor's external (i.e., not in-house) legal and administrative costs); plus (ii) applicable training fees for each new person that we determine needs training. Each proposed new owner is required to submit a personal application and sign a Personal Guarantee and our other then-current standard documents.

4. Transfer on Death, Incapacity or Bankruptcy. If Franchisee or any Owner dies, becomes incapacitated, or enters bankruptcy proceedings, that person's executor, administrator, personal representative, or trustee is required to apply to us in writing within 3 months after the event for consent to transfer the person's interest. The transfer will be subject to Sections 15.2 through 15.6, as applicable. In addition, if the deceased or incapacitated Owner is the Key Person, we will have the right (but no obligation) to take over operation of the Franchised Business upon giving notice to the executor, administrator, personal representative, or trustee and to manage the Franchised Business until the transfer is completed. If we exercise this right, we can charge a reasonable management fee for our services. For purposes of this Section, "**incapacity**" means any physical or mental infirmity that will prevent the person from performing his or her obligations under this Agreement (i) for a period of thirty (30) or more consecutive days or (ii) for sixty (60) or more total days during a calendar year. In the case of transfer by bequest or by intestate succession, if the heirs or beneficiaries are unable to meet the conditions of Section 15.2, the executor may transfer the decedent's interest to another successor that we have approved, subject to all of the terms and conditions for transfers contained in this Agreement. If an interest is not disposed of under this Section 15.4 within one year after the date of death or appointment of a personal representative or trustee, we can terminate this Agreement under Section 16.1.

5. Non-Conforming Transfers. Any purported transfer that is not in compliance with this Section 15 is null and void and constitutes a material breach of this Agreement, for which we may terminate this Agreement without opportunity to cure.

6. Our Right of First Refusal. We have the right, exercisable within thirty (30) days after receipt of the notice of a proposed transfer required by Section 15.1, to send written notice to you that we intend to purchase the interest proposed to be transferred, except that our right of first refusal will not apply if: (i) the sale would not result in a Change of Control; or (ii) the interests would transfer only to the spouse(s) and/or adult children of the Owners. The request for approval of transfer must include a true and complete copy of the term sheet, letter of intent, proposed purchase agreement, assignment document, description of financing or other contingencies, and any other documents we deem necessary to support a prudent business decision on whether to exercise the right of first refusal. We can assign our right of first refusal to someone else either before or after we exercise it.

6.1 If the proposed transfer is a sale, we or our designee may purchase on the same economic terms and conditions offered by the third party. Closing on our purchase must occur within sixty (60) days after the date of our notice to the seller electing to purchase the interest. If we cannot reasonably be expected to furnish the same type of consideration as the third-party, then we may substitute the equivalent in cash. If the parties cannot agree within thirty (30) days on the equivalent in cash, you and we will jointly designate and pay the cost of an independent appraiser, and the appraiser's determination will be final. We will have thirty (30) days after receipt of the appraiser's determination to decide whether to proceed with the purchase. We are entitled to receive, and Franchisee and the Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the capital stock of an incorporated business, as applicable. Any material change in the third party's offer after we have elected not to purchase the seller's interest will constitute a new offer subject to the same right of first refusal as for the third party's initial offer.

6.2 If a transfer is proposed to be made by gift, you and we will jointly designate, at our expense, an independent appraiser to determine the fair market value of the interest proposed to be transferred. We will have thirty (30) days after receipt of the appraiser's determination to decide whether to purchase the interest at the fair market value determined by the appraiser. If we decide to purchase, closing on the purchase will occur within forty-five (45) days after our notice to the transferor of our decision.

6.3 If we elect not to exercise our rights under this Section, the transferor may complete the proposed transfer after complying with Sections 15.1 through 15.4, provided that the final sale price is not less than the price at which we were entitled to purchase. If we determine that the final sale price is less than the price at which we were entitled to purchase, we may refuse to give our consent to the transfer. Closing of the transfer to the third party must occur within sixty (60) days of our election not to exercise our rights. If closing does not occur within the 60-day period, the third party's offer will be treated as a new offer subject to our right of first refusal.

7. Transfer of Development Agreement. If this Agreement is associated with a Development Agreement and you propose to transfer your rights under the Development Agreement, you are required (unless we otherwise approve) to transfer this Agreement and all other Franchised Businesses developed under the Development Agreement to the same transferee in the same transaction.

8. Sale or Assignment by Franchisor. We have the right to transfer or assign all or any portion of our rights or obligations under this Agreement to any person or legal entity including the operator of a competing franchise system. The assignee will expressly assume our obligations and become solely responsible for them from the effective date of assignment. We can sell our assets, sell securities in a public offering or in a private placement; merge with, acquire, or be acquired by another company; or undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring, without restriction and without affecting your obligations under this Agreement.

16. DEFAULT AND TERMINATION

1. Termination without Cure Period. In addition to any other rights of termination set forth in this Agreement, we will have the right to terminate this Agreement if any of the following events of default occurs, without providing you an opportunity to cure the default, effective immediately upon delivery of written notice to you:

1.1 If you do not have an Approved Location within three (3) months after signing this Agreement;

1.2 If at any time during the pre-opening training program, we conclude in our sole judgment that any person required to attend the pre-opening training program does not possess the skills necessary to properly fulfill and discharge the demands and responsibilities required by the System or this Agreement;

1.3 If you do not open the Franchised Business by the Opening Deadline;

1.4 If you close the Franchised Business for three (3) or more consecutive business days without our prior approval, express your intent to abandon the Franchised Business, or cease to operate the Franchised Business for any period in circumstances where it is reasonable to conclude that you do not intend to promptly resume operation of the Franchised Business;

1.5 If you lose the right to possession of the Approved Location, or otherwise forfeit the right to do business in the jurisdiction where the Franchised Business is located. However, if, through no fault of your own, the Franchised Business premises are damaged or destroyed by an event such that repairs or reconstruction cannot be completed within sixty (60) days thereafter, then you will have thirty (30) days after that event in which to apply for our approval to relocate and/or reconstruct the Franchised Business;

1.6 If you refuse to permit us to inspect the Franchised Business or your books, records, or accounts as provided herein;

1.7 If you do not comply with the restrictions on competition in Section 14;

1.8 If any transfer of interest in this Agreement, Franchisee, or the Franchised Business occurs that does not comply with Section 15, or if an interest is not disposed of under Section 15.4 within one year after the date of death or appointment of a personal representative or trustee;

1.9 If you misuse or disclose to any unauthorized person any contents of the Brand Standards Manuals or other Confidential Information;

1.10 If you knowingly maintain false or misleading books or records, knowingly underreport sales, or knowingly submit any other false or misleading information to us;

1.11 If you perpetrate common law fraud against us or any customer or supplier of the Franchised Business or knowingly permit any agent or employee of Franchisee to embezzle any funds or property of any customers, Franchisor, Franchisee, or others;

1.12 If Franchisee takes, withholds, misdirects or appropriates for Franchisee's own use any funds withheld from Franchisee's employees' wages for employees' taxes, FICA, insurance, or benefits;

1.13 If Franchisee or any Owner commits or is convicted of, pleads guilty to, or pleads no contest to a felony, a crime involving moral turpitude, or any other crime or offense that we believe is likely to have an adverse effect on the System, the Marks, or the goodwill associated with them. Once Franchisee or any Owner has been arrested for or formally charged with a serious criminal offense, we will have the right: (i) to require that the individual(s) charged be removed from any active role in the Franchised Business pending final disposition of the charges; and (ii) if the person(s) charged include the Key Person, to take over operation of the Franchised Business and to manage it on your behalf pending final disposition of the charges. If we exercise the right in clause (ii), we may charge a reasonable management fee for our services;

1.14 If Franchisee is insolvent or makes an assignment for the benefit of creditors; if a receiver is appointed for the Franchised Business; if execution is levied against your business assets; if a suit to foreclose any lien or mortgage is filed against you and not dismissed within sixty (60) days; or if your business entity is dissolved;

1.15 If Franchisee or any Owner appears on any government list of "blocked" persons or its assets, property, or interests are "blocked" under any anti-terrorism law or similar law that prohibits us from doing business with Franchisee or the Owner;

1.16 If Franchisee breaches a material provision of this Agreement that is not, by its nature, curable or that goes to the essence of the Agreement;

1.17 If you do not achieve the prescribed minimum score or standard on two consecutive assessments or on three or more assessments in any five (5) year period under Section 6.21;

1.18 If you fail to maintain the insurance coverage required by Section 9, or fail to provide satisfactory evidence of insurance to us within forty-eight (48) hours of our request;

1.19 If you fail to contact a customer within forty-eight (48) hours after receiving a customer complaint, or fail to resolve to our satisfaction any customer complaint in the manner and within the timeframe set forth in the Brand Standards Manuals, and you do not correct such failure within seven (7) days after we deliver written notice to you;

1.20 If you fail to attend our annual convention for two (2) consecutive years;

1.21 If the business license for, or any other permit or license required for the operation of, the Franchised Business is suspended or revoked;

1.22 If you fail to conduct and keep records of a satisfactory background check on any employee as may be required by us prior to his/her hire and on a regular basis, and you fail to cure the default within 10 days after we deliver written notice to you;

1.23 If you cure a default after written notice from us and the same default occurs again within one (1) year, whether or not cured after notice; or

1.24 If you fail on three (3) or more separate occasions within any period of eighteen (18) months to submit when due reports or other data, information or supporting records, or to pay when due any amounts due to us or otherwise comply with this Agreement, whether or not such failures to comply were corrected after written notice of such failure was delivered to you.

2. Termination for Non-Payment. If you fail to pay any monies owed to us, our affiliates or a third party supplier within seven (7) days after receipt of notice of default from us, this Agreement will terminate at the end of the 7-day period without further notice from us.

3. Termination Following Expiration of Cure Period. Except as provided in Sections 16.1 and 16.2 and elsewhere in this Agreement, we can terminate this Agreement only by giving you written notice of termination stating the nature of the default, at least thirty (30) days before the effective date of termination. If the default is not cured within the thirty (30) day period (or such longer period as applicable law may require) this Agreement will terminate without further notice to you, effective at the end of the cure period. Any material failure to comply with the requirements imposed by this Agreement (as supplemented by the Brand Standards Manuals) will be a default under this Section 16.3.

4. Cross-Default. We have the right to treat a default under any other agreement that you or an affiliate have with us or an affiliate as a default under this Agreement, subject to any applicable provisions for notice and cure set forth in the other agreement. For purposes of this section, "**affiliate**" means a person or business entity controlling, controlled by, or under common control with Franchisee or Franchisor, as applicable.

5. Cross-Guarantee. In the event Franchisee or Franchisee's affiliate now holds or later acquires any interest in a Franchised Business other than the Franchised Business franchised under this Agreement, Franchisee shall unconditionally guarantee full performance and discharge of all of the franchisee's obligations under the franchise agreement for such other Franchised Business, including without limitation the payment of all royalty fees, advertising fees, and other obligations.

6. Pre-Termination Options of Franchisor. Prior to the termination of this Agreement, if you fail to pay any amounts owed to us or our affiliates or fail to comply with any term of this Agreement, then in

addition to any right we may have to terminate this Agreement or to bring a claim for damages, we will have the right to take the actions set out below and continue them until you have cured the default to our satisfaction. The taking of any of the actions permitted in this Section 16.6 will not suspend or release you from any obligation that would otherwise be owed to us or our affiliates under the terms of this Agreement. We may:

6.1 Remove the listing of the Franchised Business from all advertising published or approved by us;

6.2 Prohibit you from attending any meetings or seminars held or sponsored by us or taking place on our premises;

6.3 Charge you the default Royalty Fee rate in Section 7.6 of this Agreement;

6.4 Suspend access to the Call Center, the Franchisee Portal, and any technology systems we provide to you; and/or

6.5 Suspend services provided to you by us or our affiliates under this Agreement, including but not limited to inspections, training, marketing assistance, and the sale of products and supplies.

