

FRANCHISE DISCLOSURE DOCUMENT



Slime Kitchen Franchise, Inc.
a California Corporation
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Redwood City, CA 94062
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The franchises described in this disclosure document are for the development and operation of **SLIME KITCHEN™** Outlets which offer for sale custom premade slime, supplies and accessories and offer classes, workshops and parties where customers create custom slime.

The total investment necessary to begin operation of each franchised Outlet is \$105,500 to \$169,500. This includes \$41,200 that must be paid to the franchisor for the Initial Franchise Fee and initial inventory.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact Christopher Ando, at the above address and telephone number.

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 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: May 29, 2025

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find out 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.
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 E 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 SLIME KITCHEN 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 SLIME KITCHEN franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About This Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in the state in which our principal place of business is located (currently San Mateo, California). Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in the state in which our principal place of business is located (San Mateo, California) than your own state.
2. **Personal Liability.** Franchisees must sign a personal guarantee, making you and your spouse individually liability for your financial obligations under the agreement if you are married. The guarantee will place your and your spouse's marital and personal assets at risk, perhaps including your house, if your franchise fails.
3. **Mandatory Minimum Payments.** You must make minimum royalty and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

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EXHIBITS

- A. Franchise Agreement
- B. Confidentiality, Non-Disclosure and Non-Competition Agreement
- C. State Addenda
- D. Statement of Franchisee
- E. Financial Statements
- F. State Franchise Administrators and Agents for Service of Process
- G. Form of General Release
- H. List of Current and Former Franchisees
- I. Receipt

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, “**we**,” “**us**” and “**our**” refers to Slime Kitchen Franchise, Inc., the franchisor. “**You**” means the person or entity that buys the franchise. If the franchisee is a corporation, partnership, or other entity, “**you**” also may mean its owners.

The Franchisor, its Affiliates, Parents and Predecessors

We are a California corporation that was formed on August 2, 2022, to franchise and administer businesses using the trademark SLIME KITCHEN and other trademarks (“**Outlets**”). Our principal place of business is 50 Black Fox Way, Redwood City, CA 94062. We do not engage in any other business activities and have not offered franchises in any other line of business. We have offered SLIME KITCHEN franchises since March 15, 2024. Our agents for service of process are listed in **Exhibit F**.

We do not have a parent or predecessor company. We are commonly owned with Sime Kitchen, LLC, a California limited liability company (“**Company**”). Their principal business address is 50 Black Fox Way, Redwood City, CA 94062. Company has not offered franchises in and do not conduct any business activities other than in connection with Outlets. We do not operate any Outlets, but Company owns three (3) Outlets in Northern California and an Outlet in Oregon (“**Company Outlets**”) which are similar to the franchise being offered to You. The Company Outlets are located in the cities of San Jose, San Mateo, Daly City, and Portland. The first Company Outlet opened in March 2022. Company does not engage in any other business activities other than in connection with Slime Kitchen Outlets.

Description of the Franchise

If you are approved to purchase a franchise, we will grant you the right to operate one Outlet according to formats, systems, standards and procedures we develop for use in connection with the Marks (the “**System**”).

We identify the System by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including, but not limited to, the mark “Slime Kitchen”, distinctive trade dress, and such other trade names, trademarks, and service marks as we now designate or may in the future designate in writing for use in connection with the System (“**Marks**”). We and our affiliate continue to develop, use, and control the use of the Marks in order to identify for the public the source of services and products marketed under the System, and to represent the System’s high standards of quality, appearance and service. You must operate your Slime Kitchen Outlet in accordance with the System including our methods, standards, protocols and specifications which we prescribe in our confidential operating manual and various other confidential manuals and materials prepared for use by franchisees (collectively, “**Operations Manual**”). The Operations Manual covers aspects of Slime Kitchen Outlet operations including customer service standards, conditions of participation, licensure requirements, and staffing and scheduling standards. We reserve the right to modify the Operations Manual from time to time.

Additional Slime Kitchen Outlets

If you are an existing franchisee and you are in compliance with the Franchise Agreement, you may apply for the right to establish and operate additional Slime Kitchen Outlets. Your application must include documentation we request, which may include proof of adequate capitalization and a summary of your organizational structure. We may grant you an additional franchise if we determine that you meet all of our then-current conditions for new franchisees, there is an available opportunity for a Slime Kitchen Outlet in an area outside of your Designated Territory, and such area is within our strategic growth plan. There is no guarantee that your application will be granted, even if all then-current conditions have been met. We have sold additional franchises to many franchisees; however, we evaluate each request on an individual basis. Each additional Slime Kitchen Outlet will be operated under a separate Franchise Agreement on our then-current form, which may contain materially different terms from the Franchise Agreement included with this disclosure document.

The Market & Competition

Slime Kitchen Outlets will target its services and goods to the general public, but primarily to parents with children between the ages of five to fifteen, elementary schools, recreational facilities, summer camps and other non-educational institutions involving children. The market for our products and services is not seasonal but does have peak periods and may be affected by economic conditions. The market for the goods and services offered by Slime Kitchen Outlets is developed and competitive. Slime Kitchen Outlets compete with other businesses including franchised operations, national chains, and independently owned companies offering similar products, classes, camps and birthday parties. Before signing a franchise agreement, you are encouraged to research your local market to determine the number of competitors, the numbers and types of facilities and children they are likely servicing, and the perceived quality of their programs and materials.

Industry Regulation

Slime Kitchen Outlets are subject to all of the laws, statutes, codes, ordinances, and regulations normally applicable to service businesses. Due to the extensive contact that Slime Kitchen employees have with children, you must conduct criminal records checks and/or fingerprinting on all employees as prescribed and permitted by applicable law. Other than these requirements we do not believe that the Slime Kitchen Outlets are subject to any industry-specific laws and regulations beyond those affecting businesses generally. You must comply with all local, state, and federal laws and regulations that apply to any business. It is your sole responsibility to investigate these laws, and we recommend that you do so before you sign a Franchise Agreement with us. Most state and local jurisdictions have enacted laws, rules, regulations, and ordinances that may apply to the operation of your Slime Kitchen Outlet, including those that: (a) require a permit, certificate, or other license; (b) establish general standards, specifications, and requirements for the construction, design, and maintenance of the business site and premises; and (c) set standards pertaining to employee health and safety. Studios must comply with all applicable laws that apply to businesses generally, such as equal protection, workers' compensation and workplace safety laws and regulation such as Title VII and the Americans with Disabilities Act.

ITEM 2

BUSINESS EXPERIENCE

The business experience of our officers, directors and key management for the last five years is as follows:

Co-Founder and Chief Executive Officer: Katherine Ando

Katherine Ando has been our Chief Executive since we were formed in August 2022. She has been the CEO of Company since its formation in October 2021. Ms. Ando is our founder and along with her husband, Christopher Ando started the Slime Kitchen business in November 2021.

Currently, Ms. Ando is Vice President of Marketing for Level Home, Inc. in Redwood City, CA. Previously, Ms. Ando was the Vice President of Direct to Consumer and Marketing for Zwift, Inc. in Long Beach, CA from July 2022 to March 2023, the Head of Direct to Consumer and Marketing for Title, Inc. in San Mateo, CA from February 2020 to July 2022, Senior Director Direct to Consumer and Marketing for Pax Labs in San Francisco, CA from October 2019 to February 2020, and Senior Director of Direct to Consumer for GoPro in San Mateo, CA from October 2016 to October 2019.

Co-Founder, Chief Financial Officer and Secretary: Christopher Ando

Christopher Ando has been our Chief Financial Officer and Secretary since we were formed in August 2022. He has been the CFO and COO of Company since its formation in October 2021. Mr. Ando is our founder and along with his wife, Katherine Ando started the Slime Kitchen business in November 2021. Currently, he manages the Company Outlets located in San Mateo, San Jose and San Francisco, CA.

Previously, Mr. Ando was the Outpatient Pharmacy Operations Manager for Kaiser Permanente in San Rafael, CA from October 2018 to January 2020 and the Ambulatory Pharmacy Supervisor for Santa Clara Valley Medical Center from May 2006 to October 2018. Mr. Ando has a PharmD degree from the University of Pacific and has extensive background in managing operations for large scale pharmacies.

Director of Training: Lidia Bacal

Lidia Bacal has been our Director of Training since March 2024. She has been the General Manager of Company's San Jose location since January 2022. Previously, Ms. Bacal was a Marketing Specialist for Ebay, Inc. in San Jose, CA from November 2017 to December 2021 and a Marketing Manager Consultant for Alliances Management in San Jose, CA from April 2017 to November 2017.

ITEM 3 LITIGATION

No litigation information 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

The initial franchise fee for each new franchise Outlet is \$35,000 (“**Initial Franchise Fee**”). You must pay us the Initial Franchise Fee upon signing the Franchise Agreement. The Initial Franchise Fee is paid in a lump sum and is fully earned upon receipt by us and is non-refundable under any circumstances.

The Initial Franchise Fee is imposed uniformly on all Franchisees except for the discounts listed below.

We offer a 20% discount to veterans of the United States Armed Forces. The veteran discount is only available for franchisees when they enter into their first Franchise Agreement with us.

You must purchase from us an initial order of items bearing Our trademarks. The estimated cost ranges from \$3,000 to \$5,000 depending on the size of your Outlet and does not include shipping.

Currently, you must use Jazz and Code Patemisosa, LLC to establish the landing page for your Slime Kitchen Outlet. This required vendor will create your Outlet’s landing page and establish connections to Square and Waitwhile. See Item 11 for additional information. The cost of this service is \$1,200 and it will be paid directly to us.

ITEM 6 OTHER FEES

Type of Fee ¹	Amount	Due Date	Remarks
Royalty Fee	The greater of the \$3,000 (Minimum Royalty Fee) or 7% of Gross Revenues ² for the previous month for the Slime Kitchen Outlet.	Deducted from your bank account via electronic funds transfer on the 7 th day of each month or as determined by us.	We reserve the right to collect the Royalty Fee more frequently than monthly upon 30 days' prior written notice to you.
Advertising Fund	Up to 2% of Gross Revenues ² for the previous month for the Slime Kitchen Outlet.	Payable at the same time, in the same manner as, and in addition to, the Royalty Fee.	We or our designee will create, administer, and maintain an Advertising Fund.
Email Address	\$180 per seat	Upon receipt of invoice	Annual cost. Prices set by Google and subject to change.
Technology Fee	Once established, up to 1% of Gross Revenues ² for the previous month for the Slime Kitchen Outlet.	Payable at the same time, in the same manner as, and in addition to, the Royalty Fee.	Supports key investments for our website, new software or improved technology.
Lease Review & Consultation	\$1,000	Upon receipt of invoice.	This is an optional service and not required.
Opening Assistance	\$5,500 for three days of training with one (1) trainer; or \$7,500 for up to five (5) days of training with two (2) trainers.	Upon receipt of invoice.	This is an optional service and not required. Opening Assistance takes place at your Slime Kitchen Outlet the week prior to the opening.
Initial Training – Additional Attendees	\$1,500 per person plus all travel, lodging, meal and payroll expenses.	Upon receipt of invoice.	We provide the initial training program tuition-free for up to three (3) people including you.
Continuing Education	\$1,500 for a private 3-day session. You must pay for attendees' travel, meals, lodging, and payroll expenses.	Upon receipt of invoice and/or third-party vendor terms.	
Additional On-Site Training	Daily per diem fee (currently \$500 per trainer), plus room, board, and travel for each trainer.	Upon receipt of invoice.	Provided on an as-needed basis as determined by us.

Type of Fee ¹	Amount	Due Date	Remarks
Referral Fee	\$1,000	Upon execution of Franchise Agreement and payment of the Initial Franchise Fee.	Referral Program. If you refer a prospective franchisee, previously unknown to us, who is granted a franchise, executes a Franchise Agreement and pays an initial franchise fee.
Transfer Fee	For a transfer to a new franchisee, the fee is \$10,000. For a transfer to an existing franchisee, the fee is \$6,000. \$2,500 for approvals of transfers of non-controlling ownership interests of the Slime Kitchen Outlet.	After our approval of the transferee and before the transfer occurs.	This fee does not apply to a transfer to your survivor or the transfer of the Slime Kitchen Outlet by you as an individual or partnership to a corporation or partnership controlled by you.
Successor Fee	20% of the then-current Initial Franchise Fee at the time of the renewal.	Upon signing the Successor Franchise Agreement.	Payable to us if you meet the conditions for a Successor Term and sign the Successor Franchise Agreement.
Annual Conference	You are solely responsible for all travel, room, board and payroll expenses. We may charge a fee to cover speakers, meals, and activities up to \$2,000 per person (charged regardless if you attend or not).	Upon receipt of invoice.	
Insurance Service Charge	The costs we incurred to secure such insurance for you, but not to exceed 18% of the policy premium.	Within 5 days of the date we deliver an invoice detailing our costs and expenses for obtaining the required insurance on your behalf.	If you fail to obtain the required insurance and to keep the same in full force and effect, we may, but are not obligated to, purchase insurance on your behalf from an insurance carrier of our choice, and you must reimburse us for the full cost of such insurance, along with a service charge (not to exceed 18% of the policy premium).