7. Step In Rights. In addition to our right to terminate this Agreement, and not in lieu of such right, or any other rights we may have against you, upon a failure to cure any default within the applicable cure period (if any), we have the right, but not the obligation, to enter the Franchised Business premises and exercise complete authority with respect to the operation of the Franchised Business (or designate a third party to exercise authority) until such time as we determine that the default has been cured, and you are otherwise in compliance with this Agreement. If we exercise the rights described in this Section, you are required to pay us (or our designee) a fee of up to $500 per day and reimburse us (or our designee) for all costs and overhead, if any, incurred in connection with the operation of your Franchised Business, including, without limitation, costs of personnel for supervising and staffing the Franchised Business and their travel and lodging. If we undertake to operate the Franchised Business pursuant to this Section, you agree to indemnify and hold us (and our designees and employees) harmless from and against any fines, claims, suits or proceedings which may arise out of our operation of the Franchised Business.

8. Liquidated Damages. If we terminate this Agreement based on your default, you are required to pay us, as liquidated damages, an amount equal to the greater of: (i) two years of Royalty Fees (calculated as your average Royalty Fees per payment period in the year preceding the termination of this Agreement, multiplied by the number of payment periods occurring in a two-year period); or (ii) $100,000 (unless a different minimum is stated in this Agreement). The liquidated damages are in addition to costs and expenses that you may owe us under Section 23 (Disputes).

17. OBLIGATIONS UPON TERMINATION OR EXPIRATION

1. Our Rights to Acquire Approved Location and Franchise Assets. Upon expiration or termination of this Agreement under any circumstances, you are required to:

1.1 At our request, assign to us your interest in the lease or sublease for the Approved Location (or provide us with a commercially reasonable lease if you own the Approved Location). If we elect not to exercise our option to acquire the lease, you are required to make modifications or alterations to the Approved Location as necessary to comply with Section 17.2 and to distinguish the Approved Location from that of a Franchised Business.

1.2 At our request, sell to us such of the furnishings, fixtures, vehicles, equipment, and signs of the Franchised Business as we may designate, at fair market value, and such of the inventory and supplies on hand as we may designate, at fair market wholesale value. If the parties cannot agree on the price of any such items within thirty (30) days, we will appoint an independent appraiser, and the appraiser's

determination will be final. Franchisor and Franchisee will each pay one-half of the appraiser's fees and costs. We will have thirty (30) days after receipt of the appraiser's determination to decide whether to proceed with the purchase. If we exercise our option to purchase any items, we will have the right to set off any amount due us or our affiliate from you against any payment for the items.

1.3 At our request, provide us with a copy of each customer agreement for the Franchised Business and any related information we request, and provide us with all other information and access necessary for us (or our designee) to continue servicing the customer and related business relationships within three (3) days from our request at no cost to us (since the Customer Data is our property).

To this end, each customer agreement must include a clause providing us the unconditional right (but not an obligation) to assume (directly or through a designee) the customer agreement upon the termination or expiration of this Agreement, including all of your rights and obligations thereunder that arise from and after such assumption. Upon the expiration or termination of this Agreement, you agree to facilitate our conversations with customers to ensure an orderly transition of the business operations. You agree to pay over to us (or our designee) any amounts (or a pro rata portion of any amounts) paid to you by your customers for services that you have not yet performed.

We can exercise any or all of our options under Sections 17.1.1, 17.1.2 and 17.1.3: (a) within thirty (30) days after the expiration of the Agreement Term, in the case of expiration of this Agreement; and (b) in the case of termination of this Agreement, at any time between the date of delivery of written notice of termination and thirty (30) days after the effective date of termination (or after the arbitration or court ruling upholding the termination, if termination is contested). We may assign these options to another person or entity. To preserve the value of these options, we may issue to you, and you are required to comply with, written instructions to refrain from, delay, or reverse any of the actions required of you under Section 17.2.

2. De-identification. Unless we have instructed you otherwise under Section 17.1.3, upon termination or expiration of this Agreement under any circumstances, you are required to:

2.1 Cease to operate the Franchised Business, withdraw all advertising that can be canceled, remove from the Approved Location and from service vehicles all signs, graphics, and other items that display the Marks, and make any other changes that we request to dissociate yourself, the Approved Location, and the former Franchised Business from the System;

2.2 Either permanently deactivate or, at our request, transfer to us all domain name registrations and other accounts, profiles, pages, usernames, and registrations by which you associate the Franchised Business with the Brand online or in any mobile network or other electronic marketing or communications channel, including but not limited to any social media, blog, messaging system, email domain, listserv, directory, or smart phone app, whether or not we authorized the particular usage or channel. If you do not voluntarily transfer these domain names, accounts, profiles, pages, usernames, and registrations, the registrars and hosts of any such electronic marketing or communications channels may accept this Agreement as evidence of our exclusive rights in the domain names, accounts, profiles, pages, usernames, and registrations and of our authority to direct their transfer on your behalf. When the domain names, accounts, profiles, pages, usernames, and registrations are transferred, all hosted content will also be transferred to us, including all data housed on the electronic marketing and communications channels as well as all members, friends, contacts and customers who are linked to the accounts or sites;

2.3 Cease to use the Confidential Information (including the Brand Standards Manuals, Customer Data and Business Data), the Marks, the Works, and all other distinctive elements associated with the System, and return all materials in your possession or control, in any medium, that contain Confidential Information, bear any of the Marks, or constitute Works;

2.4 Cancel any assumed name registration that contains any element or variation of the Marks, and furnish evidence satisfactory to us of compliance with this obligation within five (5) days after termination or expiration of this Agreement;

2.5 Cease using the telephone number(s) of the Franchised Business, notify your telephone company and all listing agencies of the termination of your right to use the telephone numbers and listings for the Franchised Business, and transfer those number(s) and listings to us or our designee;

2.6 Return to customers (or if we request, to us) all items, including keys, in your possession which relate to that particular customer;

2.7 Not directly or indirectly represent yourself to the public or hold yourself out as a present or former franchisee of the Brand; and

2.8 Not use any reproduction, counterfeit, copy, or colorable imitation of the Marks or the Works in connection with any other business that, in our opinion, is likely to cause confusion, mistake, or deception or to dilute our and/or our affiliates' rights in and to the Marks and the Works. You must not use any designation of origin or description or representation that falsely suggests or represents an association or connection with us.

You hereby appoint us as your attorney-in-fact to carry out the requirements of this Section 17.2 if you fail to do so within a reasonable time, which need not be more than fifteen (15) days. You agree that we will have the right to enter the Approved Location and to contact your landlord and other third parties to make any required changes that you fail to make. You agree to reimburse us on demand for any costs that we incur to carry out your obligations.

3. Continuing Obligations. After termination or expiration of this Agreement under any circumstances, you will remain liable to us for certain obligations. Among other things, you are required to:

3.1 Promptly pay all sums owing to us and our affiliates;

3.2 Permit access to and examination of books and records as provided in Section 8 to determine any amounts due;

3.3 Protect the Confidential Information as provided in Section 13;

3.4 Comply with the post-term restrictions on competition in Sections 14.2 and 14.3; and

3.5 Indemnify us as provided in Section 20.

18. BUSINESS ENTITY REQUIREMENTS

1. Ownership Information. Franchisee and each Owner represents and warrants that the ownership information in Attachment A is correct and complete as of the Agreement Date and will not be changed without first obtaining our consent as required by Section 15. You are required to maintain a current list of all stockholders, general partners, limited partners, members, or other direct and indirect beneficial owners (as applicable) and furnish the list to us upon request. If any Owner is a business entity, you are required to provide all information we request concerning that business entity and its owners. Every individual or entity that owns a direct or indirect equity interest of 5% or greater in Franchisee is required to guarantee Franchisee's performance of this Agreement by executing the Personal Guarantee attached to this Agreement.

2. Governing Documents. At our request, you are required to furnish us with copies of Franchisee's articles of incorporation, bylaws, partnership agreement, certificate of formation, limited liability company operating agreement, stock certificates, corporate minutes, or other governing documents, as applicable. You are required to give us at least thirty (30) days prior written notice of any proposed amendments to your governing documents. Your governing documents must provide at all times that your activities are confined exclusively to developing and operating Franchised Businesses. If any controlling Owner is a business entity, you are required to provide similar information concerning that business entity as we may request.

3. Control Arrangements. Any voting trust, management agreement, or other arrangement affecting the power to direct and control the affairs of Franchisee requires our prior written consent. You are required to furnish any information and documentation that we may request concerning a proposed control arrangement.

4. No Use of Marks in Corporate or Legal Name. Without limiting any of the requirements in Section 11.3 above, you may not use any of the Marks as part of your corporate or legal name.

19. RENEWAL

1. Renewal Term and Conditions. You will have the option to continue the franchise relationship for additional terms of five (5) years each, subject to this Section. We will require you to satisfy the following requirements as a condition of renewing the franchise relationship with us:

1.1 You are required to give us written notice of your desire to renew not less than six (6) months and not more than twelve (12) months before the Expiration Date;

1.2 You must not be in default of this Agreement or any other agreement with us, our affiliates, or our approved vendors at the time you give the notice in Section 19.1 or during the remainder of the expiring term;

1.3 You are required to have a good record of customer service and of compliance with Brand Standards and your contractual obligations to us;

1.4 You are required to be on good terms with us, including but not limited to having a good working relationship for day-to-day operations and not being in litigation or other adversarial legal proceedings with us;

1.5 At our option, you will sign the then-current franchise agreement being offered to new franchisees of the Brand, except that we may or may not include a further renewal option (the **"Successor Franchise Agreement"**). The terms of the Successor Franchise Agreement may differ substantially from the terms of this Agreement, including increased fees, new fees, reconfiguration of the Territory, and higher Minimum Performance Requirements. Personal guarantees will be required per our then-current policy and our other standard documents will be required;

1.6 You must pay us a Renewal Fee of $10,000 when you sign your successor Franchise Agreement. This fee is non-fundable;

1.7 Franchisee and all Owners are required to sign a general release, in a form we prescribe, of any and all claims against us, our affiliates, and our officers, directors, shareholders and employees;

1.8 The Key Person and any employees we designate are required to successfully complete any additional or refresher training courses that we may require;

1.9 You are required to demonstrate that you have the right to remain in possession of the Approved Location for the full renewal term;

1.10 You are required to remodel, refurbish, renovate (including without limitation, as to any upgrading or refurbishing of vehicles used in the Franchised Business as may be requested by us) and/or re- equip the Franchised Business and premises to conform to our then-current Brand Standards for new Franchised Businesses before the end of the expiring term or obtain our approval of arrangements to complete the work on a schedule satisfactory to us; and

1.11 The computer system and vehicle(s) used in operation of the Franchised Business must be upgraded as necessary to meet our then-current Brand Standards.

2. Your Failure to Act. Your failure to give timely notice of your desire to renew will be deemed an election to decline the option in Section 19.1. IN FRANCHISOR'S SOLE DETERMINATION, FRANCHISEE MAY BE DEEMED TO HAVE IRREVOCABLY DECLINED TO CONTINUE THE FRANCHISE RELATIONSHIP IF FRANCHISEE FAILS TO SIGN AND RETURN TO FRANCHISOR THE SUCCESSOR FRANCHISE AGREEMENT AND OTHER DOCUMENTS REQUIRED BY FRANCHISOR WITHIN THIRTY (30) DAYS AFTER THEIR DELIVERY TO FRANCHISEE, OR FAILS TO COMPLY IN ANY OTHER WAY WITH THE PROVISIONS OF THIS SECTION 19.

3. Holding Over. If Franchisee does not sign a Successor Franchise Agreement by the Expiration Date and continues to accept the benefits of this Agreement after the expiration of this Agreement, then at the option of Franchisor, this Agreement may be treated either as (i) expired as of the Expiration Date, with Franchisee then operating without a franchise to do so and in violation of Franchisor's rights; or (ii) continued on a month-to-month basis ("**Interim Period**") until one party provides the other with written notice of such party's intent to terminate the Interim Period, in which case the Interim Period will terminate thirty (30) days after receipt of the notice to terminate the Interim Period. In the latter case, all obligations of Franchisee shall remain in full force and effect during the Interim Period as if this Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration of this Agreement shall be deemed to take effect upon termination of the Interim Period.

20. INDEMNIFICATION

You agree to indemnify Franchisor, its affiliates, and their respective past, present, and future officers, directors, shareholders, employees, and agents (collectively, **"Protected Parties"**) for, and at our option defend the Protected Parties against: (i) any claims (whether or not by a third party) arising directly or indirectly from, as a result of, or in connection with your activities under this Agreement (collectively, **"Claims"**); and (ii) any liabilities, damages, losses, and expenses the Protected Parties incur as a result of such Claims, including but not limited to attorneys' fees, costs of investigation, settlement costs, fines, civil penalties, and interest charges (collectively, **"Expenses"**). To the extent permitted by law, this indemnity includes Claims and Expenses alleged to be caused by the negligence of the Protected Parties, unless (and then only to the extent that) the Claim or Expense is finally determined by a court to have been caused solely by the gross negligence or willful misconduct of the Protected Parties. With respect to any threatened or actual litigation, proceeding, or dispute that could directly or indirectly affect any of the Protected Parties, the Protected Parties will have the right, but no obligation, to: (i) choose counsel; (ii) direct, manage, and control the handling of the matter; and (iii) settle any Claim on behalf of the Protected Parties. Your obligations under this Section are not limited by the amount of your insurance coverage. This Section will survive the expiration or termination of this Agreement.

21. NOTICES

All notices related to this Agreement are required to be in writing and are required to be delivered in person or sent by certified mail, by national commercial delivery service, or by other written or electronic means which affords the sender reliable evidence of delivery or attempted delivery, to the address shown in

Attachment A, in the case of Franchisee, or to Resting Rainbow Pet Memorials and Cremation Franchise, LLC, 13700 NW 19th Ave., Suite 11, Opa Locka, FL 33054, Attn: Legal Department, in the case of Franchisor, unless and until a different address has been designated by written notice to the other party. For the avoidance of doubt, our delivery of notice to the business email address that we have on file for you will constitute effective notice unless we receive a non-delivery message. This Section does not apply to changes to the Brand Standards Manuals or any written instructions that we furnish to you relating to operational matters.

22. GENERAL PROVISIONS

1. Notice of Suit. You are required to notify us promptly of any legal proceeding or any order of a court or government agency that may adversely affect the operation or financial condition of the Franchised Business.

2. Independent Contractor. Nothing in this Agreement is intended to make Franchisor or Franchisee an agent, legal representative, subsidiary, joint venturer, partner, or employee of the other for any purpose. This Agreement does not create a fiduciary relationship between you and us. Nothing in this Agreement authorizes you to make any contract, agreement, warranty, or representation on our behalf or to incur any debt or other obligation in our name. We will not assume liability for any such action or for your acts or omissions or any claim or judgment against you. You are required to hold yourself out to the public as an independent contractor operating under this Agreement.

3. Public Notice of Independent Status. Franchisee is required to conspicuously identify itself by its own company name in all dealings with customers, landlords, vendors, contractors, reporters, public officials, and employees and on all business cards, stationery, advertising, payroll forms, purchase orders and other materials.

4. Severability. If a court or government agency determines that any provision of this Agreement is invalid or contrary to applicable law, the invalidity will not impair the operation of any other provision of this Agreement that remains otherwise intelligible. The latter will continue to be given full force and effect and the invalid provision(s) will be deemed not to be a part of this Agreement.

5. No Implied Waiver. No failure to exercise any right reserved to us in this Agreement or to insist on your strict compliance with any obligation or condition in this Agreement, and no custom or practice of the parties, will constitute a waiver of our right to exercise any right or to demand your compliance with this Agreement. Our waiver of any particular default will not affect or impair our rights with respect to any subsequent default. Our delay or forbearance in exercising any right arising out of your breach or default will not prevent us from exercising the right, declaring any subsequent breach or default, or terminating this Agreement.

6. No Implied Third-Party Beneficiaries. Nothing in this Agreement is intended to confer any rights or remedies on any person or legal entity other than Franchisee and us.

7. No Implied Consent. Whenever this Agreement requires our prior approval or consent, you are required to make a timely written request, and the approval or consent must be obtained in writing and signed by one of our officers. We make no warranties or guarantees upon which you may rely and assume no liability or obligation to you by providing any waiver, approval, consent, or suggestion in connection with this Agreement.

8. Survival of Obligations. All obligations which expressly or by reasonable implication are to be performed, in whole or in part, after the expiration, termination, or assignment of this Agreement will survive expiration, termination, or assignment.

9. Our Business Judgment. Except as otherwise expressly provided in this Agreement, whenever we exercise a right and/or discretion to take or withhold an action, we can make our decision or exercise our discretion based on our judgment of what is in the best interests of the Brand at the time, even though (a) there may have been alternative decisions or actions that could have been taken; (b) our decision or the action taken promotes our own financial interest; or (c) our decision or the action may apply differently to different franchisees. In the absence of an applicable statute, we will have no liability to you for any such decision or action. If applicable law implies a duty of good faith and fair dealing in this Agreement, we and you agree that the duty does not encompass any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement.

10. Relationship to Other Businesses of Franchisor and its Affiliates. In fulfilling its obligations to Franchisee, and in conducting any activities or exercising any rights pursuant to this Agreement, Franchisor has the right: (i) to take into account, as it sees fit, the effect on, and the interests of, other businesses in which Franchisor and its affiliates have an interest, and on Franchisor's (and its affiliates') own activities; (ii) to share market and product research, and other proprietary and non-proprietary business information, with Franchisor's affiliates and the businesses in which they have an interest; and/or (iii) to introduce products, processes, or operational equipment used by the System into the franchised systems of Franchisor's affiliates, and to allocate new products and/or developments between and among the franchised systems, as Franchisor and its affiliates see fit. Franchisee understands and agrees that all obligations of Franchisor under this Agreement are subject to this section, and that nothing in this section shall affect in any way Franchisee's obligations under this Agreement.

11. Right to Information. You consent to us obtaining, using and disclosing to third parties (including, without limitation, prospective franchisees, financial institutions, legal and financial advisors), for any purpose whatsoever or as may be required by law, any financial or other information contained in or resulting from information, data, materials, statements and reports received by us or our affiliates (or disclosed to us or our affiliates) in accordance with this Agreement.

12. Entire Agreement. This Agreement and its Appendices constitute the entire agreement between Franchisor and Franchisee and the Owners concerning the Franchised Business. It supersedes all prior agreements, negotiations, representations, and correspondence concerning the same subject matter, except that nothing in this Agreement is intended to disclaim any representations made in any Franchise Disclosure Document that you received from us in connection with this Agreement. No amendment, change, or variance from this Agreement will be binding unless agreed to in writing and signed by authorized representatives of each party.

13. Amendment of Prior Agreements. In order to enhance consistency and quality of operation, performance, dispute resolution and other matters, we amend our standard Franchise Agreement from time to time. As a result, this Agreement may be different from other Brand franchise agreements that Franchisee or Franchisee's affiliates may have signed in the past and may contain revised provisions regarding, among other things, modifications to the System, manner of payment of fees and late fees, duties of franchisee, protection of trademarks, status and protection of Manuals and Confidential Information, technology requirements, advertising, insurance, accounting and records, transfers, default and termination, obligations on termination, franchisee covenants, taxes, indemnification, obligations to defend, approvals and waivers, notices, construction of agreement and applicable law. To cooperate with us in the achievement of these goals and as a condition of the grant of an additional franchise, Franchisee agrees that all of Franchisee's or its affiliates' existing Brand franchise agreements with Franchisor or its affiliates are amended to match the provisions of this Agreement (if the existing franchise agreements do not already include these provisions), except with respect to the royalty fee rate, required marketing contributions and spending, other fees for which amounts are specified, territory description, Approved Location, contract term, renewal conditions, and transfer conditions set out in the prior agreements, which will remain unchanged. FRANCHISEE ACKNOWLEDGES THAT THIS SECTION AMENDS ALL OF FRANCHISEE'S EXISTING FRANCHISE AGREEMENTS WITH FRANCHISOR AND THAT THE AMENDMENT WILL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

14. Material Modification – for California Locations Only. If Franchisee or Franchisee's affiliates previously entered into one or more franchise agreements with Franchisor for a Franchised Business in

California, Section 22.13 may constitute a material modification of those existing franchise agreements under California law. If that is the case, and if Franchisee notifies Franchisor in writing within five (5) business days after signing this Agreement that Franchisee (or Franchisee's affiliate, as applicable) rescinds this modification of the existing franchise agreement(s) for the Franchised Business in California, this Franchise Agreement will be null and void and Franchisee will not have the right to develop a Franchised Business under this Franchise Agreement.

15. Counterparts. This Agreement may be executed in counterparts, and each copy so executed and delivered shall be deemed to be an original. Any signature by electronic signature, facsimile or scanned PDF shall be deemed an original signature. This Agreement shall be effective only upon the receipt of countersignature by us.

23. DISPUTES

1. Governing Law. This Agreement and the relationship between Franchisor and Franchisee and the Owners is governed by the laws of the State of Maryland, except that if a provision of this Agreement would not be enforceable under the laws of Maryland, and if the Franchised Business is located outside of Maryland and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then that provision will be governed by the laws of the state in which the Franchised Business is located. In the event of any conflict of law question, the laws of Maryland will prevail, without regard to the application of Maryland conflict-of-law rules. This Section 23.1 is not intended to subject this Agreement or our relationship with you to any Maryland statute or regulation that would not apply by its own terms without considering this Section.

2. Mandatory Arbitration. Except as set forth in Sections 23.3 and 23.4 below and in subsection 23.2.5, any claim or dispute arising out of or relating to this Agreement (including but not limited to any claim that the Agreement or any of its provisions is invalid, illegal, or otherwise voidable or void), the relationship between you, your owners and affiliates and us or our affiliates, or your operation of the Franchised Business, shall be submitted to JAMS for mandatory, final and binding arbitration. The arbitration will be conducted in accordance with the Federal Arbitration Act, 9 U.S.C., Section 1, *et seq.*, and the commercial arbitration rules of JAMS in effect at the time of filing of the demand for arbitration (the "**JAMS Rules**"), except as the JAMS Rules may be modified by the following:

2.1 The seat of arbitration will be the JAMS office closest to Opa Locka, Florida, and all arbitration hearings shall take place at that office. We have the right to designate headquarters for the Brand at a location other than Opa Locka, Florida and to substitute that location for Opa Locka, Florida for purposes of this section.

2.2 The arbitration will be conducted, heard, and decided by one (1) arbitrator ("**Arbitrator**") who is mutually agreeable to the parties. If the parties have not agreed on the Arbitrator within thirty (30) days after filing of the arbitration demand with JAMS, the Arbitrator shall be appointed in accordance with the JAMS Rules.

2.3 The Arbitrator shall not entertain or permit any class or consolidated proceeding.

2.4 The administrative fees of JAMS and the Arbitrator's fees will be split equally between Franchisor and Franchisee.

2.5 If either party fails to pay its share of any fee required by JAMS to proceed with administration of the arbitration, and if the other party has paid its own share of the fee, the Arbitrator shall enter a default

judgment in favor of the latter party. If an Arbitrator has not yet been appointed at the time of the non-payment of the required fee, the party that has paid its own share of the fee shall have the option to have a default judgment entered in its favor or to proceed in court on the claims submitted to arbitration. The Arbitrator will not have the authority to add to, delete, or modify the terms of this Agreement. All findings, judgments, decisions, and awards of the Arbitrator will be limited to the claims set forth in the arbitration demand and any counterclaims, as they may be amended, and the Arbitrator will not have the authority to decide any other claims. The Arbitrator will have the power to decide any or all of the issues, claims and defenses presented in the arbitration through summary judgment, summary disposition, or dismissal proceedings without a full evidentiary hearing or witness testimony, as long as all parties are permitted to submit memoranda and affidavits and have oral argument, either in person or by telephone, if the Arbitrator determines that oral argument would assist in the decision making process. The Arbitrator will not have the right or authority to award punitive damages to any party. All findings, judgments, decisions and awards by the Arbitrator will be in writing and will be made within sixty (60) days after the arbitration hearings have been completed, and will be final and binding on all parties in the arbitration.