Type of Fee ¹	Amount	Due Date	Remarks
Indemnification	All costs including attorneys' fees.	Upon settlement or conclusion of claim or action.	You must defend suits at your own cost and hold us harmless against suits involving damages resulting from your operation of your Slime Kitchen Outlet under the Franchise Agreement and Development Agreement.
Cost of Enforcement or Defense	All costs, including reasonable accounting and legal fees.	Upon settlement or conclusion of claim or action.	You must reimburse us for all costs we incur in enforcing our obligations under the Franchise Agreement if we prevail.
Audit	Cost of audit plus maximum allowable by law or, if no limit, 2% per month on underpayment of any amount due to us or, if the audit shows that you have failed to submit timely reports and/or remittances for any 2 reporting periods within any 12-month period, you will pay the cost of audit plus maximum allowable by law or, if no limit, a penalty of 25% of misreported amounts.	When discrepancy is discovered.	Payable only if our audit shows an understatement of at least 2% of Gross Revenues or that you have failed to submit timely reports and/or remittances for any 2 reporting periods within any 12-month period.
Late Fees	\$50 plus interest on late amounts at 18% or highest legal rate.	Accrues immediately after due date if you fail to pay your full obligation.	Applies to Royalty Fee and Advertising Fund payments and any other amounts due to us.
Guarantee ⁴	Varies.	Upon breach of the Franchise Agreement.	You must personally guarantee and comply with all terms of the Franchise Agreement including payment of all obligations of Franchisee under the Franchise Agreement.

NOTES

*We reserve the right to increase this amount once during any calendar year.

(1) Type of Fee. Unless otherwise indicated below, the fees listed in this Item 6 are non-refundable, uniformly imposed by and are payable to us unless otherwise stated.

(2) Gross Revenues. The term “**Gross Revenues**” means the aggregate of all revenues and other income from whatever source derived (whether in the form of cash, credit, agreements to pay or other consideration and whether or not payment is received at the time of sale or any of these amounts prove uncollectible), which arise from or are derived by you or by any other person from business conducted by, or which originated from the Outlet. Gross Revenues also include all proceeds from any business interruption insurance. Excluded from Gross Revenues are: (i) sales taxes and other taxes separately stated that you collect from customers and pay to taxing authorities; (ii) refunds and credits made in good faith to arms’ length customers in accordance with our standards and specifications for issuing such refunds or deposits; and (iii) the discount value of any coupon, voucher or other allowance that we authorize at the time you redeem the customer’s coupon, voucher or allowance.

(3) Fixed Payments. We reserve the right to increase the amount of any fixed payment once during any calendar year (“Annual Increase”), including but not limited to Royalty Fee and Advertising Fund Fee.

(4) The principals of the franchisee must guarantee to pay all obligations under the Franchise Agreement, whether for fees, expenses, interest, or otherwise, and pay any and all expenses (including attorneys’ fees and expenses) incurred by us in enforcing any rights under the Guarantee.

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ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	Low	High			
Initial Franchise Fee ¹	\$35,000	\$35,000	Lump sum	Execution of Franchise Agreement	Us
Training Travel & Living Expenses ²	\$5,000	\$10,000	As incurred	Prior to and during Training	Vendors, Airlines, Hotels, Car Rentals
Rent, Security Deposit & Utility Deposit ³	\$10,000	\$18,000	As agreed	As arranged	Landlord
Leasehold Improvements ⁴	\$10,000	\$20,000	Varies	Prior to Opening	Approved Suppliers & Contractors
Equipment ⁵	\$5,000	\$10,000	As incurred	Prior to Opening	Approved Suppliers
Furniture, Office Equipment & Software ⁶	\$3,500	\$5,000	As incurred	Prior to Opening	Approved Suppliers
Signage ⁷	\$4,000	\$12,000	As incurred	Prior to Opening	Approved Suppliers
Point of Sale System ⁸	\$3,000	\$5,000	As incurred	Prior to Opening	Approved Supplier
Initial Inventory & Supplies ⁹	\$15,000	\$20,000	As arranged	Prior to Opening	Approved Suppliers
Grand Opening Advertising ¹⁰	\$5,000	\$5,000	As incurred	Prior and at Opening	Approved Suppliers
Insurance ¹¹	\$1,500	\$2,500	As arranged	Prior to Opening	Insurance companies
Professional Fees ¹²	\$1,000	\$4,000	As incurred	As Incurred	Accountants, lawyers, etc.
Business Licenses & Permits ¹³	\$500	\$1,000	Lump Sum	Prior to Opening	Government agencies

Miscellaneous Expenses ¹⁴	\$2,000	\$7,000	As Incurred	As Incurred	Suppliers, Utilities, Deposits
Additional Funds Three Months ¹⁵	\$15,000	\$25,000	As Arranged	As Incurred	Employees, Suppliers, Utilities
TOTAL ¹⁷	\$105,500	\$169,500	Excluding real estate costs		

NOTES

* Unless otherwise noted, all amounts listed above are uniformly imposed by us and are payable to us. Any fees paid to us are nonrefundable unless otherwise noted. Third party suppliers will decide if payments made to them are refundable.

(1) The Initial Franchise Fee is collected by and payable to us. See Item 5 for additional information.

(2) Initial Training is without charge for up to three (3) people. You must pay for the expenses of attendance, such as lodging, meals, transportation, and wages of trainees. The cost of these expenses will depend on the distance you must travel, type of accommodations you choose, the number of your employees attending training and their wages. Training will take place in a Slime Kitchen Outlet operated by Company. The amounts in the table represents the estimated costs and expenses incurred for three people.

(3) A typical Slime Kitchen Outlet will range in size from 1,600 to 4,000 square feet. This estimate includes rent for the first 3 months, an initial security deposit and utility deposit. It is difficult to estimate lease acquisition costs because of the wide variation between various locations. Lease costs will vary based upon square footage, cost per square foot, and required maintenance costs. The estimated range of costs in this category only includes your costs to enter into a lease agreement for the Slime Kitchen Outlet premises. The site for your Slime Kitchen Outlet is subject to our approval. You should investigate all these costs in the area, and for the specific site where you wish to establish your Slime Kitchen Outlet.

(4) The cost of developing a site for a Slime Kitchen Outlet may vary considerably depending on such factors as geographic location, size, materials expense, subcontractor expense, tenant landlord improvement allowances, and the local real estate market. Depending on the floor plan, you will need a space between 1,600 to 4,000square feet.

You will pay all construction expenses, including the cost of all required site work, leasehold improvements, and permitting expenses. We will provide you with mandatory specifications and layouts for your Slime Kitchen Outlet, including requirements for dimensions, design, image, interior layout, decor, fixtures, color scheme and other suggestions. Some landlords will finance improvements by amortizing them over the term of a lease, with a higher rental amount to cover costs. You should be aware of this and estimate your costs accordingly before you decide on a premises. We do not require you to purchase real estate, and the total estimated initial investment does not include the acquisition of real estate.

NOTES:

(5) These amounts include the equipment that You must purchase from our Approved Suppliers.

(6) This is an estimate of the cost of purchasing required fixtures, office furniture, office equipment and software. Various items must be purchased from our Approved Suppliers.

(7) The estimated figures include our required interior signs and one exterior sign which bear the Marks. The cost of the signs varies depending on the type, size, and location of the sign, and may also be affected by shipping costs, as well as local zoning and other ordinances and regulations and landlord restrictions. If you want additional exterior signs, your cost will be higher.

(8) You are required to purchase the Square Point-of-Sale System or any Point-of-Sale System we designated from time-to-time.

(9) This includes slime accessories, supplies, uniforms, aprons, promotional material, and other supplies. Various items must be purchased from Our Approved Suppliers.

(10) You agree to spend at least \$5,000 to conduct grand opening promotion and advertising for your Slime Kitchen Outlet beginning the month of the Opening Date and ending sixty (60) days following the Opening Date.

(11) You should have funds for one year's estimated insurance premiums. The cost of insurance varies depending on many factors. Insurance must be obtained to meet minimum requirements set by the System Standards. Initial premiums for commercial general liability insurance are subject to change due to market forces. The cost of other coverage, including workers' compensation and employer liability coverage varies depending on many factors. You should contact your insurance agent and obtain an estimate of your actual insurance costs.

(12) Professional fees include any amounts you spend for accounting or legal services in establishing the Slime Kitchen Outlet. Because of the variability of these fees, this is, at best, an estimate and you should determine the actual range of fees before signing the Franchise Agreement.

(13) You must obtain all necessary business permits, licenses and approvals to operate the Slime Kitchen Outlet. The costs of these licenses and other licenses and permits vary widely from area to area. You should contact an attorney and the government authorities in your area for information about the cost and level of difficulties in obtaining all necessary permits.

(14) This estimate is for a reserve to cover incidental unexpected costs. You may want to reserve more.

NOTES:

(15) This estimate includes working capital for the first 3 months of operating the Slime Kitchen Outlet (other than the items identified separately in the table). This estimate includes payroll costs. These figures are estimates based upon our experience in opening and operating our Company owned locations, and We cannot assure you that you will not have additional expenses in starting your Slime Kitchen Outlet. Your costs will depend on factors such as the local market for Slime Kitchen Outlet services and products, the prevailing wage rate, competition, and the sales level reached during the initial period.

(16) This is Our estimate of the total expenses to start your Slime Kitchen Outlet. Except as otherwise noted, none of these payments are refundable. We will not finance any of these payments. The above are all estimates based on our experience with the Company Outlets. You are cautioned to allow for inflation, discretionary expenditures, fluctuating interest rates and other costs of financing, and local market conditions, which can be highly variable and can result in substantial, rapid, and unpredictable increases in costs. You should review these figures carefully with a business advisor, accountant, or attorney before making any decision to purchase a franchise.

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ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Supplies and Approved Suppliers

You must operate your business according to methods, standards, and specifications of our System. You may only offer approved services and products necessary to operate a Slime Kitchen Outlet (“**Approved Supplies**”). We will provide you with a list of the Approved Supplies (“**Approved Supplies List**”). We will also provide you with a list of approved manufacturers, suppliers, and distributors authorized to supply Approved Supplies used to operate a Slime Kitchen Outlet or offer for sale to customers of a Slime Kitchen Outlet (“**Approved Suppliers List**”). We reserve the right to revise the Approved Supplies List and the Approved Suppliers List from time to time. We do not issue specifications or standards to our franchisees or Approved Suppliers, and we do not make available our criteria for supplier approval, other than what is generally disclosed in this Item.

As of the Issuance Date of this Disclosure Document, we are the Approved Supplier for items bearing our Marks. The estimated cost ranges from \$3,000 to \$5,000 depending on the size of your Outlet and does not include shipping. Additionally, there are Approved Suppliers who are the only source for the POS System, Reservation System and Website landing pages (See Item 11).

We and our affiliates reserve the right to become Approved Suppliers or the only Approved Supplier of any Approved Supplies that you must purchase or lease for your Slime Kitchen Outlet without notice to you. We and our affiliates also reserve the right to develop certain proprietary products which we may require you to purchase or lease from us or our affiliates and offer for sale at your Slime Kitchen Outlet. We and our affiliates reserve the right to earn fees on franchisee purchases and leases from suppliers.

You must purchase, sell, and use only those services and products that are listed on the Approved Supplies List from suppliers that are on the Approved Suppliers List. You may not contract for alternate supplies or with alternate suppliers directly. If you would like to offer for sale or use any alternate product, material, or service that is not on the Approved Supplies List, you must notify us and obtain our prior written approval. Similarly, if you would like to supply or purchase any alternate products from a supplier not on the Approved Supplier List, you must also notify us and obtain our prior written approval. At our request, you must provide us, for testing purposes with a sample of the item you wish to purchase and other information so that we can make an informed decision as to whether the product, material, supply, or supplier meets our specifications and quality standards. You must also provide us with the name, address, and telephone number of the proposed supplier. You are not required to pay us a fee for our evaluation of an alternate product, material, service or supplier. We are not required to approve any particular proposed supply or supplier.

We apply the following general criteria in approving or disapproving a proposed supply or supplier: (1) quality of product or service in relation to our specifications and quality standards; (2) supplier's customer service; (3) price; and (4) whether we deem the supply or supplier necessary or desirable for the System as a whole. We may deny or revoke our approval of suppliers based upon the lack of any of the above items. Upon receipt of written notice of such revocation, you must cease purchasing products from such supplier. We will notify you of our approval or disapproval of a proposed supplier, product, or service within 60 days of receiving all requested information.

You must use products purchased from Approved Suppliers solely in connection with the operation of your Slime Kitchen Outlet. Although suppliers, products, or services may be approved by us, we and our affiliates expressly disclaim all warranties, including warranties of merchantability and fitness for any particular purpose regarding products, services, fixtures, furniture (including without limitation any required computer systems), signs, stationery, supplies, or other approved items sold to or provided to you by us, an affiliate, or any third party, including any Approved Supplier.

During the last fiscal year, neither We nor Our Affiliates received any revenues or rebates as a result of franchisee purchases. Other than Company none of Our officers own an interest in an Approved Supplier.

We anticipate that, in total, the items that you must purchase from our Approved Suppliers will constitute up to approximately 20% to 50% of the products, supplies, equipment, services, and leases that you must purchase when establishing your Slime Kitchen Outlet, and 40% to 60% of your total ongoing purchases once your Slime Kitchen Outlet is open.

We will negotiate group rates on products, services, and supplies as we deem necessary. When possible, we will negotiate purchase agreements with suppliers, including price terms, for the benefit of franchisees. There is currently no such purchase agreement and no purchasing cooperative in existence. We do not provide any material benefits to a franchisee for purchasing certain specified products or services.