2.6 The written decision of the Arbitrator will be deemed to be an order, judgment and decree and may be entered as such in any court of competent jurisdiction.

2.7 The decision of the Arbitrator will have no collateral estoppel effect with respect to a controversy with any person or entity who is not a party to the arbitration proceeding.

3. Provisional or Declaratory Relief. Nothing in Section 23.2 or elsewhere in this Agreement prohibits Franchisor's right to seek a restraining order, preliminary injunction, specific performance, or declaratory relief in court, under the applicable court rules, against conduct or threatened conduct for which no adequate remedy at law may be available or which Franchisor believes may cause Franchisor irreparable harm. Franchisor may have such relief without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law. Franchisee and each of its Owners acknowledges that any violation of (without limitation) Sections 11, 12, 13, 14, 15 or 17 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available. Accordingly, Franchisee and each of its Owners consents to the issuance of an injunction at Franchisor's request (without posting a bond or other security) prohibiting any conduct in violation of any of those Sections. Franchisee's sole remedy in the event of the entry of specific performance or injunction order will be the dissolution of the order, if warranted (all claims for damages by reason of the wrongful issuance of any such order being expressly waived by Franchisee). Franchisee agrees that the existence of any claims Franchisee or any of its Owners may have against Franchisor, whether or not arising from this Agreement, will not constitute a defense to the enforcement of Sections 11, 12, 13, 14, 15 or 17.

4. Disputes Not Subject to Mandatory Arbitration. Notwithstanding Section 23.2, Franchisor shall have the option to submit to a court any of the following actions: to collect fees due under this Agreement; for injunctive or other relief as described in Section 23.3; to protect our intellectual property, including the Marks, Confidential Information, and trade secrets; to terminate this Agreement for a default; and to enforce the post- term obligations in Section 17 of this Agreement. Notwithstanding anything in this Agreement, in the JAMS Rules, or any provision of law, the determination of whether a dispute or controversy filed in a court is subject to arbitration shall be made by the court, not by an arbitrator.

5. Time Limit on Filing. Except for claims arising from Franchisee's non-payment or underpayment of amounts Franchisee owes Franchisor or from performance or non-performance of Franchisee's obligations arising upon expiration or termination of this Agreement, any claim or action arising out of or relating to this Agreement or the relationship between us and Franchisee and the Owners will be barred unless submitted to arbitration or filed in court and served within two (2) years from the date the complaining party knew or should have known of the facts giving rise to such claim.

6. Venue for Litigation. Franchisee and the Owners are required to file any lawsuit against us only in the federal district court for the district encompassing Opa Locka, Florida (or in the closest state court to

Opa Locka, Florida, if the federal court lacks subject matter jurisdiction). We may file a lawsuit against Franchisee or the Owners in the federal or state court for Opa Locka, Florida or in the federal or state court where the Franchised Business is located. We have the right to designate headquarters for the Brand at a location other than Opa Locka, Florida and to substitute that location for Opa Locka, Florida for purposes of this section. The parties irrevocably submit to the jurisdiction of such courts and waive all objections to personal jurisdiction and venue for purposes of carrying out this provision.

7. Waiver of Jury Trial. We, you, and the Owners irrevocably waive trial by jury in any action, proceeding, or counterclaim.

8. Waiver of Exemplary Damages. Franchisee and the Owners, on the one hand, and Franchisor on the other, waive any right to or claim of punitive or exemplary damages against the other, except that we do not waive our right to: (i) statutory, punitive or exemplary damages for violation of the Lanham Act, trademark infringement or dilution, or unauthorized disclosure of confidential information or trade secrets; or (ii) indemnification from Franchisee under Section 20 for any such damages claimed or awarded against Protected Parties.

9. Class Action Waiver. TO THE EXTENT PERMITTED BY LAW, FRANCHISEE AND THE OWNERS WAIVE THE RIGHT TO SEEK CERTIFICATION OF A CLASS IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM AGAINST US.

10. Costs and Legal Fees. In connection with any failure by Franchisee to comply with this Agreement, regardless of whether there is any legal proceeding to enforce the terms of this Agreement, Franchisee will reimburse Franchisor, upon demand, for the costs and expenses incurred by Franchisor as a result of such failure and Franchisor's enforcement of the terms of this Agreement. Franchisor's costs and expenses include, without limitation, accountants', attorneys', attorneys' assistants and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses, and travel expenses. If Franchisee initiates a legal proceeding against Franchisor, and if Franchisee does not prevail in obtaining the relief Franchisee was seeking in such legal proceedings, then Franchisee will reimburse Franchisor for the costs and expenses incurred by Franchisor as a result of such legal proceedings, including, without limitation, accountants', attorneys', attorneys' assistants and expert witness fees, cost of investigation and proof of facts, court costs, other litigation expenses and travel expenses, whether incurred prior to, in preparation for, in contemplation of, or in connection with such legal proceedings. However, in case of any conflict between this Section and Section 23.2.4 or 23.2.7 above, Section 23.2.4 or 23.2.7 will take precedence. This section will survive termination or expiration of this Agreement.

11. Remedies are Cumulative. Except as otherwise provided in this Section 23, no right or remedy under this Agreement is exclusive of any other right or remedy.

[SIGNATURE PAGE FOLLOWS]

SIGNATURE PAGE TO THE FRANCHISE AGREEMENT

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date signed below.

FRANCHISEE:
[FRANCHISEE]

By:

Name:

Title:

Date:

FRANCHISOR:
RESTING RAINBOW PET MEMORIALS
AND CREMATION FRANCHISE, LLC

By:

Name:

Title:

Date:

ATTACHMENT A

FRANCHISEE SPECIFIC TERMS

Effective Date:

Franchise Fee:

Franchisee Name:

Ownership of Franchise:

Owner Name	Ownership Percentage
	%
	%
	%

Franchisee Address:

Franchisee Phone:

Franchisee Email:

Principal Executive:

Designated Representative:

Protected Territory:
[Attach map or list of distinguishing territory features such as list of zip codes]

FRANCHISEE:

[FRANCHISEE]

Signature:

Name:

Title:

FRANCHISOR:

[FRANCHISOR]

Signature:

Name:

Title:

SCHEDULE 1 TO ATTACHMENT A

LOCATION ACCEPTANCE LETTER
(to be completed after site selection and acceptance)

Date:

1. **Preservation of Agreement.** Except as specifically set forth in this letter, the Franchise Agreement shall remain in full force and effect in accordance with its terms and conditions. This letter is attached to and upon execution becomes an integral part of the Franchise Agreement.

2. **Authorized Location**. The Authorized Location shall be the following:

_____

3. **Protected Territory.** Pursuant to the Franchise Agreement, Franchisee's Protected Territory will be defined as follows (if identified on a map, please attach map and reference attachment below):

_____

FRANCHISOR:

[FRANCHISOR]

Signature:

Name:

Title:

ATTACHMENT B

PERSONAL GUARANTY OF OWNER/SHAREHOLDER

This Personal Guaranty and Assumption of Obligations (this "Guaranty") is given by the undersigned individuals identified as the owners of Franchisee in Attachment A.

In consideration of, and as an inducement to, the execution of that certain franchise agreement of even date herewith ("Franchise Agreement") by the parties listed as Franchisor and Franchisee in the Franchise Agreement, the undersigned hereby personally and unconditionally, jointly and severally: guaranties to Franchisor and its successors and assigns, for the Term of the Franchise Agreement and, including any renewal thereof, as provided in the Franchise Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant stated in the Agreement and any documents, agreements, and instruments signed with or in connection with the Franchise Agreement (collectively, the "Franchise Documents"); and (2) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Documents applicable to the owners of Franchisee.

The undersigned waives:

- acceptance and notice of acceptance by Franchisor of the foregoing undertakings;
- notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;
- protest and notice of default to any party with respect to the indebtedness of non-performance of any obligations hereby guaranteed;
- any right the undersigned may have to require that an action be brought against Franchisee or any other person as a condition of liability; and
- any and all other notices and legal or equitable defenses to which the undersigned may be entitled.

The undersigned consents and agrees that:

- the undersigned's direct and immediate liability under this Guaranty shall be joint and several with all signatories to this and similar guaranties of Franchisee's obligations;
- the undersigned shall render any payment or performance required under the Franchise Agreement upon demand if Franchisee fails or refuses punctually to do so;
- this Guaranty shall apply to any claims Franchisor may have due to return of any payments or property Franchisor may have received from Franchisee as a preference, fraudulent transfer or conveyance or the like in any legal proceeding;
- such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and
- such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which in any way modify or amend this Guaranty, which shall be continuing and irrevocable during and after the terms of the Franchise Documents,

as the same may be amended or renewed, until Franchisee's duties and obligations to Franchisor are fully discharged and satisfied.

All capitalized terms when used shall have the meanings ascribed to them in the Franchise Agreement.

This Guaranty shall be governed, construed, and interpreted in accordance with the substantive laws of the state where Franchisor has its principal place of business at the time a dispute arises, without giving effect to its conflicts of law principles.

IN WITNESS WHEREOF, each of the undersigned has affixed his signature as dated below.

GUARANTOR(S):
(add signature lines as necessary)

Signature:

Name:

Date:

ATTACHMENT C

ELECTRONIC FUNDS TRANSFER AUTHORIZATION FORM

Bank Name:

ABA Number:

Account Number:

Account Name:

Effective as of the date of the signature below, _____ (the "Franchisee") hereby authorizes Resting Rainbow Pet Memorials and Cremation Franchise, LLC (the "Franchisor") or its designee to withdraw funds from the above-referenced bank account, electronically or otherwise, to cover the following payments that are due and owing Franchisor or its affiliates under the franchise agreement dated _____ (the "Franchise Agreement") for the business operating at the location identified on Attachment A of the Franchise Agreement (the "Franchised Business"): (i) all Royalty Fees; (ii) Fund Contributions; (iii) any amounts due and owing the Franchisor or its affiliates in connection with marketing materials or other supplies or inventory that is provided by Franchisor or its affiliates; and (iv) all other fees and amounts due and owing to Franchisor or its affiliates under the Franchise Agreement. Franchisee acknowledges each of the fees described above may be collected by the Franchisor (or its designee) as set forth in the Franchise Agreement.

The parties further agree that all capitalized terms not specifically defined herein will be afforded the definition they are given in the Franchise Agreement.

Such withdrawals shall occur on a weekly basis, or on such other schedule as Franchisor shall specify in writing. This authorization shall remain in full force and effect until terminated in writing by Franchisor. **PLEASE ATTACH A VOIDED BLANK CHECK, FOR PURPOSES OF SETTING UP BANK AND TRANSIT NUMBERS.**

AGREED ON [DATE]:

FRANCHISEE:

[FRANCHISEE]

By:

Name:

Title:

FRANCHISOR:
RESTING RAINBOW PET MEMORIALS
AND CREMATION FRANCHISE, LLC

By:

Name:

Title:

ATTACHMENT D

LEASE RIDER

THIS LEASE RIDER is entered into between the undersigned parties.

WHEREAS, Company and Franchisee are parties to a Franchise Agreement dated _____, (the "Franchise Agreement"); and

WHEREAS, the Franchise Agreement provides that Franchisee will operate a Resting Rainbow ("Business") at a location that Franchisee selects and Company accepts; and

WHEREAS, Franchisee and Landlord propose to enter into the lease to which this Rider is attached (the "Lease"), pursuant to which Franchisee will occupy premises located at the address listed on the signature page below (the "Premises") for the purpose of constructing and operating the Business in accordance with the Franchise Agreement; and

WHEREAS, the Franchise Agreement provides that, as a condition to Company's authorizing Franchisee to enter into the Lease, the parties must execute this Lease Rider;

NOW, THEREFORE, in consideration of the mutual undertakings and commitments set forth in this Rider and in the Franchise Agreement, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. During the term of the Franchise Agreement, Franchisee will be permitted to use the Premises for the operation of the Business and for no other purpose.

2. Subject to applicable zoning laws and deed restrictions and to prevailing community standards of decency, Landlord consents to Franchisee's installation and use of such trademarks, service marks, signs, decor items, color schemes, and related components of the Resting Rainbow system as Company may from time to time prescribe for the Business.

3. Landlord agrees to furnish Company with copies of all letters and notices it sends to Franchisee pertaining to the Lease and the Premises, at the same time it sends such letters and notices to Franchisee. Notice shall be sent to Company by the method(s) as stated in the lease to:

Resting Rainbow Pet Memorials and Cremation Franchise, LLC
13700 NW 19th Ave., Suite 11
Opa Locka, FL 33054

4. Company will have the right, without being guilty of trespass or any other crime or tort, to enter the Premises at any time or from time to time (i) to make any modification or alteration it considers necessary to protect the Resting Rainbow system and marks, (ii) to cure any default under the Franchise Agreement or under the Lease, or (iii) to remove the distinctive elements of the Resting Rainbow trade dress upon the Franchise Agreement's expiration or termination. Neither Company nor Landlord will be responsible to Franchisee for any damages Franchisee might sustain as a result of action Company takes in accordance with this provision. Company will repair or reimburse Landlord for the cost of any damage to the Premises' walls, floor or ceiling that result from Company's removal of trade dress items and other property from the Premises.

5. Franchisee will be permitted to assign the Lease to Company or its designee upon the expiration or termination of the Franchise Agreement. Landlord consents to such an assignment and agrees not to impose any assignment fee or similar change, or to increase or accelerate rent under the Lease, in connection with such an assignment.

6. If Franchisee assigns the Lease to Company or its designee in accordance with the preceding paragraph, the assignee must assume all obligations of Franchisee under the Lease from and after the date of assignment, but will have no obligation to pay any delinquent rent or to cure any other default under the Lease that occurred or existed prior to the date of the assignment.

7. Franchisee may not assign the Lease or sublet the Premises without Company's prior written consent, and Landlord will not consent to an assignment or subletting by Franchisee without first verifying that Company has given its written consent to Franchisee's proposed assignment or subletting.

8. Landlord and Franchisee will not amend or modify the Lease in any manner that could materially affect any of the provisions or requirements of this Lease Rider without Company's prior written consent.

9. The provisions of this Lease Rider will supersede and control any conflicting provisions of the Lease.

10. Landlord acknowledges that Company is not a party to the Lease and will have no liability or responsibility under the Lease unless and until the Lease is assigned to, and assumed by, Company.

IN WITNESS WHEREOF, the parties have executed this Lease Rider on the date signed below:

COMPANY:
RESTING RAINBOW PET MEMORIALS
AND CREMATION FRANCHISE, LLC

By:

Name:

Title:

FRANCHISEE:
[FRANCHISEE]

By:

Name:

Title:

LANDLORD:
[LANDLORD]

By:

Name:

Title:

Effective Date of this Lease Rider:

Premises Address:

ATTACHMENT F

FRANCHISEE QUESTIONNAIRE/COMPLIANCE CERTIFICATION

DO NOT SIGN THIS STATEMENT IF YOU ARE A RESIDENT OF, OR INTEND TO OPERATE THE FRANCHISED BUSINESS IN, ANY OF THE FOLLOWING STATES: CA, HI, IL, IN, MD, MI, MN, NY, ND, RI, SD, VA, WA, WI (EACH A REGULATED STATE).

FOR PROSPECTIVE FRANCHISEES THAT RESIDE IN OR ARE SEEKING TO OPERATE THE FRANCHISED BUSINESS IN ANY REGULATED STATE, SUCH PROSPECTIVE FRANCHISEE IS NOT REQUIRED TO COMPLETE THIS QUESTIONNAIRE OR TO RESPOND TO ANY OF THE QUESTIONS CONTAINED IN THIS QUESTIONNAIRE.

As you know, Resting Rainbow Pet Memorials and Cremation Franchise, LLC ("we", "us"), and you are preparing to enter into a franchise agreement for the right to operate a Resting Rainbow franchise (each, a "Business"). The purpose of this questionnaire is to: (i) determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate, or misleading; (ii) be certain that you have been properly represented in this transaction; and (iii) be certain that you understand the limitations on claims you may make by reason of the purchase and operation of your franchise. **You cannot sign or date this questionnaire the same day as the Receipt for the Franchise Disclosure Document, but you must sign and date it the same day you sign the Franchise Agreement and pay us the appropriate franchisee fee.** Please review each of the following questions carefully and provide honest responses to each question. If you answer "No" to any of the questions below, please explain your answer on the back of this sheet.

Yes/No ____ 1. Have you received and personally reviewed the Franchise Agreement, as well as each exhibit or schedule attached to these agreements that you intend to enter into with us?

Yes/No ____ 2. Have you received and personally reviewed the Franchise Disclosure Document we provided?

Yes/No ____ 3. Did you sign a receipt for the Disclosure Document indicating the date you received it?

Yes/No ____ 4. Do you understand all the information contained in the Disclosure Document and the Franchise Agreement you intend to enter into with us?

Yes/No ____ 5. Have you reviewed the Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor and discussed the benefits and risks of operating the Business(es) with these professional advisor(s)?

Yes/No ____ 6. Do you understand we have only granted you certain, limited territorial rights under the Franchise Agreement, and that we have reserved certain rights under the Franchise Agreement?

Yes/No ____ 7. Do you understand we and our affiliates retain the exclusive unrestricted right to engage, directly or through others, in the providing of services under the System mark or any other mark at any location outside your Territory under the Franchise Agreement, without regard to the proximity of these activities to the premises of your Business(es)?

Yes/No ____ 8. Do you understand all disputes or claims you may have, arising from, or relating to the Franchise Agreement must be mediated and/or arbitrated, at our option, at our then-current headquarters?

Yes/No ____ 9. Do you understand the Franchise Agreement provides that you can only collect compensatory damages on any claim under or relating to the Franchise Agreement and are not entitled to any punitive, consequential, or other special damages?

Yes/No ____ 10. Do you understand the sole entity or person against whom you may bring a claim under the Franchise Agreement is us?

Yes/No ____ 11. Do you understand that the Franchisee (or one of its principals if Franchisee is an organization), as well as any Principal Executive(s) (as defined in the Franchise Agreement), must successfully complete the appropriate initial training program(s) before we will allow the Business to open or consent to a transfer of that Business?

Yes/No ____ 12. Do you understand that we require you to successfully complete certain initial training program(s) and if you do not successfully complete the applicable training program(s) to our satisfaction, we may terminate your Franchise Agreement?

Yes/No ____ 13. Do you understand that we do not have to sell you a franchise or additional franchises or consent to your purchase of existing franchises (other than those that you timely fulfill your development obligations and have contracted to open under the Area Development Agreement, provided you have not materially breached that agreement and failed to timely cure that breach)?

Yes/No ____ 14. Do you understand that we will send written notices, as required by your Franchise Agreement, to either your Business or home address until you designate a different address by sending written notice to us?

Yes/No ____ 15. Do you understand that we will not approve your purchase of a franchise, or we may immediately terminate your Franchise Agreement, if we are prohibited from doing business with you under any anti-terrorism law enacted by the United States Government?

Yes/No ____ 16. Is it true that no broker, employee, or other person speaking on our behalf made any statement or promise regarding the costs involved in operating a Business that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Yes/No ____ 17. Is it true that no broker, employee, or other person speaking on our behalf made any statement or promise regarding the actual, average, or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Business will generate, that is not contained in the Disclosure Document or that is contrary to, or different from, the information contained in the Disclosure Document?

Yes/No ____ 18. Is it true that no broker, employee, or other person speaking on our behalf made any statement or promise or agreement, other than those matters addressed in your Franchise Agreement and/or Development Agreement concerning advertising,

marketing, media support, marketing penetration, training, support service or assistance that is contrary to, or different from, the information contained in the Disclosure Document?

Yes/No ____ 19. Is it true that no broker, employee, or other person providing services to you on our behalf has solicited or accepted any loan, gratuity, bribe, gift or any other payment in money, property, or services from you in connection with a Business purchase with exception of those payments or loans provided in the Disclosure Document?

GIVE A COMPLETE EXPLANATION OF ANY NEGATIVE RESPONSES ON BACK OF THIS PAGE (REFER TO QUESTION NUMBER)

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

FRANCHISEE APPLICANT(S):
(add signature lines as necessary)

Signature:

Name:

Title:

Date:

EXHIBIT F

AREA DEVELOPMENT AGREEMENT
WITH ATTACHMENTS

AREA DEVELOPMENT AGREEMENT

between

RESTING RAINBOW FRANCHISING, LLC

and

_____

DEVELOPER

TABLE OF CONTENTS

Page

1. Grant of Development Rights and Development Area 1
2. Fees 1
3. Development Schedule and Deadlines 2
4. Development Area 2
4.1 Development Area. 2
4.2 No Other Restriction On Us. 2
5. Term 3
6. Termination 3
6.1 Events of Default. 3
6.2 Our Remedies. 3
7. Assignment; Our Right of First Refusal 3
7.1 Rights Personal to You. 3
7.2 Our Right of First Refusal 4
7.3 Our Rights to Assign Unrestricted. 4
8. Incorporation of Other Terms 4
9. Miscellaneous 4

Attachments

A. Franchisee-Specific Terms
B. Personal Guaranty for Owner/Shareholder

RESTING RAINBOW FRANCHISING, LLC

AREA DEVELOPMENT AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into as of the date set forth on Attachment A to this Agreement (the "Effective Date") (Attachment A and all appendices and/or schedules attached to this Agreement are hereby incorporated by this reference) between Resting Rainbow Pet Memorials and Cremation Franchise, LLC, a Florida limited liability company doing business as Resting Rainbow Pet Memorials and Cremations ("Franchisor," "we," "us," or "our") and the person or entity identified in Attachment A as the franchisee ("Franchisee" or "you") with its principal place of business as set forth in Attachment A.

RECITALS

A. We and you have entered into a certain Franchise Agreement dated the same date as this Agreement (the "Initial Franchise Agreement"), in which we have granted you the right to establish and operate one Resting Rainbow franchised business within the protected territory set forth in the Initial Franchise Agreement (a "Business").

B. We desire to grant to you the exclusive right to establish and operate a specified number of Businesses within a specified geographical area in accordance with a development schedule.

C. If you are a corporation, limited liability company, partnership, or other entity (collectively, an "Entity"), all owners of a legal and/or beneficial interest in the Entity (the "Owners") are listed in Attachment A to this Agreement.

D. You desire to establish and operate additional Businesses upon the terms and conditions contained in our then-current standard franchise agreements (a "Franchise Agreement").

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Grant of Development Rights and Development Area

Subject to the terms and conditions of this Agreement, we grant to you the right, and you undertake the obligation, to establish and operate in the area designated in Attachment A to this Agreement (the "Development Area") the number of Businesses specified in the development schedule in Attachment A (the "Development Schedule"). This Agreement does not grant you any right to use the Marks (as defined in your Initial Franchise Agreement) or the System (as defined in your Initial Franchise Agreement). Rights to use the Marks and the System are granted only by the Franchise Agreements.