We do not provide or withhold material benefits to you (such as renewal rights or the right to open additional businesses) based on whether or not you purchase through the sources we designate or approve. However, purchases of unapproved supplies or from unapproved suppliers in violation of the Franchise Agreement will entitle us, among other things, to terminate the Franchise Agreement.

Computer System

You must purchase and use the computer hardware system and software, including all future updates, supplements and modifications in operating your Slime Kitchen Outlet (See Item 11).

Insurance

As outlined in Section 16 of the Franchise Agreement, you must procure and keep in force insurance policies in such amounts and on such terms, as prescribed by us in the Operations Manual, by an insurance company acceptable to us at all times during the term of the Franchise Agreement. We reserve the right to adjust these coverages and amounts at any time by amending the Operations Manual. You must also procure and keep in force insurance policies in such amounts and on such terms as may be required by statute or rule of the state and county in which the Slime Kitchen Outlet is located. You must obtain such policies within 30 days after signing the Franchise Agreement. Your failure to obtain insurance constitutes a material breach of the Franchise Agreement entitling us to terminate the Franchise Agreement or exercise any or a combination of the other default remedies provided in Section 13 of the Franchise Agreement. You shall also procure and pay for all other insurance required by state or federal law, including, without limitation, workers' compensation and unemployment insurance. Your obligation to maintain this insurance will not be limited in any way by reason of any insurance We carry for Ourselves. The cost of insurance coverage will vary depending on the insurance carrier's charges, the terms of payment and your insurance history. You must also carry the insurance required by Your landlord and applicable law.

ITEM 9 FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements 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	6.1 of Franchise Agreement	Item 7, Item 11 and Item 12
b. Pre-opening purchases/leases	6.1, 6.8, 6.10, 6.12 and 7.1 of Franchise Agreement	Item 7 and Item 8
c. Site development and other pre-opening requirements	6.1 of Franchise Agreement	Item 6, Item 7, and Item 11
d. Initial and ongoing training	3.2, 6.5 of Franchise Agreement	Item 6, Item 7, and Item 11
e. Opening	6.2 of Franchise Agreement	Item 11
f. Fees	4 of Franchise Agreement	Item 5 and Item 6
g. Compliance with standards and policies/operating manual	6 and 7 of Franchise Agreement	Item 8, Item 11, Item 14 and Item 16
h. Trademarks and proprietary information	5 of Franchise Agreement	Item 13 and Item 14
i. Restrictions on products/services offered	6.8 and 6.10 of Franchise Agreement	Item 8 and Item 16
j. Warranty and customer service requirements	6.6 and 6.8 of Franchise Agreement	Item 8
k. Territorial development and sales quotas	1.4 of Franchise Agreement	Item 12

Obligation	Section in Agreement	Disclosure Document Item
l. Ongoing product/service purchases	6.10 of Franchise Agreement	Item 8 and Item 11
m. Maintenance, appearance, and remodeling requirements	6.7, 9.2 and 9.3 of Franchise Agreement	Item 6 and Item 8
n. Insurance	16 of Franchise Agreement	Item 6, Item 7, and Item 8
o. Advertising	8 of Franchise Agreement	Item 6 and Item 11
p. Indemnification	19.1 of Franchise Agreement	Item 6
q. Owner's participation/management/staffing	6.6 of Franchise Agreement	Item 15
r. Records and reports	10 of Franchise Agreement	Item 8 and Item 11
s. Inspections and audits	6.16 and 10 of Franchise Agreement	Item 6, Item 11 and Item 13
t. Transfer	12 of Franchise Agreement	Item 6 and Item 17
u. Renewal	2.2 of Franchise Agreement	Item 17
v. Post-termination obligations	14 of Franchise Agreement	Item 17
w. Non-competition covenants	11 of Franchise Agreement	Item 17
x. Dispute resolution	15 of Franchise Agreement	Item 17
y. Guaranty	17.3 of Franchise Agreement	Item 22

ITEM 10 FINANCING

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

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

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

Our Obligations Before the Franchised Business Opens

Before you open your Slime Kitchen Outlet we will:

1. Provide you with access to our Operations Manual. You are responsible for accessing the Operations Manual for use in your Designated Territory only as necessary, and you must maintain such copies in a confidential manner. (See Franchise Agreement, Section 3.1.1).
2. Review and approve or disapprove the proposed site for your Slime Kitchen Outlet to determine whether it meets our standards and specifications (See Franchise Agreement, Section 3.1.2).
3. Provide you with specifications on the size, layout and floor plan of a prototypical Slime Kitchen Outlet (See Franchise Agreement, Section 3.1.3).

4. Provide the initial training program for you and your operations manager. If you are a legal entity, then your Primary Contact. The initial training program is free for up to three (3) people. We will also provide you with continuing consultation and advice as we deem advisable with respect to the business of your Slime Kitchen Outlet before you open for business (See Franchise Agreement, Section 3.1.4).

5. Provide you with an Approved Supplies List and Approved Suppliers List (as defined in Franchise Agreement, Section 6.10) (See Franchise Agreement, Section 3.1.5). We will provide the names of approved suppliers, manufacturers, suppliers and distributors.

6. Provide you with email addresses to use in the operation of your Slime Kitchen Outlet. (See Franchise Agreement, Section 6.8.7).

7. Provide you with sample advertisements regarding the opening of your Slime Kitchen Outlet (See Franchise Agreement, Section 3.1.7).

Operations Manual

You may review our Operations Manual before purchasing a Franchise. However, you may not copy any of the information contained in the Operations Manual as it contains proprietary information. You must sign a confidentiality agreement regarding the Manual before your review.

Typical Length of Time Before Operation

The typical length of time between the signing of the Franchise Agreement and the opening of the Slime Kitchen Outlet is approximately twelve (12) months. The actual length of time it will take you to open your Slime Kitchen Outlet will depend upon certain critical factors such as your ability to obtain a mutually acceptable site and the lease for your business premises; the timely installation of equipment and furniture; your ability to obtain acceptable financing; your satisfactory completion of our initial training program; your ability to timely obtain required permits and licenses; and the amount of time necessary to hire and train personnel. Unless we agree to an extension in writing or licensing has prevented your Slime Kitchen Outlet from opening, we may terminate your Franchise Agreement if you do not open your business within twelve (12) months of the signing of the Franchise Agreement (See Franchise Agreement, Section 6.2).

Our Obligations During the Operation of the Franchised Business.

After you open your Slime Kitchen Outlet we will:

1. Provide you with ongoing consultation and advice in response to your inquiries about specific administrative and operating issues. We may decide how best to communicate this consultation and advice to you, whether by telephone, in writing, electronically, or in person. The

method chosen by us may be different than the methods used by us to communicate with other franchisees (See Franchise Agreement, Section 3.2.1).

2. Administer the Advertising Fund (described below) and approve or disapprove of any advertising that you create for use in your local market (See Franchise Agreement, Section 3.2.2).

3. We may update the Approved Supplies List and Approved Suppliers List from time to time as we deem necessary (See Franchise Agreement, Section 3.2.3).

4. While not currently in place, we may develop training program for your key personnel, as designated by us, which will be held at our headquarters, or another location designated by us, which may include a hotel, or conference center that provides the necessary space and functions for such a training program, as determined by us. We may also provide any training program remotely by webinar. We may charge you a fee for this training, and you must pay all of the travel expenses, such as transportation, lodging, meals, and any related payroll expenses for anyone who attends. If you hire a replacement manager, he or she must meet our applicable training requirements at the time of hire (See Franchise Agreement, Section 3.2.4).

5. Maintain the Slime Kitchen Website (as defined below). (See Franchise Agreement, Section 3.2.5).

6. We may change or modify the System including the adoption and use of new or modified trade names, trademarks, service marks, or copyrighted materials, new computer programs and systems, new types of inventory, supplies, products, services, equipment, or techniques (See Franchise Agreement, Section 3.2.6).

7. Provide you with information regarding any modifications, improvements, or developments within or to the System in the form of periodic announcements via main menu page or website and email bulletins (See Franchise Agreement, Section 3.2.7).

8. Provide you with additional optional training on an as-needed basis for an additional fee of \$500 per day per trainer plus travel, room and board expenses for each trainer (See Franchise Agreement, Section 3.2.8).

Factors Used for Selecting Location of the Slime Kitchen Outlet

You must investigate and evaluate potential office space sites for their overall suitability and compatibility with our site selection criteria that we have established as of the approval date (See Franchise Agreement, Section 6.1). Your Slime Kitchen Outlet may not be located in any person's home. Based on the requirements of the Franchise Agreement, the factors we generally consider for approving or disapproving of the proposed site of your Slime Kitchen Outlet are whether it is located in your Designated Territory; the demographics and concentration of the surrounding population; concentration of children related activity centers; potential customer density level; its proximity to potential competitors; its physical appearance; its total square footage; its interior space plan and floor layout; and building, sign and other applicable codes, ordinances, regulations and restrictions. We do not generally own the premises or lease it to you.

Within three (3) months after we both sign the Franchise Agreement, you must locate the site for the Slime Kitchen Outlet, which must be approved by us. We have 15 calendar days to approve or disapprove your site after you ask for approval. If you do not have an approved site within the 90-day period, we will provide you with an extension of 30 days to cure the default, or any longer time as may be required to obtain the necessary licensure to operate your Slime Kitchen Outlet. If you do not have an approved site for your Slime Kitchen Outlet upon the expiration of any such extension, we may terminate your Franchise Agreement. (See Franchise Agreement, Section 6.1).

If you are leasing the premises for your business, you must sign, and have the landlord of the business premises sign the Collateral Assignment of Lease or a comparable document, a copy of which is attached to the Franchise Agreement as **Attachment C**. This document gives us the option to assume your lease if the Franchise Agreement expires or terminates for any reason prior to the conclusion of the lease.

Advertising Program

Advertising Fund. Once established, you must contribute up to 2% of your monthly Gross Revenues to an advertising fund exclusively maintained and administered by us (“**Advertising Fund**”). We reserve the right to collect such contributions more frequently than monthly upon 30 days’ prior written notice to you. The Advertising Fund will be used to develop, produce, and distribute national, regional and/or local advertising and to create advertising materials and public relations which promote the Marks, other marks owned by us or any of our affiliates, and the products and services offered by the System (See Franchise Agreement, Section 8.1). The Advertising Fund will also be used to satisfy any and all costs of maintaining, administering, directing, preparing, and producing advertising, including the cost of preparing and producing television, radio, magazine and newspaper advertising campaigns, direct mail and outdoor billboard advertising, public relations activities and services provided by advertising agencies, developing and maintaining an Internet website, developing and maintaining a social media presence, developing new revenue streams for franchisees including sales collateral, coaching and training to launch or enhance sources of revenue mix for franchises, and personnel and other departmental costs for advertising that we internally administer or prepare. We may also use the Advertising Fund to procure leads and prospects for potential customers for System franchisees and to cover costs and expenses associated with any Annual Conference, including costs related to productions, programs and materials. Not all System franchisees will benefit directly or on a pro-rata basis from such expenditures.

Advertising Fund contributions are used for search engine optimization for the Slime Kitchen Website (defined below), a portion of which may be used to explain the franchise offering and solicit new potential franchisees. At this time, we do not currently use Advertising Fund contributions for any other solicitation of potential new franchisees. However, we reserve the right to use Advertising Fund contributions for that purpose in the future, and to include a notation in any advertisement referencing the availability of purchasing new franchises. Sales materials, if developed, may be sold to franchisees at a reasonable cost. We will use Advertising Fund contributions to develop and prepare advertising which we will distribute to System franchisees for their placement in the local media. The advertising will be prepared by us and by outside sources in various formats, including but not limited to print, electronic, and video format. If we

do not spend all contributions collected for the Advertising Fund by the end of each fiscal year, the funds may be carried forward into the next fiscal year.

We have the exclusive right to determine contributions and expenditures from the Advertising Fund, or any other advertising program, and the authority to determine the selection of the advertising materials and programs; provided, however, that we will make a commercially reasonable effort to expend such funds in the general best interests of the System on a national or regional basis. We are not required under the Franchise Agreement to spend any amount on advertising in your Designated Territory. We have the right to seek reimbursement from the Advertising Fund contributions for reasonable costs and overhead, if any, as we may incur in activities which are reasonably related to directing and implementing the Advertising Fund and advertising programs for franchisees and the System, including costs of personnel for creating and implementing advertising, promotional and marketing programs. There is no requirement that the Advertising Fund be audited. Upon your written request, we will provide you with an unaudited summary of Advertising Fund expenditures.

We may terminate and resume the Advertising Fund periodically during the term of the Franchise Agreement; however, any decision to terminate or resume the Advertising Fund will apply to all franchisees and our company or affiliate owned locations equally. We will not terminate the Advertising Fund before making arrangements to spend or rebate any balance in the Advertising Fund after payment of all expenses in a pro-rated basis according to each franchisee's contributions. If we resume the Advertising Fund, we will give you at least 30 days written notice before Advertising Fund contributions become due again and we will collect Advertising Fund fees at the original rate in the Franchise Agreement.

Anyone who buys a franchise after you do and signs a different form of Franchise Agreement may pay a higher rate of Advertising Fund fees than you do. Any company-owned outlets will contribute to the Advertising Fund at a rate that is equal to the lowest percentage contribution rate that any franchisee then pays to the Advertising Fund.