2. Fees

Upon execution of this Agreement, you must pay us a development fee in the amount specified in Attachment A (the "Development Fee"), which is based on the initial franchise fee you must pay for each Business that you develop (the "Franchise Fee", which is also specified in Attachment A). The Development Fee will be credited towards 100% of the Franchise Fee due under the Franchise Agreement for each Business that you develop pursuant to this Agreement, including the Initial Franchise Agreement. The Development Fee is fully earned by us when we and you sign this Agreement and is non-refundable, even if you do not comply with the Development Schedule.

3. Development Schedule and Deadlines

3.1 Development Schedule. You must enter into Franchise Agreements, and open and operate Businesses in accordance with the deadlines set forth in the Development Schedule. By each "Opening Deadline" specified in the Development Schedule, you must have the specified number of Businesses open and operating. Prior to opening additional Businesses in your Development Area, you must: (i) possess sufficient financial and organizational capacity to develop, open, operate, and manage each additional Business in our reasonable judgment; (ii) be in full compliance with all brand requirements at any existing Businesses you operate; and (iii) be in compliance with any Franchise Agreement or any other agreement entered into with us.

3.2 Damaged Operating Assets. If the location, tools, equipment, and vehicles ("Operating Assets") used in the operation of any Business in your Development Schedule are destroyed or damaged by any cause beyond your control such that they may no longer continue to be utilized for the operation of a particular Business, you must immediately give us notice of such destruction or damage ("Destruction Event"). You must diligently work to repair and restore the Operating Assets as soon as possible to resume operation of your Business. If a Business is closed due to a Destruction Event, the Business will continue to be deemed "in operation" for the purpose of this Agreement for up to 30 days after the Destruction Event occurs. If a Business (i) is closed in a manner other than those described in this Section 3.2 or as otherwise agreed by us in writing or (ii) fails to reopen within 30 days after a Destruction Event, then we may exercise our rights under Section 6.2 (Our Remedies). In the event the Operating Assets are completely destroyed or otherwise incapable of being repaired following a Destruction Event, we will not exercise the remedies set forth under Section 6.2 provided, that (a) within the 30 days after the Destruction Event you have made arrangements with us or our designated supplier to obtain new Operating Assets for use in your Business; and (b) you are open and operating your Business in the protected territory within ninety (90) days of the Destruction Event.

4. Development Area

4.1 Development Area. Except as provided in this Section 4.1, while this Agreement is in effect, provided that you open and operate the Businesses in accordance with the Development Schedule and the minimum number of Businesses that you have open and operating in the Development Area at any given time is not less than the minimum required pursuant to the Development Schedule, we will not operate, or license any person other than you to operate, a Business under the Marks (as defined in your Initial Franchise Agreement) and the System (as defined in your Initial Franchise Agreement) within the Development Area. Each Business you open will be granted a protected territory as set forth in the individual Franchise Agreement for that Business. This Agreement does not give you the right open or operate in any portions of the Development Area until you have signed a new Franchise Agreement which includes that portion of the Development Area as your protected territory.

4.2 No Other Restriction On Us. Except as expressly provided in Section 4.1 or any other agreement between the parties, we and our affiliates retain the right, in our sole discretion, to conduct any business activities, under any name, in any geographic area, and at any location, regardless of the proximity to or effect on your Business. For example, we and our affiliates have the right to:

(a) Establish or license franchises and/or company-owned outlets or other facilities or businesses offering similar or identical products, services, and classes and using the System or elements of the System (i) under the Marks anywhere outside of the Development Area or (ii) under names, symbols, or marks other than the Marks anywhere, including inside and outside of the Development Area;

(b) Sell or offer, or license others to sell or offer, any products or services using the Marks or other marks through any alternative distribution channels, including, without limitation, through e-commerce, in retail stores, via recorded media, via online videos, or via broadcast media, anywhere, including inside and outside of the Development Area;

(c) Advertise, or authorize others to advertise anywhere, using the Marks;

(d) Acquire, be acquired by, or merge with other companies with existing similar businesses, and/or Resting Rainbow Businesses anywhere (including inside or outside of the Development Area) and, even if such businesses are located in the Development Area, (i) convert the other businesses to Resting Rainbow name, (ii) permit the other businesses to continue to operate under another name, and/or (iii) permit the businesses to operate under another name and convert existing Businesses to such other name; and

(e) Engage in any other activity, action or undertaking that we are not expressly prohibited from taking under this Agreement.

5. Term

This Agreement expires at midnight on the last Opening Deadline date listed on the Development Schedule unless this Agreement is terminated sooner as provided in other sections of this Agreement.

6. Termination

6.1 Events of Default. Any one or more of the following constitutes an "Event of Default" under this Agreement:

(a) You fail to have open and operating the minimum number of Businesses specified in the Development Schedule by any Opening Deadline specified in the Development Schedule;

(b) An Event of Default occurs under any Franchise Agreement, resulting in the termination of such Franchise Agreement; or

(c) You breach or otherwise fail to comply fully with any other provision contained in this Agreement.

6.2 Our Remedies. If any Event of Default occurs under Section 6.1, we may, at our sole election: (i) declare this Agreement and any and all other rights granted to you under this Agreement to be immediately terminated and of no further force or effect; (ii) terminate any exclusive or territorial rights that you may have within the Development Area or otherwise under this Agreement; and/or (iii) exercise any other remedy we may have in law or equity as a result of an Event of Default hereunder. Upon termination of this Agreement for any other reason whatsoever, we will retain the Development Fee and you will not be relieved of any of your obligations, debts, or liabilities hereunder, including without limitation any debts, obligations, or liabilities which have accrued prior to such termination. All rights and remedies of the parties hereto shall be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies which are provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement. The rights and remedies of the parties hereto shall be continuing and shall not be exhausted by any one or more uses thereof and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. Notwithstanding anything to the contrary herein, a termination of this Agreement resulting from your failure to open and thereafter operate Businesses in accordance with the Development Schedule will not in itself constitute cause for us to terminate any previously executed Franchise Agreement in effect at the time of such termination.

7. Assignment; Our Right of First Refusal

7.1 Rights Personal to You. This Agreement and the rights granted to you under this Agreement are personal to you and neither this Agreement, nor any of the rights granted to you hereunder nor any controlling equity interest in you may be voluntarily or involuntarily, directly, or indirectly, by operation

of law or otherwise, assigned or otherwise transferred, given away, or encumbered by you without our prior written approval, which we may grant or withhold for any or no reason.

7.2 Our Right of First Refusal.

(a) If you receive, and desire to accept, from a third party a bona fide offer to transfer any of your rights in this Agreement, you shall promptly notify us in writing and send us an executed copy of the contract of transfer. We shall have the right and option, exercisable within thirty (30) days after actual receipt of such notification or of the executed contract of transfer which shall describe the terms of the offer, to send written notice to you that we intend to purchase your interest on the same terms and conditions offered by the third party.

(b) Closing on the purchase must occur within sixty (60) days from the date of notice by us to you of our election to purchase. If we elect not to accept the offer within the thirty (30) day period, you shall have a period not to exceed sixty (60) days to complete the transfer subject to our approval of the third-party transferee of your rights, which may be withheld in our sole discretion. Any material change(s) in the terms of any offer before closing shall constitute a new offer subject to the same rights of first refusal by us as in the case of an initial offer.

(c) Our failure or refusal to exercise the option afforded by this Section 7 shall not constitute a waiver of any other provision of this Agreement.

(d) If the offer from a third-party provides for payment of consideration other than cash or involves certain intangible benefits, we may elect to purchase the interest proposed to be sold for the reasonable cash equivalent, or any publicly traded securities, including its own, or intangible benefits similar to those being offered. If the parties cannot agree within a reasonable time on the reasonable cash equivalent of the non-cash part of the offer, then such amount shall be determined by an independent appraiser designated by us, and such appraiser's determination shall be binding.

7.3 Our Rights to Assign Unrestricted. We may assign this Agreement or any ownership interests in us without restriction.

8. Incorporation of Other Terms

All Articles of the Initial Franchise Agreement are incorporated by reference in this Agreement and will govern all aspects of our relationship and the construction of this Agreement as if fully restated within the text of this Agreement.

9. Miscellaneous

Capitalized terms used and not otherwise defined in this Agreement shall have the meanings set forth in the Initial Franchise Agreement. This Agreement, together with the Initial Franchise Agreement, supersedes all prior agreements and understandings, oral and written, among the parties relating to its subject matter, and there are no oral or other written understandings, representations, or agreements among the parties relating to the subject matter of this Agreement. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require you to waive reliance on any representations that we made in the most recent Franchise Disclosure Document that we delivered to you or your representatives. This Agreement shall not be binding on either party until it is executed by both parties. This Agreement may be signed in multiple counterparts, but all such counterparts together shall be considered one and the same instrument. The provisions of this Agreement may be amended or modified only by written agreement signed by the party to be bound.

[Signature page follows]

Signature Page to the Area Development Agreement

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement under seal as of the Effective Date.

FRANCHISEE:

[FRANCHISEE]

Signature:

Name:

Title:

FRANCHISOR:

RESTING RAINBOW PET MEMORIALS
AND CREMATION FRANCHISE, LLC

Signature:

Name:

Title:

EFFECTIVE DATE:

ATTACHMENT A

DEVELOPER SPECIFIC TERMS

Effective Date:

Development Fee:

Franchisee Developer Name:

Ownership of Franchisee Developer:

Owner Name	Ownership Percentage
	%
	%
	%

Franchisee Developer Address:

Franchisee Developer Phone:

Franchisee Developer Email:

Principal Executive:

Designated Representative:

Development Area:
[Attach map or list of distinguishing territory features such as list of zip codes]

Development Schedule: You agree to establish and operate a total of _____ Franchised Businesses within the Development Area during the term of this Agreement. The Franchised Businesses must be open and operating in accordance with the following Development Schedule:

Franchised Businesses Agreed to Open	Date By Which Franchised Business Must Be Open and Operating
1	
2	
3	
4	
5	

Other Terms:

DEVELOPER:

[FRANCHISEE]

Signature:

Name:

Title:

FRANCHISOR:

RESTING RAINBOW PET MEMORIALS
AND CREMATION FRANCHISE, LLC

Signature:

Name:

Title:

ATTACHMENT B

PERSONAL GUARANTY OF OWNER/SHAREHOLDER

This Personal Guaranty and Assumption of Obligations (this "Guaranty") is given by the undersigned individuals identified as the owners of Franchisee Developer in Attachment A.

In consideration of, and as an inducement to, the execution of that certain area development agreement of even date herewith ("Development Agreement") by the parties listed as Franchisor and Developer in the Development Agreement, the undersigned hereby personally and unconditionally, jointly and severally: guaranties to Franchisor and its successors and assigns, for the Term of the Development Agreement and, including any renewal thereof, as provided in the Development Agreement, that Franchisee shall punctually pay and perform each and every undertaking, agreement and covenant stated in the Development Agreement and any documents, agreements, and instruments signed with or in connection with the Development Agreement (collectively, the "Franchise Documents"); and (2) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Franchise Documents applicable to the owners of Franchisee.

The undersigned waives:

- acceptance and notice of acceptance by Franchisor of the foregoing undertakings;
- notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;
- protest and notice of default to any party with respect to the indebtedness of non-performance of any obligations hereby guaranteed;
- any right the undersigned may have to require that an action be brought against Franchisee or any other person as a condition of liability; and
- any and all other notices and legal or equitable defenses to which the undersigned may be entitled.

The undersigned consents and agrees that:

- the undersigned's direct and immediate liability under this Guaranty shall be joint and several with all signatories to this and similar guaranties of Developer's obligations;
- the undersigned shall render any payment or performance required under the Development Agreement upon demand if Developer fails or refuses punctually to do so;
- this Guaranty shall apply to any claims Franchisor may have due to return of any payments or property Franchisor may have received from Developer as a preference, fraudulent transfer or conveyance or the like in any legal proceeding;
- such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Developer or any other person; and
- such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Developer or any other person, including without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which in any way modify or amend this Guaranty,

which shall be continuing and irrevocable during and after the terms of the Franchise Documents, as the same may be amended or renewed, until Franchisee's duties and obligations to Franchisor are fully discharged and satisfied.