Local Advertising and Promotion. You are required to spend the greater of two percent (2%) of your monthly Gross Revenue or Two Thousand Five Hundred dollars (\$2,500) per month on local advertising and promotion ("**Local Advertising and Promotion**"). Within 30 days of the end of each quarter, you must furnish to us, in a manner approved by us, an accurate accounting of your Local Advertising and Promotion expenditures for the preceding quarter just ended. You must furnish to us, in a manner approved by us, an accurate accounting of your Local Advertising and Promotion expenditures as set forth in the Operations Manual. You must account for your Local Advertising and Promotion expenditures separately from your contributions to the Advertising Fund. We will provide you with guidelines for Local Advertising and Promotion and any deviation from those guidelines by you requires prior approval from us. You may use your own advertising materials, or those produced by an outside agency, so long as you have received prior written permission from us and such advertising materials include our website address and the Marks in the form, color, and manner that we prescribe. If you propose to use any advertising materials which we have not previously approved, we have the right to condition approval of your proposed advertising upon your agreement to provide other System franchisees, whose Slime Kitchen Outlets are located within the circulation area of the proposed advertising, the opportunity to contribute to and to participate in the advertising. You must provide any proposed advertising

materials to us at least 14 days before you propose to use those materials. We are not contractually obligated to approve or reject any advertising materials submitted to us within those 14 days, but we will attempt to do so. You may not use the advertising material unless we give you approval in writing. (See Franchise Agreement, Section 8.4). You may not establish a website using or displaying any of the Marks, and you may not advertise your Slime Kitchen Outlet or the sale of services or products offered by your Slime Kitchen Outlet on the Internet except as we permit. We may host and give you access to a separate web page for your Slime Kitchen Outlet on our website(s), as specified below. Any website or electronic materials you propose to use must be approved in advance by us before publication to the site. (See Franchise Agreement, Section 8.4). You may not advertise or use in advertising or any other form of promotion, our copyrighted works, trademarks, service marks, or commercial symbols without the appropriate © or ® registration marks or the designation TM or SM where applicable. We reserve the right to increase the amount of the Local Advertising and Promotion expenditures, provided that any increase may occur only once during any calendar year. We have no advertising council nor are there any advertising funds other than those described above.

Local or Regional Advertising Cooperatives. We have the right to require cooperatives to be formed, dissolved or merged. For example, we may designate a local or regional advertising coverage area in which your Slime Kitchen Outlet and at least one other Slime Kitchen Outlet is located for purposes of developing a cooperative local or regional advertising or promotional program. You will contribute your share to such cooperative advertising and promotional program agreed upon by 50% or more of the Slime Kitchen Outlets within the designated dominant market area (“DMA”) as defined by Nielsen Media Research, a company of the Dun & Bradstreet Corporation, or comparable industry designation. The cost of the program will be allocated among each Slime Kitchen Outlet in such area and each franchisee’s share will be in proportion to its Gross Revenues during the preceding 12-month period, or portion of that period. Such payments will be in addition to and exclusive of any other sums you are required to spend on advertising. Company-owned outlets do not have controlling voting power on fees imposed by any franchisee cooperatives formed in the future. Currently, however, we have no franchisee cooperatives.

Grand Opening. In connection with opening your business, you must spend at least \$5,000 on grand opening promotion and advertising before and during the first 60 days following the opening date of your Slime Kitchen Outlet. These expenditures are in addition to and will not be credited toward your obligation to contribute to the Advertising Fund or toward your Minimum Advertising Expenditure (See Franchise Agreement, Section 8.5).

Marketing Materials. Marketing materials that we supply according to the programs described above may be produced by us or an independent advertising agency depending upon the type of advertising produced and available personnel. Because our franchise program is relatively new, most, if not all, marketing and advertising in the near term will be for local distribution and our marketing and advertising programs should expand to regional and national coverage as our franchise program grows. We expect that most marketing and advertising materials we produce will be for Internet marketing (including social media) or print media or other print usage, although some radio and television copy may also be produced.

Website. We reserve the right, but not the obligation, to establish and maintain a website (“**Slime Kitchen Website**”), which may promote the Marks, System, and Slime Kitchen Outlets operating under the System. We reserve the sole right to control all aspects of the Slime Kitchen Website, including its design, content, functionality, links to other websites, legal notices, policies and terms of usage. We also reserve the right to discontinue operating the Slime Kitchen Website at any time without notice to you. Without our advance written approval, you may not maintain your own website, any similar pages on the Internet (including on social media), your own email address or domain, or otherwise maintain a presence online, nor may you conduct online or pay-per-click advertising using any public computer network in connection with the Slime Kitchen Outlet. We will approve of a fictitious business name for you to use in marketing your Designated Territory (“**Territory Name**”) and for use in conjunction with the Slime Kitchen Website. You are not guaranteed a right to use the Territory Name for the duration of the Franchise Agreement or upon renewal and we reserve the right to require you to modify your Territory Name. You must adhere to our standards and policies in connection with any website or other Internet presence or advertising that we approve.

Currently, you must use Jazz and Code Patemisosa, LLC to establish the landing page for your Slime Kitchen Outlet. This required vendor will create your landing page from the Slime Kitchen Website and establish connections to Square and our booking system, currently Waitwhile. The cost of this service is \$1,200 and it will be paid directly to us.

Dual Branding. We may co-brand one or more concepts with the Marks (“**Dual Branding**”). Dual Branding may involve changes to the Marks and to the System. If Dual Branding is implemented, the scope and type of Dual Branding may vary in different markets. If we elect to conduct Dual Branding in the market in which your Slime Kitchen Outlet is located, we will give you notice regarding such contemplated Dual Branding. You will then be required to implement Dual Branding in connection with your Slime Kitchen Outlet within the time period specified in the notice, and Franchisee must at its expense make the modifications necessary to implement the Dual Branding. However, we are not obligated to offer any Dual Branding opportunity available to you.

Computer and POS Systems

We require you to already have or purchase the hardware and software in accordance with the requirements set forth in the Operations Manual (“**Required Technology**”). For example, most of our franchisees already have a laptop, phone, and other equipment they will use in the Slime Kitchen Outlet. We reserve the right to modify these requirements from time to time. In addition to the Required Technology, you must obtain and maintain an Internet connection which meets the bandwidth specifications set forth in the Operations Manual. The Required Technology is used to record and analyze all business and accounting information for the operation of your Slime Kitchen Outlet.

You must acquire the right to use hardware, software, peripheral equipment and accessories, and arrange for installation, maintenance and support services of the initial, changed, or enhanced Required Technology, all at your cost.

Currently, we use Square for the Point of Sale (POS) system. You are required to use this POS system for your Slime Kitchen Outlet. You must use your POS system to complete all sale transactions, and provide sales, accounting, and inventory reports. Square charges a 2.6% plus ten cents per sale transaction. The cost of the Square Register Kit is between \$1,300 to \$2,000 depending on the options chosen for Your Slime Kitchen Outlet. You will pay a monthly subscription fee of \$75.00 and the cost of the Square Register Kit directly to Square. You will be responsible for all ongoing computer maintenance, repairs and upgrades. We will have independent access to the information that will be generated or stored in any electronic cash register or computer system, such as financial and marketing information. There are no contractual limitations on our right to access this information.

Currently, we use Waitwhile for the reservation system. You are required to use the Waitwhile system for your Slime Kitchen Outlet. You must use the Waitwhile system to complete all reservations, and provide sales, accounting, and inventory reports. Their current monthly subscription fee is \$23.00 and paid directly to Waitwhile. This monthly subscription fee is subject to increase based on their contract terms. We will have independent access to the information that will be generated or stored in Waitwhile. There are no contractual limitations on our right to access this information.

Except for the required point of sales system and reservation system, you may purchase or lease the Required Technology from any vendor. We reserve the right to designate changes or enhancements to the Required Technology. At such time as we may require changes or enhancements to the Required Technology, you may be required to make certain payments to us, an affiliate, an Approved Supplier, or a third-party vendor. All hardware and computer network maintenance and upgrades of other software are your responsibility and must be done in a timely manner. There are no contractual limitations on the frequency or cost of upgrades or changes in the Required Technology that we may impose. We do not have any contractual obligation to maintain, repair, update, or upgrade Required Technology.

We reserve the right to specify different hardware and software systems in the future, including proprietary software that we or our affiliates develop exclusively for the System. We may require that you directly pay an approved third party vendor or affiliate for hardware and software systems in the future. If we establish an online management and communication system for Slime Kitchen Operations, You must participate fully with its requirements as stated in the Operations Manual.

Training

Initial Training: You (or if you are a legal entity, then your Primary Contact) and your operations manager must attend and complete an Initial Training Program to our satisfaction prior to your opening date. If you fail to do so, we may require you to undergo additional training at your expense; alternatively, we may terminate the Franchise Agreement. The Initial Training Program is tuition-free for three (3) people and additional people may attend for a fee of \$1,500 per person. Currently Initial Training is conducted at a Company Outlet. You must pay all travel, lodging, meal, and payroll expenses for your personnel. We reserve the right to charge for additional training beyond the initial tuition-free sessions.

INITIAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Intro to Slime Kitchen (History, Mission, Vision)	1		Company Outlet
Computer, Accounting & POS System	1		Company Outlet
Store Management	2	20	Company Outlet
Slime making (DIY + retail)	2	20	Company Outlet
Workshops	1	12	Company Outlet
Birthday Parties	1	12	Company Outlet
Marketing	1	2	Company Outlet
DIY Process		22	Company Outlet
Operations	1	20	Company Outlet
TOTAL	12	108	

We expect to conduct these training courses several times a year. We reserve the right to modify any aspect of the Initial Training Program at any time, including the right to reduce the number of days of training or to replace in-person training with e-learning or other techniques and methods. The instructors will include trainers who have had over two years of experience in Slime Kitchen Outlet operations or other similar system. Lidia Bacal manages our training programs.

Opening Assistance

We offer opening assistance and provide Slime Kitchen Representative(s) for on-site training at your Slime Kitchen. Opening assistance will be scheduled the week prior to the opening. Our current opening assistance fee is \$5,500 for one trainer and up to three (3) days of training, or \$7,500 for two trainers and up to five (5) days of training.

Continuing Education

In addition to the Initial Training Program outlined above, you may also request that we provide you with a private 3-day continuing education session at a Company Outlet, or at a location we designate. The cost for such a session would be \$1,500 plus you and your employees' travel, meals, lodging, and payroll expenses.

To assist you in operating your business, we may offer additional training programs and/or refresher courses to you, your manager, and/or your employees as we deem appropriate. The additional training programs and refresher courses will be at our then-current tuition for ongoing training, which is presently \$500 per day per person. As of the date of this disclosure document, we are not able to state or estimate the location, duration or frequency of any additional training

programs and/or refresher courses as these programs and courses will vary depending on your needs and the needs of our other System franchisees. We currently do not anticipate offering more than 2 additional training programs and/or refresher courses during a calendar year and we currently anticipate that each training program and/or refresher course will last approximately 2 to 3 days. We may require you and your employees' attendance at these programs and/or courses. You must pay for you and your employees' travel, meal, lodging, and payroll expenses while attending any such additional training programs.

Conferences

We may periodically conduct an annual conference ("**Annual Conference**") and if we do, we will determine its duration, curriculum, and location. We reserve the right to require you to attend the Annual Conference and to pay our then-current registration fee up to \$2,000 per person, which you must pay regardless as to whether you attend the Annual Conference. You will be responsible for all other expenses incurred in connection with any such meetings, including the costs of travel, lodging, meals, and payroll expenses. Any such Annual Conference will not exceed 3 days in duration. We reserve the right to use contributions to the Advertising Fund for purposes related to the Annual Conference, including costs related to productions, programs, and materials. We also reserve the right to generate sponsorship revenue from our Approved Suppliers to defray the costs of conducting an Annual Conference.

ITEM 12 TERRITORY

Franchise Agreement

The Franchise Agreement grants you the right and license to establish and operate one Slime Kitchen Outlet to be located within an exclusive Designated Territory at a site approved by us ("**Authorized Location**") and identified in **Attachment A** to the Franchise Agreement. If you have not yet secured a site for your Slime Kitchen Outlet at the time you sign the Franchise Agreement, you will enter into our Site Selection Addendum, attached as **Attachment H** to the Franchise Agreement, which will govern the site selection process. You must locate and operate your Slime Kitchen Outlet at an Authorized Location within the specific geographic area we assign to you as described in **Attachment A** to the Franchise Agreement. You may not relocate your Slime Kitchen Outlet without our prior written approval.

A Designated Territory will generally have a residential population base of approximately 100,000 households with children under the age of fifteen at the time that the Franchise Agreement is signed. We determine the population in a Designated Territory by using the most recent projection statistics released by the United States Census Bureau, including population estimates taken in between each decennial census. We currently use Map Business Online for demographic information, but we reserve the right to use the services of other demographic information resources.

We generally designate the boundaries of the Designated Territory by ZIP Codes. A list of the ZIP Codes for your Designated Territory will be provided in **Attachment A** to the Franchise

Agreement. ZIP Codes are a system of postal codes used by the United States Postal Service (“USPS”) and are changed by the USPS from time to time. Changes by the USPS may affect the ZIP codes and the geographic area that comprises your Designated Territory, including the number of households with children under the age of fifteen in the Designated Territory. The Designated Territory will be exclusive to you while the Franchise Agreement is in effect and you are in compliance with all of its terms and conditions. Exclusivity means we and our affiliates will not establish or operate, or authorize others to establish or operate, a Slime Kitchen Outlet in your Designated Territory.

The franchise is limited to the right to develop and operate one Slime Kitchen Outlet at the Authorized Location located in the Designated Territory, and does not include (i) any right to market or sell products or services identified by the Marks at any location other than within the Designated Territory, or through any other channels or methods of distribution, including the Internet (or any existing or future form of electronic commerce including but not limited to social media websites and mobile communication devices), except in accordance with policies stated in the Operations Manual; (ii) any right to sell products or services identified by the Marks to any person or entity for resale or further distribution; or (iii) any right to exclude, control, or impose conditions on our development of future franchised, company or affiliate owned Slime Kitchen Outlet at any time outside of the Designated Territory.

We and our affiliates reserve the right to:

1. Establish or license others the right to establish a Slime Kitchen Outlet at any location outside the Designated Territory, as we deem appropriate, regardless of proximity to the Designated Territory, without compensation to you;
2. Establish and license others to establish businesses under other systems using the Marks or other proprietary marks, which businesses may be located within or outside the Designated Territory, provided, however, that, except as specifically provided in the Franchise Agreement, we will not license or establish a business substantially similar to the Slime Kitchen Outlet within your Designated Territory;
3. Sell the services, products, materials and related equipment authorized for your Slime Kitchen Outlet under other trademarks, service marks and commercial symbols through similar or dissimilar channels of distribution and pursuant to terms we deem appropriate within and outside your Designated Territory, without compensation to you;
4. Advertise and sell the services, products, materials and related equipment authorized as associated with your Slime Kitchen Outlet under the Marks through dissimilar channels of distribution including, without limitation, by electronic means such as the Internet and websites we establish and pursuant to terms we deem appropriate within and outside your Designated Territory, without compensation to you;
5. Advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of one or more websites using the Marks;
6. Acquire the assets or ownership interest of one or more businesses providing services, products, materials and related equipment similar to those provided under your Slime Kitchen Outlet, and franchise under a service mark or trademark other than our Marks, license or

grant the right to others to operate those businesses once acquired, regardless of whether these businesses are located or operating within your Designated Territory, and you will not be entitled to any compensation in connection with that transaction;

7. Be acquired by a business providing services, products, materials and equipment similar to those provided at your Slime Kitchen Outlet, even if such business operates, franchises or licenses competitive businesses in your Designated Territory, and you will not be entitled to any compensation in connection with that transaction;

8. Offer, sell, operate or distribute and/or license others to sell, operate and distribute through franchised or non-franchised businesses, at wholesale or retail, within and outside the Designated Territory (a) Slime Kitchen branded goods and services not then offered and sold through the System, or (b) goods and services under another brand where comparable goods and services are not then offered and sold through the System, without compensation to you. These goods and services may be offered and sold through similar or dissimilar channels or methods of distribution, including the Internet and outlets that do business under the Slime Kitchen name or another name;

9. Establish multi-area marketing programs that allow us or our affiliates to market anywhere, including in your Designated Territory; and

10. Engage in any other activities not expressly prohibited in the Franchise Agreement.

You must at all times use your best efforts to promote and increase the sales and service of the Slime Kitchen Outlet and to effect the widest and best possible distribution, sale and placement, solicitation and servicing of all potential customers for authorized services throughout the Designated Territory.

You may not establish or operate another Slime Kitchen Outlet unless you enter into a separate Franchise Agreement. Under your Franchise Agreement, you do not receive any options for additional franchises, any rights of first refusal to acquire additional franchises, or any similar rights to buy additional franchises. You do not have any right to sublicense or subfranchise within or outside of the Designated Territory and do not have the right to operate more than one Slime Kitchen Outlet within the Designated Territory. We may not alter your Designated Territory or modify your territorial rights before your Franchise Agreement expires or is terminated, although we may do so for a successor franchise or upon a transfer by you. If you are an existing franchisee and we grant you the right to develop and operate additional Slime Kitchen Outlets, you will enter into a separate Franchise Agreement for each Slime Kitchen Outlet that you commit to develop. Each Franchise Agreement that you sign will grant you the right and license to establish and operate a Slime Kitchen Outlet to be located at an Authorized Location within the Designated Territory assigned to you under the particular Franchise Agreement according to the same rights and obligations as described above.

ITEM 13 TRADEMARKS

You will receive the right to operate a Slime Kitchen Outlet using Our Marks. By Marks, We mean trade names, trademarks, service marks and logos used to identify and operate your Slime Kitchen Outlet. You may also use other current or future Marks as we designate to operate Your Slime Kitchen Outlet. The following Mark has registered on the United States Patent and Trademark Office (“USPTO”) Principal Register:

Mark	Registration Date	Reg. Number
	February 20, 2024	7308232

We own the above design Mark and the common law trademark SLIME KITCHEN™.

We have filed and intend to file all required affidavits and renewals for the Mark listed above. There are no currently effective agreements that significantly limit our right to use or license the use of the Marks in a manner material to the franchise. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are also no pending infringement, opposition or cancellation proceedings, or any pending material litigation involving any of the Marks. We are not aware of any superior prior rights or infringing uses that could materially affect franchisees’ use of the Marks in any state.

You must notify us immediately when you learn about any suspected unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Marks. We will take whatever action we deem appropriate to protect the Marks. We are not required to defend or otherwise protect you against a claim of infringement or unfair competition arising out of your use of the Marks. We have the right to control any administrative proceedings or litigation involving a Mark. We are not required to participate in your defense or in your indemnification for expenses and damages if you are party to an administrative or judicial proceeding involving a trademark licensed to you, or if the proceeding is resolved unfavorably to you.

You must modify or discontinue using any Mark upon direction to do so from us within 5 days after receiving notice from us. The Franchise Agreement does not provide you with any specific rights if we require you to modify or discontinue the use of any Marks.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We own no registered patents that are material to the System. We have not filed any copyright registrations with the United States Copyright Office. However, we claim common law rights and copyright protection for the Slime recipes, signage, promotional materials, Operations Manual, training materials, agreements, and any other documents and materials used in connection with the operation of the System and Slime Kitchen Outlets. There are no pending patent applications that are material to the franchise.

You are prohibited from duplication of the System and shall not disclose or cause to be disclosed any part of the System or Operations Manual. The Operations Manual belongs to us and you must return it to us or, if stored in computer files, delete those files, upon the expiration or termination of the Franchise Agreement. We may provide updates to the Operations Manual electronically over our intranet website. You must periodically check our intranet website for updates to the Operations Manual. If we elect to provide you with a hard copy of the Operations Manual, you must at all times ensure that your copy of the Operations Manual is kept on the premises of your Authorized Location and kept current and up to date. If there is a dispute involving the contents of the Operations Manual, the terms of our master copy will control.

Your entire knowledge of the operation of the Slime Kitchen Outlet is derived from information disclosed to you by us and certain information is proprietary, confidential and a trade secret of ours. “**Trade Secret**” includes the Business Records and the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures and/or improvements regarding the Slime Kitchen Outlet that is valuable and secret in the sense that it is not generally known to competitors of the System. You shall maintain the absolute confidentiality of all trade secret information during and after the term of the franchise and will not use any information in any other business or in any manner not specifically authorized or approved in writing by us. However, your obligation to maintain the confidentiality of proprietary information should not include the following exceptions: (i) information as previously known by you before disclosure by us if you identify any information as previously known; (ii) information disclosed to you by a third party, unless the third party is under a duty not to disclose or use the information, or unless the third party is not in rightful possession of any information; or (iii) information generally known in the pertinent trade. Information shall be deemed generally known only if you can establish that the full particulars of the proprietary information in the combination disclosed to you is well known or generally used within the trade or industry. Exceptions (i) - (iii) above shall only apply if you notify us of the pertinent exception (i) - (iii) within 30 days after our disclosure to you of any confidential proprietary information.

Proprietary information shall not be deemed to be within the foregoing exceptions merely because this information is embraced by part of or more general information in the public domain or in your possession. In addition, any combination of features shall not be deemed to be within the foregoing exceptions merely because individual features are in the public domain and are in your possession, but only if the combination itself, its principal of operation, knowledge or know-how are in the public domain or in your possession.

You will divulge confidential information and trade secrets only to those of your employees as must have access to it in order to operate the Slime Kitchen Outlet. Any and all information, knowledge and know-how, including, specifications and materials concerning the System and any other data which we designate as confidential shall be deemed confidential for purposes of the Franchise Agreement.

We are entitled to immediate equitable remedies, including restraining orders and injunctive relief, in order to safeguard the proprietary, confidential, unique, and special information of the System. All of your employees having access to the confidential and proprietary information of the System shall sign a confidentiality agreement in a form acceptable to us.

We have no obligations under the Franchise Agreement or otherwise to protect any or all rights that you have or may acquire to use a patent, patent application or copyright which we may have or obtain. There is no infringing use known to us which would materially affect your use of proprietary and/or copyrighted materials.

You must not use, in advertising or any other form of promotion, the copyrighted materials, trademarks, service marks or commercial symbols of the System without the appropriate notices which may be required by law or us, including ©, ® or other copyright registration notices or the designations TM, SM where appropriate or an indication that the Marks described in Item 13 and any other trademarks or service marks are our trade names, trademarks and service marks or those of an affiliate. The contents of all material available from us are copyrighted by us unless otherwise indicated. All rights are reserved by us, and content may not be reproduced, disseminated, published, or transferred in any form or by any means, except with our prior written permission. Despite anything stated or implied to the contrary in this Agreement, you must not use any of the Marks or copyrighted materials in any manner which has not been specified or approved by us.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Franchise Agreement

Upon executing the Franchise Agreement, you will designate and retain an individual (“**Primary Contact**”) who will have the full authority to act on your behalf in connection with the performance and operation of the Slime Kitchen Outlet, including but not limited to having the authority to enter into contracts on behalf of the Slime Kitchen Outlet. You must designate your Primary Contact on the Primary Contact Addendum attached to the Franchise Agreement as **Attachment I**. Your Primary Contact need not have any equity ownership in your Slime Kitchen Outlet but must furnish full-time attention and best efforts to the management of your Slime Kitchen Outlet. The Primary Contact must meet our standards and requirements and must have successfully completed our initial training program. If the performance of your Slime Kitchen Outlet fails to meet or exceed our standards, we may request that you replace your Primary Contact. Alternatively, you may not change the Primary Contact of your Slime Kitchen Outlet without our prior approval.

Your Primary Contact must sign an agreement (“**Confidentiality, Non-Disclosure and Non-Competition Agreement**”) in a form satisfactory to us, which prohibits the Primary Contact from disclosing proprietary information related to the Slime Kitchen Outlet or the System and contains covenants not to compete during and after employment for a period of 2 years, as described in Item 17. The Confidentiality, Non-Disclosure, and Non-Competition Agreement attached as **Exhibit B** to this disclosure document is currently considered a satisfactory form.

If your Primary Contact’s employment with you is terminated, you must designate a new Primary Contact who must successfully complete our initial training program within 90 days after the termination of the initial Primary Contact, unless we do not hold an initial training program during that 90-day period, in which case the replacement Primary Contact must attend and successfully complete the first available initial training program held by us.

You covenant in the Franchise Agreement that during the term of that Agreement, except as otherwise approved in writing by us, you (if you are an individual), the single biggest shareholder of the securities of your entity (if you are a corporation), a general partner of your entity (if you are a partnership), the managing member of your entity (if you are a limited liability company), or your designated Primary Contact will devote full-time energy and best efforts to the management and operation of the Slime Kitchen Outlet.

To assist your Primary Contact with the day-to-day operations of the Slime Kitchen Outlet, you may hire a operations manager. Your operations manager need not have any equity ownership in your Slime Kitchen Outlet. If you hire such a person, he or she must successfully complete our required training programs. You must keep us informed of the identity of any branch manager/operations manager whom you hire. You will disclose to your Primary Contact and any other employee only the information needed to operate the Slime Kitchen Outlet and you will advise all such people that any confidential information is a Trade Secret of ours.

You must hire a sufficient number of qualified, competent personnel, in order to offer prompt, courteous and efficient service to the public, and otherwise operate the Slime Kitchen Outlet in compliance with the System so as to preserve, maintain and enhance the reputation and goodwill of the System.

Each of your owners, Primary Contact, employees (such as a operations manager) and agents who have access to our proprietary information must also sign a Confidentiality, Non-Disclosure, and Non-Competition Agreement. These individuals must maintain the confidentiality of all proprietary information and conform to the covenants not to compete that we describe in Item 17.

If you are a corporation, general partnership or limited liability company, all shareholders (and their spouses) with a 20% or greater ownership interest in the corporation, all general partners or all members and managers (and their respective spouses), must personally and unconditionally guarantee the payment of all of your monetary obligations under the Franchise Agreement by signing the personal guaranty in the form of **Attachment E** to the Franchise Agreement. By signing the personal guarantee, spouses become jointly and severally liable for all obligations of the franchise, whether or not they are involved in the operation of the Slime Kitchen Outlet.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale, use, sell, and provide through your Slime Kitchen Outlet only those products and services that we authorize or require for the System. You may not offer for sale, use, sell, or provide any products or services that we have not authorized. You must follow our policies, procedures, methods, and techniques, and you may not deviate from our standards or specifications without our prior written consent. You must discontinue selling and offering for sale any unapproved products and services, or any products and services which we may, in our discretion, disapprove in writing at any time. The Franchise Agreement does not limit our right to make changes to the types of approved products and services. We have the right to add additional approved products and services that you must offer. All new products, services, and other developments, whether they be of our original design or variations of existing services or techniques, will be deemed works made for hire and we will own all rights in them. If they do not qualify as works made for hire, you assign ownership to us under the Franchise Agreement. You will not receive any payment or adjustment in connection with any new services or developments. All products, services, equipment, and other items used in the operation of the Slime Kitchen Outlet which are not specifically required to be purchased in accordance with our Approved Supplies List or Approved Suppliers List must conform to our established quality standards and specifications.