All capitalized terms when used shall have the meanings ascribed to them in the Development Agreement.

This Guaranty shall be governed, construed, and interpreted in accordance with the substantive laws of the state where Franchisor has its principal place of business at the time a dispute arises, without giving effect to its conflicts of law principles.

IN WITNESS WHEREOF, each of the undersigned has affixed his signature as dated below.

GUARANTOR(S):
(add signature lines as necessary)

Signature:

Name:

Date:

EXHIBIT G

FORM OF GENERAL RELEASE

GENERAL RELEASE OF CLAIMS

[*This is our current standard form of General Release. This document is not signed when you purchase a franchise. In circumstances such as a renewal of your franchise or as a condition of our approval of a sale of your franchise, we may require you to sign a general release.*]

This General Release of Claims ("Release") is made as of the date signed below, by the individual or entity listed below as franchisee ("Franchisee"), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, "Releasor") in favor of Resting Rainbow Pet Memorials and Cremation Franchise, LLC ("Franchisor," and together with Releasor, the "Parties").

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement ("Agreement") pursuant to which Franchisee was granted the right to own and operate a Resting Rainbow business;

WHEREAS, [Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee/enter into a successor franchise agreement/amend the Agreement] OR [the Agreement is being terminated/or indicate other reason for the requirement of this waiver and release], and Franchisor has consented to such; and

WHEREAS, as a condition to Franchisor's consent, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. Each individual executing this Release on behalf of Franchisee represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "Released Parties"), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party in connection with a third party claim.

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

4. Confidentiality. Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Agreement to any third party without Franchisor's express

written consent, except as required by law.

5. Miscellaneous.

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the state where the Franchised Business is located.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

[Signature Page follows]

Signature Page to General Release Form

IN WITNESS WHEREOF, Releasor has executed this Release as of the date signed below.

FRANCHISEE:

[FRANCHISEE]

By:

Name:

Title:

Date:

FRANCHISEE'S OWNERS:
(add more lines signature lines as necessary)

Signature:

Name:

Date:

Signature:

Name:

Date:

EXHIBIT H

FORM OF NONDISCLOSURE AND NONCOMPETE AGREEMENT

[THIS EXHIBIT IS FOR REFERENCE PURPOSES ONLY AS A SAMPLE FORM CONFIDENTIALITY AGREEMENT THAT FRANCHISOR MAY APPROVE FOR USE BY FRANCHISEE – BEFORE USING WITH AN EMPLOYEE OR CONTRACTOR FRANCHISEE SHOULD HAVE THIS AGREEMENT REVIEWED AND APPROVED BY AN INDEPENDENT LOCAL ATTORNEY HIRED BY FRANCHISEE.]

RESTING RAINBOW PET MEMORIALS AND CREMATIONS

CONFIDENTIALITY AND RESTRICTIVE COVENANT AGREEMENT

[Sample ONLY]

This Agreement (the "Agreement") is entered into by the undersigned ("you") in favor of:

[On the Line Below, Insert Name of Franchisee that Owns and Operates the Resting Rainbow Franchised Business]

_____ (hereinafter referred to as "us", "our" or "we")

Recitals and Representations

WHEREAS, we are the owners of a licensed Resting Rainbow Business (hereinafter referred to as the "Resting Rainbow Business") that we independently own and operate as a franchisee;

WHEREAS, you are or are about to be an employee, independent contractor, officer and/or director of a Resting Rainbow Business that is independently owned and operated by us;

WHEREAS, in the course of your employment, independent contractor relationship and/or association with us, you may gain access to Confidential Information (defined below in this Agreement) and you understand that it is necessary to protect the Confidential Information and for the Confidential Information to remain confidential;

WHEREAS, our franchisor, Resting Rainbow Pet Memorials and Cremation Franchise, LLC is not a party to this agreement and does not own or manage the Resting Rainbow Business but is an intended third-party beneficiary of this Agreement; and

WHEREAS, this Agreement is not an employment agreement and is only a confidentiality agreement in connection with information, materials and access that may be provided to you in connection with the Resting Rainbow Business.

NOW THEREFORE, you acknowledge and agree as follows:

1. Recitals and Representations. You agree that the foregoing Recitals and Representations are true and accurate and shall constitute a part of this Agreement and are hereby incorporated into the main body of this Agreement.

2. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Business Management System" refers to and means the software and/or internet or cloud-based system and/or systems, point of sale system or systems and customer relationship management system or systems as used in connection with the operations of the Resting Rainbow Business.

"Business Management System Data" refers to and means the forms, data, tools, customer information, inventory and sales information, and other information that is entered into and/or maintained on the Business Management System of the Resting Rainbow Business.

"Confidential Information" refers to and means: (a) non-public methods, specifications, standards, policies, procedures, information, concepts, programs and systems relating to the development, establishment, marketing, promotion and operation of the Resting Rainbow; (b) information concerning customers, customer lists, email lists, database lists, product sales, operating results, financial performance and other financial data of the Resting Rainbow; (c) customer lists and information related to the Resting Rainbow

Business; (d) Business Management System Data; I current and future information contained in the Resting Rainbow Operations Manual made available to the Resting Rainbow Business by Resting Rainbow Franchising, LLC; and (e) production and service procedures that are not disclosed to the public but used by the Resting Rainbow Business.

"*Digital Media*" refers to and means any interactive or static electronic document, application or media including, but not limited to, www.restingrainbow.com, social media platforms and applications such as Facebook, LinkedIn, Twitter, Pinterest, Instagram, Snapchat, YouTube, and world wide web and internet based directories and local directories that refers, references, identifies, reviews, promotes and/or relates, in any way, to the Resting Rainbow or other Resting Rainbow Businesses.

"Licensed Marks" refers to and means the word marks, trademarks, service marks, and logos now or hereafter utilized in the operation of a Resting Rainbow, including, but not limited to, the "Resting Rainbow" word mark, associated logos, and any other trademarks, service marks or trade names that we designate for use in a Resting Rainbow Business.

"Operations Manual" refers to and means the confidential operations manual made available to the Resting Rainbow Business by our franchisor or as otherwise designated by us. The Operations Manual may consist of one of more volumes, handbooks, manuals, written materials, video, electronic media files, cloud/internet-based list-service, intra-net, internet based and accessed databases, computer media, webinars and other materials as may be modified, added to, replaced, or supplemented.

"Trade Dress" refers to and means the Resting Rainbow designs, images, marketing materials, packaging, branding and/or branding images used in connection with the operation of the Resting Rainbow Business.

3. Your Access to Confidential Information. In addition to the representations and acknowledgments contained in the Recitals and Representations, above, you acknowledge and represent that in your capacity as an employee, independent contractor, officer and/or director of the Resting Rainbow that you will be gaining access to, among other things, the Confidential Information. You acknowledge that the terms of this Agreement are fair and reasonable.

4. Protection of the Confidential Information. You agree that: (i) you will not use the Confidential Information in any business or capacity other than the Resting Rainbow Business; (ii) you will maintain the confidentiality of the Confidential Information at all times; (iii) you will not make unauthorized copies of documents containing the Confidential Information; (iv) you will take such reasonable steps as the we may ask of you from time to time to prevent unauthorized use or disclosure of the Confidential Information; and (v) you will stop using the Confidential Information immediately at our request or demand. You will not use the Confidential Information for any purpose other than for the performance of your duties on behalf of us and in accordance with the scope of your work with us.

5. Reasonableness of Covenants and Restrictions. You agree that: (i) the terms of this Agreement are reasonable and fair and that you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **You hereby waive any right to challenge the terms of this Agreement as being overly broad, unreasonable, or otherwise unenforceable.**

6. Breach. You agree that failure to comply with the terms of this Agreement will cause irreparable harm to us and to our franchisor, Resting Rainbow Pet Memorials and Cremation Franchise, LLC, and other Resting Rainbow franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of these covenants will entitle us or our franchisor, Resting Rainbow Pet Memorials and Cremation Franchise, LLC, to injunctive relief. You agree that we and/or our franchisor, Resting Rainbow Pet Memorials and Cremation Franchise, LLC, may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such

injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, you agree that the amount of the bond shall not exceed one thousand dollars ($1,000.00). None of the remedies available to us under this Article are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages.

7. Miscellaneous.

(a) If we hire an attorney or files suit against you because you have breached this Agreement and if we prevail in such lawsuit, you agree to pay the reasonable attorney fees and costs that we incur.

(b) Each section of this Agreement, including each subsection and portion thereof, is severable. In the event that any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration, and geographic area.

YOU ACKNOWLEDGE THAT THIS IS NOT AN EMPLOYMENT AGREEMENT.

YOU ACKNOWLEDGE AND AGREE THAT OUR FRANCHISOR, RESTING RAINBOW FRANCHISING, LLC, IS NOT A PARTY TO THIS AGREEMENT BUT IS AN INTENDED THIRD-PARTY BENEFICIARY OF THIS AGREEMENT.

IN WITNESS WHEREOF, each of the undersigned has executed this Agreement as of the date or dates set forth below.

RESTRICTED PARTY

Signature:

Name:

Date:

EXHIBIT I

STATE SPECIFIC ADDENDA

The following modifications are made to this Disclosure Document given to you and may supersede, to the extent then-required by valid applicable state law, certain portions of the Franchise Agreement between you and us dated as of the Effective Date set forth in your Franchise Agreement. When the term "Franchisor's Choice of Law State" is used, it means the laws of the state of Florida, subject to any modifications as set forth in the addenda below. When the term "Supplemental Agreements" is used, it means Area Development Agreement.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement and other documents related to the sale of a franchise. These State Specific Addenda ("Addenda") modify the agreements to comply with the state's laws. The terms of these Addenda will only apply if you meet the requirements of the applicable state, independent of your signing the appropriate Addenda. The terms of the Addenda will override any inconsistent provision in the FDD, Franchise Agreement, or any Supplemental Documents. These Addenda are only applicable to the following states: California, Hawaii, Illinois, Iowa, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Ohio, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign the signature page to the Addenda along with the Franchise Agreement and any Supplemental Agreements.

CALIFORNIA

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document, Franchise Agreement, and Area Development Agreement the following provisions shall supersede and apply to all franchises offered and sold in the State of California:

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENTS OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT dfpi.ca.gov.

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

ITEM 3 – LITIGATION

Neither the Franchisor, nor any person identified in Item 2 of the Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 79a et seq., suspending or expelling such persons from membership in such association or exchange.

ITEM 5 – INITIAL FEES

The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

ITEM 17 – RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

2. The Franchise Agreement provides for termination upon bankruptcy, this provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq).

3. The Franchise Agreement and the Development Agreement contain provisions requiring application of the laws of Florida. This provision may not be enforceable under California law.

4. The Franchise Agreement and the Development Agreement require venue to be limited to Florida. This provision may not be enforceable under California law.

5. The Franchise Agreement contains a covenant not to compete which extends beyond the termination or non-renewal of the franchise. This provision may not be enforceable under California law.

6. THE FRANCHISE AGREEMENT MAY REQUIRE THE FRANCHISEE TO EXECUTE A GENERAL RELEASE OF CLAIMS UPON EXECUTION OF THE FRANCHISE AGREEMENT.

CALIFORNIA CORPORATIONS CODE SECTION 31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CORPORATIONS CODE SECTIONS 31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE SECTION 20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE SECTIONS 20000 THROUGH 20043).

7. California Corporations Code, Section 31125 requires us to give you a disclosure document, approved by the Department of Corporations before we ask you to consider a material modification of your Franchise Agreement or the Development Agreement.