Your operations must comply with all applicable laws, including but not limited to those laws disclosed in Item 1. At your expense, you must investigate what laws apply to your Slime Kitchen Outlet and ensure full compliance with them at all times.

You must, at all times, hold yourself out as an independent contractor. You must take whatever actions we require to clearly identify the Slime Kitchen Outlet as independently owned and operated as a franchise that is distinct from us.

We do not currently restrict the prices at which you sell any products or services but we reserve the right to establish minimum and maximum prices for any products or services that you sell in the future. You must at all times maintain sufficient levels of products and supplies to adequately meet consumer demand and to adequately service customers. You must offer services and products in the manner we prescribe, provide quality customer service and otherwise operate the business in a manner that enhances the image intended by us for the System.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND
DISPUTE RESOLUTION THE FRANCHISE RELATIONSHIP

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

Provision	Section in Franchise or other Agreement	Summary
a. Length of the franchise term	Section 2.1 of Franchise Agreement	Franchise Agreement: 10 years.
b. Renewal or extension of the term	Section 2.2 of Franchise Agreement	Successor term of 10 years.
c. Requirements for you to renew or extend	Section 2.2 of Franchise Agreement	If you are not in default under the Franchise Agreement or any other agreement with us or any of our affiliates at any time during the last year of the Initial Term; have substantially complied with the Franchise Agreement and any other agreement with us, any of our affiliates, and Approved Suppliers throughout the Initial Term and any Successor Term of this Agreement; have fulfilled all of your monetary obligations to us, our affiliates, and Approved Suppliers; and have given us timely notice of your renewal, you must: sign our then-current form of Franchise Agreement (which may materially differ from your current agreement, including additional and higher fees); pay to us a successor fee; if available, execute a new lease for the Premises; execute a general release; complete any new training requirements not yet completed; and, if we deem necessary, bring the Slime Kitchen Outlet up to our then-current standards.
d. Termination by you	Not Applicable	You have no right to terminate the Franchise Agreement (subject to applicable state law).
e. Termination by us without cause	Not Applicable	We have no right to terminate the Franchise Agreement.
f. Termination by us with cause	Section 13 of Franchise Agreement	We can terminate only for specified causes. We may exercise a list of alternative remedies instead of terminating the Franchise Agreement.
g. "Cause" defined – defaults which can be cured	Section 13.2 of Franchise Agreement	You will be deemed to be in default under the Franchise Agreement and we have the right to terminate the Franchise Agreement and all rights granted under the Franchise

Provision	Section in Franchise or other Agreement	Summary
		Agreement if within 30 days after we send you a Notice to Cure, or within any shorter period expressly set forth in the following clauses as to such default, you do not correct the default to our satisfaction: nonpayment; under-reporting or misreporting of Gross Revenues; order, purchase, or offer for sale any unauthorized products or services; failure to open; failure to procure or maintain any necessary licenses, certifications, or permits; noncompliance involving our standards regarding a Primary Contact; unauthorized transfer; failure to complete training; and failure to comply with this agreement, other agreements, or the Operations Manual.
h. "Cause" defined - non-curable defaults	Section 13.1 of Franchise Agreement and 11 of Development Agreement	You will be deemed to be in default and subject to immediate termination under the Franchise Agreement, without prior notice of the default from us and without an opportunity to cure the default, if any of the following events occur: voluntary bankruptcy; involuntary bankruptcy; conviction of any criminal acts or other misconduct; fraud; misrepresentation; repeated breaches; misuse of the Marks or Confidential Information; violation of any health code; violation of in-term restrictive covenant; liens; insolvency; abandonment; misuse of proprietary software; failure to maintain insurance; non-compliance with government regulations; unfavorable government action is taken against you; failure to comply with anti-terrorist activities; personal use of franchised business property; insufficient funds in your bank account; and breach of other agreements.
i. Your obligations on termination/non-renewal	Sections 14.1 and 14.2 of Franchise Agreement	You must immediately cease to operate the business; vacate the Premises if we exercise our rights; pay all sums due us; return the Operations Manual, Confidential Information, trade secrets, and other confidential materials to us; cease using all telephone numbers and listings; cease using any component of the System; cease using the Marks; and promptly comply with (and continue to comply with) all terms of the

Provision	Section in Franchise or other Agreement	Summary
		Confidentiality, Non-Disclosure and Non-Competition Agreement and the covenants in Section 11.4 of the Franchise Agreement.
j. Assignment of contract by us	Section 12.1 of Franchise Agreement and 13 of Development Agreement	There are no restrictions on our right to assign the Franchise Agreement except that the assignee must be financially responsible and economically capable of performing its obligations under the Franchise Agreement and assignee must expressly assume these obligations.
k. “Transfer” by you - definition	Section 12.2 of Franchise Agreement and 14 of Development Agreement	Includes the direct or indirect sale, assignment, transfer, conveyance, giving away, pledge, mortgage or otherwise encumbering any interest in the Franchise Agreement or any portion or aspect of the Franchise Agreement, or any equity or voting interest in you.
l. Our approval of transfer by you	Section 12.2 of Franchise Agreement and 14 of Development Agreement	We have the right to approve all of your transfers.
m. Conditions for our approval of transfer	Section 12.4 of Franchise Agreement and 14 of Development Agreement	Under the Franchise Agreement, we will approve a proposed transfer if: (i) transferee meets all our standards; (ii) all of your obligations (monetary and otherwise) to us have been fully satisfied; (iv) you have substantially complied with the Franchise Agreement and all other agreements between you and us; (v) as of effective date of proposed Transfer, all of the obligations of transferee have been fully satisfied and transferee has unconditional right to occupy Premises; (vi) you or transferee pays us the applicable Transfer Fee, plus any broker fees; (vii) transferee completes our training program; (viii) you sign a general release in favor of us and our affiliates; (ix) transferee executes our then-current form of Franchise Agreement; (x) transferee obtains all necessary licenses and registrations; (xi) you comply with post-termination provisions of the Franchise Agreement; (xii) you and transferee agree to perform all maintenance and upgrades required to bring the Slime Kitchen Outlet up to our standards; (xiii) you provide us with a copy of signed purchase agreement; (xiv) you request that we provide

Provision	Section in Franchise or other Agreement	Summary
		transferee with our then-current form of Disclosure Document; (xv) our approval of the transfer shall not constitute a waiver of any claims we may have against transferring party; (xvi) we shall have the right to disclose to any prospective transferee such revenue reports and other financial information concerning you and your franchise as you have supplied us; and (xvii) we may withhold or condition our consent to any transfer as we deem appropriate based on the circumstances of the transfer or otherwise.
n. Our right of first refusal to acquire your business	Not Applicable	Not Applicable.
o. Our option to purchase your business	Not Applicable	Not Applicable.
p. Your death or disability	Section 12.5 of Franchise Agreement	Your heirs can qualify; otherwise, they or your legal representative must assign the franchise within six months to a buyer approved by us and otherwise fulfill all of the conditions to transfer. If this does not occur within six months of the date of death or disability, we can terminate the Franchise Agreement.
q. Non-competition covenants during the term of the franchise	Section 11.4 of Franchise Agreement	Subject to applicable state law, you may not divert any business, customer or potential customer of the franchise to any competitor. You also may not have any direct or indirect involvement in the operation of any Competing Business other than the one authorized in the Franchise Agreement. “Competing Business” means a business that provides services or products we may now or in the future authorize you to offer or sell in connection with the operation of your Slime Kitchen Outlet.

Provision	Section in Franchise or other Agreement	Summary
r. Non-competition covenants after the franchise is terminated or expires	Section 11.4 of Franchise Agreement	Subject to applicable state law, no direct or indirect involvement in a Competing Business for 24 months (i) at the premises of your former franchised business; (ii) within the Designated Territory of your former franchised business; or (iii) within 25 miles of the premises of any System franchisee, company-owned, or affiliate-owned outlet. You are also prohibited from soliciting Slime Kitchen customers or employees after termination of the Franchise Agreement.
s. Modification of the agreement	Sections 9 and 20.3 of Franchise Agreement	The Franchise Agreement can be changed or modified only by written agreement between you and us. We can modify or change the System through changes in the Operations Manual.
t. Integration/merger clause	Section 24 of Franchise Agreement	Only terms of the Franchise Disclosure Document and Franchise Agreement are binding (subject to applicable state law). Any representations or promises outside the disclosure document and Franchise Agreement may not be enforceable. But nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	Section 15 of Franchise Agreement	Except for certain claims concerning the confidential information or the Marks, all disputes must be arbitrated.
v. Choice of forum	Section 15.6 of Franchise Agreement	San Mateo County, California (subject to applicable state law).
w. Choice of law	Section 22 of Franchise Agreement	California law applies, except for applicable franchise laws of other states and disputes regarding the Marks governed under the Lanham Act (subject to applicable state law).

ITEM 18 PUBLIC FIGURES

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

ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to disclose 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 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 performance at a particular location or under particular circumstances.

We do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting our Chief Financial Executive Officer, Christopher Ando at 50 Black Fox Way, Redwood City, CA 94062, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
System Wide Outlet Summary
For Years 2022 to 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	0	0	0
	2023	0	0	0
	2024	0	3	+3
Company-Owned	2022	0	2	+2
	2023	2	4	+2
	2024	4	5	+1
Total Outlets	2022	0	2	+2
	2023	2	4	+2
	2024	4	8	+4

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

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

TABLE NO. 3
Status of Franchised Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
California	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
Nevada	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Totals	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3

There is a location in Pleasanton, CA which is owned by a family member and operating under the Mark. Neither we nor the Company have ownership in this location.

TABLE NO. 4
Status of Company-Owned Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
California	2022	0	2	0	0	0	2
	2023	2	1	0	0	0	3
	2024	3	1	0	0	0	4
Oregon	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
	2024	1	0	0	0	0	1
Totals*	2022	0	2	0	0	0	2
	2023	2	2	0	0	0	4
	2024	4	1	0	0	0	5

*The company-owned outlets disclosed in this table is owned and operated by Company.

TABLE NO. 5
Projected Openings as of December 31, 2024

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
California	2	2	0
Iowa	1	1	0
Nevada	1	1	0
Total	4	4	0

Any current or former franchisees are listed on **Exhibit H**. You should be aware that we are required by law to disclose Your contact information to other franchise purchasers if you become a franchisee or leave our franchise system.

We have not created, sponsored or endorsed any trademark-specific franchisee organization associated with our System and no such association has asked to be included in this disclosure document. During the last three fiscal years, we have signed no settlement agreements containing confidentiality clauses with current or former franchisees.

ITEM 21 FINANCIAL STATEMENTS

Attached to this disclosure document as **Exhibit E** are our audited financial statements dated December 31, 2024. Our fiscal year end is December 31st. We have not been in business for three years or more and cannot include all the financial statements required by the Rule for our last three fiscal years.

ITEM 22 CONTRACTS

The following agreements are attached as exhibits to this disclosure document:

- Exhibit A. Franchise Agreement
 - Exhibits to the Franchise Agreement
 - B. Authorization to Initiate Debit Entries
 - C. Collateral Assignment of Lease
 - E. Personal Guaranty and Assumption of Obligations
 - F. Spousal Guaranty
 - G. Collateral Assignment of Telephone Numbers and Telephone Listings and Internet Addresses
- Exhibit B. Confidentiality, Non-Disclosure, and Non-Competition Agreement
- Exhibit C. State Addenda
- Exhibit D. Statement of Franchisee
- Exhibit G. Form of General Release

ITEM 23 RECEIPTS

Attached at the end of this disclosure document, following the Exhibits, is a receipt. Please sign it, date it the date you receive the disclosure document, and return it to us. A duplicate of the receipt is attached for your records.

EXHIBIT A

SLIME KITCHEN FRANCHISE, INC.

FRANCHISE AGREEMENT



Slime Kitchen Franchise, Inc.

FRANCHISE AGREEMENT

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ATTACHMENTS

A.	Designated Territory, Premises, and Initial Franchise Fee
B.	Authorization to Initiate Debit Entries
C.	Collateral Assignment of Lease
D.	Statement of Franchisee Ownership
E.	Personal Guaranty and Assumption of Obligations
F.	Spousal Consent and Guaranty
G.	Collateral Assignment of Telephone Numbers and Telephone Listings and Internet Addresses
H.	Site Selection Addendum
I.	Primary Contact Addendum

SLIME KITCHEN FRANCHISE AGREEMENT

This Franchise Agreement ("**Agreement**") is entered into on _____ by and between Slime Kitchen Franchise, Inc., a California corporation with its principal place of business at 50 Black Fox way, Redwood City, CA 94062 ("**Franchisor**"),

_____ having its principal place of business at _____ ("**Franchisee**"). For purposes of this Agreement, the term Franchisee shall include any party that signs the Joinder.