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

9. The Franchise Agreement and any Area Development Agreement require binding arbitration. The arbitration will occur in Florida. If we are the substantially prevailing party, we will be entitled to recover reasonable attorneys' fees and litigations costs and expenses in connection with the arbitration. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5 Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

HAWAII

The following paragraphs are added in the state cover pages:

THESE FRANCHISES WILL HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE COMMISSIONER OF SECURITIES, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, AND THIS ADDENDUM, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS ADDENDUM AND THE DISCLOSURE DOCUMENT CONTAIN A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND FRANCHISEE.

The name and address of the Franchisor's agent in this state authorized to receive service of process is: Commissioner of Securities, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., the Franchise Disclosure Document for Florida in connection with the offer and sale of franchises for use in the State of Hawaii shall be amended to include the following:

> This proposed registration is effective/exempt from registration or will shortly be on file in California, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia, Washington, and Wisconsin. No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises. The proposed registration of these franchises has not been involuntarily withdrawn in any state.

Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E, et seq., are met independently without reference to this Addendum to the disclosure document.

ILLINOIS

The following provisions will supersede anything to the contrary in the Franchise Disclosure Document, Franchise Agreement or Area Development Agreement and will apply to all franchises offered and sold under the laws of the State of Illinois.

Based upon the franchisor's financial condition, the Illinois Attorney Generals Office has required financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

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.

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 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.

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

INDIANA

Notwithstanding anything to the contrary set forth in the Franchise Agreement or Area Development Agreement, the following provisions shall supersede and apply to all franchises offered and sold in the State of Indiana:

1. The Franchise Agreement and Area Development Agreement will be governed by Indiana law. Venue for litigation will not be limited to a venue outside of the State of Indiana, as specified in the Franchise Agreement and Area Development Agreement.

2. The prohibition by Indiana Code 23-2-2.7-1 (7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as a material breach of the Franchise Agreement, shall supersede any conflicting provisions of the Franchise Agreement and the Area Development Agreement in the State of Indiana to the extent they may be inconsistent with such prohibition.

3. No release language set forth in the Franchise Agreement or Area Development Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana.

4. The post-termination non-competition covenants set forth in the Franchise Agreement and Area Development Agreement shall be limited in time to a maximum of three (3) years and in geographic scope to the designated territory granted by the Agreement.

5. Nothing in the Franchise Agreement or Area Development Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana, and the laws of the State of Indiana supersede any conflicting choice of law provisions set forth herein if such provision is in conflict with Indiana law.

6. You will not be required to indemnify us and the other Indemnities for any liability caused by your proper reliance on or use of procedures or materials provided by us or caused by our negligence.

7. If we receive any payments related to purchases from you that we do not pass on in full to the supplier, we will promptly account for the amount of the payment that we retained and we will transmit the retained amount to you.

IOWA

Any provision in the Franchise Agreement or Compliance Questionnaire which would require you to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Franchise Agreement:

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Resting Rainbow Pet Memorials and Cremation Franchise, LLC, 13700 NW 19th Ave., Suite 11 Opa Locka, FL 33054 not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

FRANCHISEE

Signed:

Name:

Date:

MARYLAND

The following provisions will supersede anything to the contrary in the Franchise Disclosure Document, Franchise Agreement or Area Development Agreement and will apply to all franchises offered and sold under the laws of the State of Maryland:

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

Item 17 - RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

1. No release language in the Franchise Agreement or Area Development Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Maryland. Any general release required as a condition of renewal, sale and/or assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. A franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Laws must be brought within three years after the grant of the franchise.

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

ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT PURSUANT TO THE MICHIGAN FRANCHISE INVESTMENT LAW

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 on the right of a franchisee to join an association of franchisees.

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

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

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

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.[1]

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

(i) the failure of the proposed franchisee to meet the franchisor's then-current reasonable qualifications or standards;

(ii) the fact that the proposed transferee is a competitor of the franchisor or subfranchisor;

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

[1]NOTE: Notwithstanding paragraph (f) above, we intend to fully enforce the provisions of the arbitration section of our agreements. We believe that paragraph (f) is preempted by the Federal Arbitration Act and that paragraph (f) is therefore unconstitutional.

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

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

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless 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.

*****

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor must, at the request of the franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

*****

The name and address of the franchisor's agent in this state authorized to receive service of process is: Michigan Department of Commerce, Corporation and Securities Bureau, 6546 Mercantile Way, P.O. Box 30222, Lansing, MI 48910.

Any questions regarding this notice should be directed to:

Department of the Attorney General's Office
Corporate Oversight Division
Attn: Franchise
670 G. Mennen Williams Building
Lansing, MI 48913

MINNESOTA

Notwithstanding anything to the contrary set forth in the Disclosure Document, the Franchise Agreement, or the Area Development Agreement, the following provisions will supersede and apply:

1. We will protect your right to use the trademarks, service marks, trade names, logotypes, or other commercial symbols and/or indemnify you from any loss, costs or expenses arising out of any claim, suit, or demand regarding the use of the same.

2. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit the Franchisor 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. In addition, nothing in the disclosure document or agreement(s) 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.

3. No release language set forth in the Franchise Agreement or Area Development Agreement will relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Minnesota.

4. Minnesota law provides franchisees with certain termination and non-renewal rights. Minnesota Statutes, Section 80C.14, subdivisions 3, 4, and 5 require, except in certain specified 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 or Area Development Agreement.

5. Under the terms of the Franchise Agreement and Area Development Agreement, as modified by the Minnesota Addendum to the Franchise Agreement, you agree that if you engage in any non-compliance with the terms of the Franchise Agreement or unauthorized or improper use of the System Marks, or Proprietary Materials during or after the period of the Agreements, we will be entitled to seek both temporary and permanent injunctive relief against you from any court of competent jurisdiction, in addition to all other remedies which we may have at law, and you consent to the seeking of these temporary and permanent injunctions.

NEW YORK

NOTICE TO PROSPECTIVE FRANCHISEES IN THE STATE OF 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 B 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 THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. 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 franchisor's principal trademark:

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

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

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

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

3. The following is added to the end of the "Summary" section 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 Section 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

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

5. The following is added to the end of the "Summary" section 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.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise. 7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA

In North Dakota, the Disclosure Document is amended as follows to conform to North Dakota law:

Item 5 "Initial Fees," is supplemented by the addition of the following:

> Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If franchisor elects to cancel this Franchise Agreement, franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.

Item 6 "Other Fees," is supplemented by the addition of the following:

> No consent to termination or liquidated damages shall be required from franchisees in the State of North Dakota.

Item 17 "Renewal, Termination, Transfer and Dispute Resolution," is supplemented by the addition of the following:

> Any provision requiring a franchisee to sign a general release upon renewal of the franchise agreement has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
>
> Any provision requiring a franchisee to consent to termination or liquidation damages has been determined to be unfair, unjust, and inequitable within the intent of 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 this statute, are unfair, unjust, and inequitable. Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.
>
> Any provision in the Franchise Agreement requiring a franchisee to agree to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The site of arbitration or mediation must be agreeable to all parties and may not be remote from the franchisee's place of business.
>
> Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.
>
> Apart from civil liability as set forth in Section 51-19-12 of the N.D.C.C., which is limited to violations of the North Dakota Franchise Investment Law (registration and fraud), the liability of the franchisor to a franchisee is based largely on contract law. Despite the fact that those provisions are not contained in the franchise investment law, those provisions contain substantive rights intended to be afforded to North Dakota residents and it is unfair to franchise investors to require them to waive their rights under North Dakota Law.
>
> Any provision in the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota are unfair, unjust, or

inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Any provision in the Franchise Agreement which requires a franchisee to waive his or her right to a jury trial has been determined to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

OHIO

The following language will be added to the front page of the Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Initials: _____ Date: _____

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Resting Rainbow Pet Memorials and Cremation Franchise, LLC, 13700 NW 19th Ave., Suite 11 Opa Locka, FL 33054 not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

FRANCHISEE

Signed:

Name:

Date:

RHODE ISLAND

Notwithstanding anything to the contrary set forth in the Franchise Disclosure Document, the following provisions shall supersede and apply to all franchises offered and sold in the State of Rhode Island.

ITEM 17 - RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

Any general release as a condition of renewal, termination or transfer will be void with respect to claims under the Rhode Island Franchise Investment Act.

VIRGINIA

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

Additional Disclosure: The following statements are added to Item 17:

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 do not constitute "reasonable cause" as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

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

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

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

SIGNATURE PAGE FOR APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement, and any Supplemental Agreements entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement, or Supplemental Agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

☐ California	☐ Michigan	☐ Rhode Island
☐ Hawaii	☐ Minnesota	☐ South Dakota
☐ Illinois	☐ New York	☐ Virginia
☐ Iowa	☐ North Dakota	☐ Washington
☐ Indiana	☐ Ohio	☐ Wisconsin
☐ Maryland		

Date:_____

FRANCHISOR:
RESTING RAINBOW PET MEMORIALS AND CREMATION FRANCHISE, LLC

Name:

Title:

FRANCHISEE:

FRANCHISEE

Name:

Title:

EXHIBIT J

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 document is effective and may be used in the following states, where the document is filed or registered as of the Effective Date stated below:

State	Effective Date
California	Application Pending
Hawaii	Not Registered
Illinois	Application Pending
Indiana	October 26, 2023
Maryland	Not Registered
Michigan	October 23, 2023
Minnesota	Application Pending
New York	Application Pending
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Application Pending
Washington	Not Registered
Wisconsin	October 26, 2023

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

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

If Resting Rainbow Pet Memorials and Cremation Franchise, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the Franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Resting Rainbow Pet Memorials and Cremation Franchise, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and any applicable state agency.

This franchise is being offered by the following seller(s) at the principal business address and phone number listed below (check all that have been involved in the sales process):

Joe Moncaleano at 13700 NW 19th Ave., Suite 11, Opa Locka, FL 33054, 786-673-7297

Franchise Brokers, Consultants, or Franchise Development Company Representatives (if any):

Name:
Address:
Phone:

Issuance Date: June 9, 2023, as amended January 7, 2024

I received a Disclosure Document that included the following Exhibits:

A. Financial Statements
B. List of State Administrators and Agents for Service of Process
C. List of Current and Former Franchisees
D. Operations Manual Table of Contents
E. Franchise Agreement with Attachments
F. Development Agreement with Attachments
G. Form of General Release
H. Form of Confidentiality and Noncompete Agreement
I. State Specific Addenda
J. State Effective Dates
Receipts

Signature:

Print Name:

Date Received:

PLEASE SIGN AND KEEP THIS COPY FOR YOUR RECORDS.

RECEIPT

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

If Resting Rainbow Pet Memorials and Cremation Franchise, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the Franchisor or an affiliate in connection with the proposed franchise sale. New York requires that you be given this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of any franchise or other agreement, or payment of any consideration that relates to the franchise relationship.

If Resting Rainbow Pet Memorials and Cremation Franchise, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580, and any applicable state agency.

This franchise is being offered by the following seller(s) at the principal business address and phone number listed below (check all that have been involved in the sales process):

Joe Moncaleano at 13700 NW 19th Ave., Suite 11, Opa Locka, FL 33054, 786-673-7297

Franchise Brokers, Consultants, or Franchise Development Company Representatives (if any):

Name:
Address:
Phone:

Issuance Date: June 9, 2023, as amended January 7,2024

I received a Disclosure Document that included the following Exhibits:

A. Financial Statements
B. List of State Administrators and Agents for Service of Process
C. List of Current and Former Franchisees
D. Operations Manual Table of Contents
E. Franchise Agreement with Attachments
F. Development Agreement with Attachments
G. Form of General Release
H. Form of Confidentiality and Noncompete Agreement
I. State Specific Addenda
J. State Effective Dates
Receipts

Signature:

Print Name:

Date Received:

RETURN THIS COPY TO US: Resting Rainbow Pet Memorials and Cremation Franchise, LLC
c/o Joe Moncaleano
13700 NW 19th Ave., Suite 11 Opa Locka, FL 33054