RECITALS

A. Franchisor has the right to use and license the use of a system (the "**System**") for the establishment and operation of Slime Kitchen businesses (the "**Franchised Business**"). The System includes providing and marketing custom premade slime, supplies and accessories and offering classes, workshops and parties to create custom slime.

B. The distinguishing characteristics of the System include, without limitation, method of establishing and conducting the Franchised Business utilizing certain standards, specifications, methods, procedures, proprietary equipment, proprietary software, techniques, management techniques, the Marks, a confidential operations manual ("**Operations Manual**") and other confidential information, all of which may be changed, improved, and further developed from time to time.

C. The System is identified by certain trade names, service marks, trademarks and associated logos, emblems, symbols and indicia of origin including, without limitation, the marks SLIME KITCHEN™ and such other trade names, service marks, trademarks, logos, emblems and indicia or origin as are now designated, and may hereafter be designated by Franchisor in writing, for use in connection with the System ("**Marks**"). The rights to all such Marks as are now, or hereafter will be, designated as part of the System will be owned exclusively by Franchisor or its affiliates ("**Affiliates**") and be used for the benefit of Franchisor, its Affiliates and System franchisees to identify to the public the source of the products and services marketed thereunder.

D. Franchisor maintains high standards of quality and service for the System, as a result of which the System has acquired valuable goodwill and a favorable reputation.

E. Franchisee desires to engage in the Franchised Business and Franchisor is willing to grant Franchisee a franchise to do so upon the terms and conditions set forth in this Agreement in reliance upon all of the representations made in Franchisee's application and this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt of which is acknowledged, the parties to this Agreement agree as follows:

1. GRANT OF FRANCHISE

1.1 Grant. Franchisor hereby grants to Franchisee, upon the express terms and conditions contained in this Agreement, and Franchisee hereby accepts, a franchise for the right to establish and operate one Franchised Business, under the System and Marks identified below, and the right to use the System and Marks in the operation of the Franchised Business in the designated territory described in **Attachment A** to this Franchise Agreement (“**Designated Territory**”). Franchisor has the right to supplement, improve or otherwise modify the System from time to time, and Franchisee agrees to comply with all changes which may include, without limitation, the offer and sale of new or different products or services as Franchisor may specify.

1.2 Operation of Franchise Limited to Territory. Franchisee may not directly market or solicit or perform any classes, workshops and parties outside of the Franchisee’s Designated Territory.

1.3 Customer Franchised Business Operated Only from the Premises. Franchisee acknowledges and agrees that the grant of franchise in Section 1.1 relates solely to the operation of the Franchised Business from the Premises (as defined in Section 6.1) and affords Franchisee no right to construct or operate any additional, expanded or modified facilities on the Premises nor any right to construct or operate the Franchised Business at any location other than the Premises identified in **Attachment A** to this Agreement.

1.3.1 Notwithstanding the foregoing, Franchisee may conduct workshops and parties at temporary locations within the Designated Territory (“Off-site Services”) subject to the conditions set forth below:

- (i) Franchisee must obtain Franchisor’s written consent thirty (30) days prior to the Off-site Services event;
- (ii) Off-site Services shall strictly adhere to the Franchise Agreement and Operations Manual, including without limitation adherence to state and local regulations, insurance requirements, marketing procedures, and pricing guidelines;
- (iii) Franchisee must obtain additional insurance coverage for Off-site Services and provide proof of such coverage to Franchisor;
- (iv) Offsite Services must be included in Gross Revenues for the Franchised Business; and
- (v) Franchisee shall adhere to additional requirements reasonably set forth by Franchisor for the Off-site event.

1.3.2 If Franchisor has not approved of a location for Franchisee to operate its Slime Kitchen Franchised Business as of the date Franchisee signs this Agreement, the parties will enter into the Site Selection Addendum attached hereto as **Attachment I**, the terms of which will govern the parties’ site selection obligations. Franchisee may not relocate the Franchised Business without Franchisor’s prior written consent, which will not be unreasonably withheld. Franchisee will be responsible for all costs incurred by

Franchisor in connection with approving any proposed change in the Franchised Business's Premises.

1.4 Franchisor's Reserved Rights. Franchisee will receive a Designated Territory, subject to the exceptions outlined below. The license is limited to the right to develop and operate one Franchised Business at the Premises (as defined in Section 6.1) within the Designated Territory, and does not include (i) any right to market or sell products or services identified by the Marks at any location other than the Premises, or through any other channels or methods of distribution, including the Internet (or any existing or future form of electronic commerce including but not limited to social media websites and mobile communication devices), except in accordance with policies stated in the Operations Manual; or (ii) any right to exclude, control, or impose conditions on Franchisor's development of future franchised, company, or Affiliate-owned Franchised Businesses at any time outside of the Designated Territory.

Franchisee further acknowledges and agrees that Franchisor and Franchisor's Affiliates retain the right to:

1.4.1 Establish or license others the right to establish a Slime Kitchen Business at any location outside the Designated Territory, as we deem appropriate, regardless of proximity to the Designated Territory, without compensation to you;

1.4.2 Establish and license others to establish businesses under other systems using the Marks or other proprietary marks, which businesses may be located within or outside the Designated Territory, provided, however, that, except as specifically provided in the Franchise Agreement, we not license or establish a business substantially similar to the Slime Kitchen Business within your Designated Territory;

1.4.3 Sell the services, products, materials and related equipment authorized for your Slime Kitchen Business under other trademarks, service marks and commercial symbols through similar or dissimilar channels of distribution and pursuant to terms we deem appropriate within and outside your Designated Territory;

1.4.4 Advertise and sell the services, products, materials and related equipment authorized as associated with your Slime Kitchen Business under the Marks through dissimilar channels of distribution including, without limitation, by electronic means such as the Internet and websites we establish and pursuant to terms we deem appropriate within and outside your Designated Territory;

1.4.5 Advertise the System on the Internet and to create, operate, maintain and modify, or discontinue the use of one or more websites using the Marks;

1.4.6 Acquire the assets or ownership interest of one or more businesses providing services, products, materials and related equipment similar to those provided under your Slime Kitchen Business, and franchise under a service mark or trademark other than our Marks, license or grant the right to others to operate those businesses once acquired, regardless of whether these businesses are located or operating within your Designated Territory;

1.4.7 Be acquired by a business providing services, products, materials and equipment similar to those provided at your Slime Kitchen Business, even if such business operates, franchises or licenses competitive businesses in your Designated Territory;

1.4.8 Offer, sell, operate or distribute and/or license others to sell, operate and distribute through franchised or non-franchised businesses, at wholesale or retail, within and outside the Designated Territory (a) Slime Kitchen branded goods and services not then offered and sold through the System, or (b) goods and services under another brand where comparable goods and services are not then offered and sold through the System. These goods and services may be offered and sold through similar or dissimilar channels or methods of distribution, including the Internet and outlets that do business under the Slime Kitchen name or another name.

1.4.9 Engage in any other activities not expressly prohibited in the Franchise Agreement.

1.5 Relocation. Provided that Franchisee is not in default under this Agreement, in the event Franchisee is the lessee or sublessee of the Premises and the lease or sublease is terminated or not renewed during the term of this Agreement through no fault of Franchisee, Franchisee may relocate the Franchised Business to another premises within the Designated Territory. Franchisee must obtain Franchisor's prior written consent to any such relocation. Franchisor may withhold any such consent. Franchisee will be responsible for all costs incurred by Franchisor in approving any new location for the Franchised Business. Franchisee must, at its expense, ensure that the substitute premises conforms to Franchisor's then-current specifications and standards relating to premises design, furniture, fixtures and equipment for a Franchised Business.

1.5.1 Franchisee agrees to close the Premises within one (1) month of opening the substitute premises. If the Premises closes before the substitute premises is open for business, Franchisee agrees to open the substitute premises within three (3) months of closing the original Premises. Royalty payments will continue without interruption during the Relocation of the Franchised Business.

1.5.2 Franchisee agrees, at its sole expense, to remove from and around the Premises and obliterate any visible indicia that the location was operated as a Franchised Business upon relocation of the Franchised Business to the substitute premises.

2. TERM AND RENEWAL

2.1 Initial Term. This Agreement will take effect upon its execution by all parties hereto ("**Effective Date**") and, unless previously terminated pursuant to Section 13 hereof, its term will extend for ten (10) years from the earlier of (i) the date the Franchise Business is opened for business or (ii) the date Franchisee is required to open the Franchise Business pursuant to Section 6.2 hereof ("**Initial Term**").

2.2 Successor Term. Provided that (i) Franchisee is not in default under this Agreement or any other agreement with Franchisor or Franchisor's Affiliates at any time during the last year of the Initial Term; (ii) Franchisee has been in substantial compliance of this Agreement and any other agreement with Franchisor, Franchisor's Affiliates, and designated suppliers throughout the

Initial Term and any renewal term of this Agreement; and (iii) Franchisee has fulfilled all of its monetary obligations to Franchisor, Franchisor's Affiliates, and Approved Suppliers, Franchisee may, at its option, renew this Agreement upon the expiration of the Initial Term for an additional term of five (5) years ("**Successor Term**").

2.2.1 Franchisee must exercise its option to renew by giving Franchisor written notice of Franchisee's election to renew not less than six (6) months and no more than one (1) year prior to the expiration of the Initial Term. As a condition for any Successor Term, Franchisee must:

- (i) pay to Franchisor a successor fee ("**Successor Fee**") in an amount equal to twenty percent (20%) of the then-current initial franchise fee at the time of renewal;
- (ii) sign Franchisor's then-current form of franchise agreement ("**Successor Franchise Agreement**"), which may include terms and conditions materially different from those in this Agreement, such as different performance standards, fee structures and/or increased fees;
- (iii) execute a general release in a form satisfactory to Franchisor of any and all claims against Franchisor, its parent, subsidiaries or Affiliates (if applicable) and their officers, directors, attorneys, Owners and employees;
- (iv) complete any new training requirements not yet completed; and
- (v) at Franchisee's sole expense and if necessary in Franchisor's sole opinion, bring the Franchised Business up to Franchisor's then-current standards for a Franchised Business, including installation or upgrade of computer hardware and software.

2.2.2 The first Successor Franchise Agreement referred to above will include an option for Franchisee to renew that agreement for one additional term of five (5) years on the terms of the second Successor Franchise Agreement being offered by Franchisor at that time to similarly situated renewing System franchisees; provided, however, that at the time any such option is to be exercised by Franchisee, Franchisee is not in default under the first Successor Franchise Agreement, or any other agreement with Franchisor, at any time during the last six (6) months of the first Successor Term.

2.3 Interim Period. If Franchisee does not sign a Successor Franchise Agreement prior to the expiration of this Agreement and Franchisee continues to accept the benefits of this Agreement after the expiration of this Agreement, then at Franchisor's option, this Agreement may be treated either as (i) expired as of the date of expiration with Franchisee then operating without a license 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 of Franchisee's obligations 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.

3. OPERATING ASSISTANCE

3.1 Assistance Prior to Opening. Prior to Franchisee opening the Franchised Business, Franchisor will provide Franchisee with the following assistance:

3.1.1 Provide Franchisee with access the Operations Manual.

3.1.2 Review and approve or disapprove the proposed site for the Franchised Business to determine whether it meets Franchisor's standards and specifications.

3.1.3 Provide Franchisee with specifications on the size, layout and floor plan of a prototypical Franchised Business.

3.1.4 Provide three (3) people with training at the Franchisor's or its affiliate's headquarters or another location (including online) designated by Franchisor ("**Initial Training Program**"). Additional people may attend for a fee of Fifteen Hundred Dollars (\$1,500) per person. Franchisee must pay for the expenses of attendance, such as lodging, meals, transportation, and wages of trainees.

3.1.5 Provide Franchisee with an Approved Supplies List and Approved Suppliers List (See Section 6.10).

3.1.6 Provide Franchisee with sample advertisements regarding the opening of the Franchised Business and Franchisee's recruitment of staff.

3.2 Ongoing Assistance. After Franchisee has opened the Franchised Business, Franchisor will provide the following assistance:

3.2.1 If requested, provide Franchisee with on-site training prior to the opening of the Franchise Business after payment of Franchisor's Opening Assistance fee. Currently, the Opening Assistance Fee is Thirty-Five Hundred Dollars (\$3,500) for one trainer and up to three (3) days of training, or Seventy-Five Hundred Dollars (\$7,500) for two trainers and up to five (5) days of training.

3.2.2 Franchisor will also provide Franchisee with ongoing consultation and advice in response to Franchisee's inquiries about specific administrative and operating issues. Franchisor may decide how best to communicate this consultation and advice to Franchisee, whether by telephone, in writing, electronically, or in person. The method chosen by Franchisor may be different than the methods used by Franchisor to communicate with other System franchisees.

3.2.3 Administer the Advertising Fund (described below) and approve or disapprove of any advertising that Franchisee creates for use in Franchisee's local market.

3.2.4 Franchisor may update the Approved Supplies List and Approved Suppliers List from time to time as Franchisor deems necessary.

3.2.5 While not currently in place, Franchisor may develop an advanced training program for Franchisee's key personnel, as designated by Franchisor, which will be held at Franchisor's or its affiliate's headquarters, or another location (including online) designated by Franchisor. Franchisor may charge Franchisee a fee for this advanced training, and Franchisee must pay all of Franchisee's travel expenses, such as transportation, lodging, meals, and any related payroll expenses for anyone who attends the training. If Franchisee hires a replacement manager, he or she must meet Franchisor's applicable training requirements at the time of hire.

3.2.6 Maintain the Slime Kitchen Website (as defined below).

3.2.7 Franchisor may change or modify the System including the adoption and use of new or modified trade names, trademarks, service marks, or copyrighted materials, new computer programs and systems, new types of inventory, supplies, products, services, equipment, or techniques.

3.2.8 Provide Franchisee with information regarding any modifications, improvements, or developments within or to the System in the form of periodic announcements.

3.2.9 Provide Franchisee with additional optional training on an as-needed basis for an additional fee of Five Hundred Dollars (\$500) per day per trainer plus travel, room and board expenses for each trainer.

In addition to the Initial Training Program outlined above, you may also request that we provide you with a private 3-day continuing education session at a Company Outlet, or at a location we designate. The cost for such a session would be \$1,500 plus you and your employees' travel, meals, lodging, and payroll expenses.

4. FEES AND OTHER PAYMENTS TO FRANCHISOR

4.1 Initial Franchise Fee. In consideration of the franchise granted herein, Franchisee must pay to Franchisor an initial franchise fee ("**Initial Franchise Fee**") in the amount set forth in **Attachment A** to this Agreement for the right to operate one Franchised Business in the Designated Territory. The Initial Franchise Fee for the right to operate a Slime Kitchen Business within an assigned Designated Territory is Twenty-Five Thousand Dollars (\$25,000). Franchisee acknowledges and agrees that the Initial Franchise Fee is payable upon signing this Agreement and is fully earned upon receipt by Franchisor and is non-refundable under any circumstances.

4.2 Grand Opening Advertising. Franchisee agrees to spent at least Five Thousand Dollars (\$5,000) to conduct grand opening promotion and advertising for the Franchised Business beginning the month of the Opening Date and ending sixty (60) days following the Opening Date. The Grand Opening Advertising is in addition to the Franchisee's Local Advertising and Promotion requirements set forth in Section 8.4 below.

4.3 Gross Revenues. “**Gross Revenues**” shall mean the aggregate of all revenues and other income from whatever source derived (whether in the form of cash, credit, agreements to pay or other consideration and whether or not payment is received at the time of sale or any of these amounts prove uncollectible), which arise from or are derived by Franchisee or by any other person from business conducted by, or which originated from the business. Gross Revenues also include all proceeds from any business interruption insurance. Excluded from Gross Revenues are: (i) sales taxes and other taxes separately stated that Franchisee collects from customers and pay to taxing authorities; (ii) refunds and credits made in good faith to arms’ length customers in accordance with our standards and specifications for issuing such refunds or credits; and (iii) the discount value of any coupon, voucher or other allowance that Franchisor authorizes at the time Franchisee redeems the customer’s coupon, voucher or allowance.

4.4 Royalty Fee.

4.4.1 **Royalty Fee.** Franchisee must pay to Franchisor a royalty fee (“**Royalty Fee**”) equal to seven percent (7%) of monthly Gross Revenues or Three Thousand Dollars (\$3,000) (“**Minimum Royalty Fee**”), whichever is greater.

4.4.2 **Gross Revenues Acknowledgment.** Franchisee acknowledges and agrees that the Minimum Royalty Fee and revenue-based Royalty Fee structure described above are not a representation or suggestion as to what level of revenue Franchisee may, or is likely to, obtain.

4.4.3 **Payment.** Any Royalty Fee is due and payable on the seventh (7th) day of the month for the prior month’s billings via electronic funds transfer. Franchisor reserves the right to collect the Royalty Fee more frequently than monthly upon thirty (30) days’ prior written notice to Franchisee.

4.5 Technology Fee. Franchisee must pay to Franchisor a technology fee (“**Technology Fee**”) equal to up to one percent (1%) of monthly Gross Revenues. The Technology Fee is not yet established. These payments will not be required until Franchisor determines that establishing the Technolgy Fee is appropriate for the System. Franchisor will also set the initial contribution rate at that time, which may be less than the maximum rate.

4.5.1 **Payment.** Any Technology Fee is due and payable on the seventh (7th) day of the month for the prior month’s billings via electronic funds transfer. Franchisor reserves the right to collect the Technology Fee more frequently than monthly upon thirty (30) days’ prior written notice to Franchisee.

4.6 Advertising Fund. Franchisee must contribute up to two percent (2%) of Franchisee’s monthly Gross Revenues to the Advertising Fund set forth in Section 8.1. Franchisee’s contribution to the Advertising Fund is due and payable on the seventh day of the month for the prior month’s billings via electronic fund transfer. Franchisor reserves the right to collect such contributions more frequently than monthly upon thirty (30) days’ prior written notice to Franchisee.

4.7 Other Charges and Service Fees. Franchisee understands and agrees that the System is developing and that there may be other charges and service fees that will be agreed upon between Franchisee and Franchisor and assessed to Franchisee either by Franchisor, its Affiliates or third party vendors in connection with existing components of the System or the addition of modified or new components to the System. Franchisee agrees to pay all such other charges and service fees in a timely manner.

4.8 Annual Increase in Fixed Fees or Fixed Payments. Franchisor and its Affiliates reserve the right to increase the amount of any fixed fee or fixed payment (“**Annual Increase**”) under this Agreement, including but not limited to the minimum Royalty Fee and Local Advertising and Promotion expenditures (See Section 8.4). An Annual Increase to each particular fixed fee or fixed payment may occur only once during any calendar year.

4.9 Method of Payment and Electronic Funds Transfer. Unless otherwise agreed between Franchisor and Franchisee, all fees and other amounts paid to Franchisor or any Affiliate must be made in the form of an electronic or similar funds transfer in the appropriate amount(s) from Franchisee’s bank account. Franchisor reserves the right to require Franchisee to pay any fees due under this agreement at any intervals Franchisor may designate and by such means as Franchisor may specify from time to time. Franchisee agrees to execute and deliver to its bank and to Franchisor those documents necessary to authorize such withdrawals and to make payment or deposit as directed by Franchisor or its Affiliates. The forms of authorization for electronic transfer of funds are attached hereto as **Attachment B**. Franchisee further agrees that it will not thereafter terminate such authorization so long as the Franchise Agreement is in effect. Franchisee agrees that it will not close such bank account without prior notice to Franchisor and the establishment of a substitute bank account permitting such withdrawals. Franchisee also agrees that in the event that a direct electronic funds transfer or other withdrawal program is not available at the bank at which it currently does its business, it will take all reasonable and necessary steps to establish an account at a bank which does have such a program.

4.10 Payment and Interest on Late Payments. Except as may otherwise be provided in this Agreement, fees and other amounts due under this Agreement must be paid on the seventh (7th) day of the month for the prior month’s billings via electronic funds transfer. Franchisor or its Affiliate will initiate payment on all invoices from Franchisee’s bank account seven (7) days after the date of the invoice by electronic funds transfer as set forth in Section 4.9 above. If any fee or other amount due under this Agreement is not paid when it is due, Franchisee will pay a Fifty Dollar (\$50) late fee and interest on any balance due from the date due until such amount is paid in full at the highest then-applicable legal rate per annum not to exceed eighteen percent (18%) per month. This charge will accrue whether or not Franchisor or Franchisee exercises its respective rights to terminate this Agreement pursuant to Section 13 hereof.

4.11 Application of Payments. All payments by Franchisee pursuant to this Section 4 will be applied in such order as Franchisor may designate from time to time. Franchisee agrees that it may not designate an order for application of any fees different from that designated by Franchisor and expressly acknowledges and agrees that Franchisor may accept fees paid pursuant to different instructions without any obligation to follow such instructions, even if such payment is made by its terms conditional on such instructions being followed. This provision may be

waived only by written agreement signed by Franchisor, which written agreement must be separate from the check or other document or medium constituting or transmitting payment.

4.12 Taxes on Payments and Currency. In the event that any taxing authority, wherever located, imposes any future tax, levy, or assessment on any payment Franchisee makes to Franchisor (excluding income tax), Franchisee must, in addition to all payments due to Franchisor, pay such tax, levy, or assessment. All fees and other amounts due Franchisor, or any Affiliate thereof, under this Agreement, or any other agreement related to Franchisee's ownership or operation of the Franchised Business, are stated in United States dollars and must be paid in United States dollars.

5. MARKS

5.1 Ownership. Franchisee expressly acknowledges Franchisor's and its Affiliates' rights in and to the Marks and agrees not to represent in any manner that Franchisee has acquired any ownership rights in the Marks. Franchisee agrees not to use any of the Marks or any marks, names or indicia which are or may be confusingly similar in its own corporate or business name, email address or domain name except as authorized in this Agreement. Franchisee further acknowledges and agrees that any and all goodwill associated with the System and identified by the Marks will inure directly and exclusively to the benefit of Franchisor and its Affiliates and that, upon the termination or expiration of this Agreement for any reason, no monetary amount will be assigned as attributable to any goodwill associated with Franchisee's use of the Marks.

5.2 Authorized Use. Franchisee understands and agrees that any use of the Marks other than as expressly authorized by this Agreement, without Franchisor's prior written consent, may constitute an infringement of Franchisor's rights therein and that the right to use the Marks granted herein does not extend beyond the expiration or termination of this Agreement. Franchisee expressly covenants that, during the term of this Agreement and thereafter, Franchisee will not, directly or indirectly, commit any act of infringement or contest or aid others in contesting the validity of Franchisor's right to use the Marks or take any other action in derogation thereof. Franchisee must identify itself as the owner of the Franchised Business (in the manner Franchisor prescribes) in conjunction with any use of the Marks including, without limitation, on invoices, contracts, timesheets, checks, receipts, and business stationary, as well as such conspicuous locations as Franchisor may designate in writing at the Franchised Business premises.

5.3 Infringement. Franchisor or its Affiliates will have the sole right to handle disputes with third parties concerning Franchisor's ownership of, rights in, or Franchisee's use of, the Marks or the System. Franchisee must immediately notify Franchisor in writing if Franchisee receives notice of, or learns of, any: (i) improper use of any of the Marks or elements of the System; (ii) use by any third party of any mark, design, logo or commercial symbol which, in Franchisee's judgment, may be confusingly similar to any of the Marks; (iii) use by any third party of any business practice which, in Franchisee's judgment, unfairly simulates the System in a manner likely to confuse or deceive the public; or (iv) claim, challenge, suit or demand asserted against Franchisee based on Franchisee's use of the Marks or the System. Franchisor will have the right to take any action it deems appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of any infringement, challenge or claim or otherwise relating to the Marks or the System. Franchisee must not settle or compromise any claim,

suit or demand asserted against it and agrees to be bound by Franchisor's decisions in handling disputes regarding the Marks and the System. Franchisee must cooperate fully with Franchisor and execute any documents and perform any actions that, in Franchisor's judgment, may be necessary, appropriate or advisable in the defense of such claims, suits or demands and to protect and maintain Franchisor's rights in the Marks and the System. Unless it is established that a third party claim asserted against Franchisee is based, directly or indirectly, on Franchisee's misuse of the Marks or the System, Franchisor agrees to defend Franchisee against the third party claim, provided Franchisee has notified Franchisor immediately after learning of the claim and fully cooperates in the defense of the action. Because Franchisor will defend the third party claim, Franchisee is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter. Notwithstanding Franchisor's agreement to defend Franchisee under the conditions in this Section, Franchisee understands and agrees that Franchisor is not liable to indemnify or reimburse Franchisee for any liability, costs, expenses, damages or losses that Franchisee may sustain because of the third party claim. Franchisee, on behalf of itself and its owners, hereby waives any claim against Franchisor, Franchisor's Affiliates, and their respective officers, directors, shareholders, employees and agents based on third party claims involving the Marks or System including, without limitation, for lost profits or consequential damages of any kind.

5.4 Operation under the Marks. Franchisee must use only the Marks which Franchisor designates and must use them only in the manner Franchisor authorizes and permits. Franchisee further agrees and covenants to operate and advertise only under the names or marks from time to time designated by Franchisor for use by similarly situated franchisees of Franchisor; to adopt and use the Marks solely in the manner prescribed by Franchisor, to refrain from using the Marks to perform any activity or to incur any obligation or indebtedness in such a manner as may, in any way, subject Franchisor to liability therefore; to observe all laws with respect to the registration of trade names and assumed or fictitious names, to include in any application therefore a statement that Franchisee's use of the Marks is limited by the terms of this Agreement, and to provide Franchisor with a copy of any such application and other registration document(s); to observe such requirements with respect to trademark and service mark registrations and copyright notices as Franchisor may, from time to time, require, including, without limitation, affixing "SM," "TM," or "®," adjacent to all such Marks in any and all uses thereof; and to utilize such other appropriate notice of ownership, registration and copyright as Franchisor may require.

5.5 Modification or Replacement of the Marks. Franchisor reserves the right to designate one or more new, modified or replacement Marks for use by franchisees and to require the use by Franchisee of any such new, modified or replacement Marks in addition to or in lieu of any previously designated Marks. Any expenses or costs associated with the use by Franchisee of any such new, modified or replacement Marks will be the sole responsibility of Franchisee.

5.6 Non-Exclusive License. The license of the Marks granted to Franchisee herein is nonexclusive and Franchisor retains the right, among others, to (i) use the Marks itself in connection with selling products and services; (ii) grant other licenses for the Marks; and (iii) develop and establish other systems using the Marks, similar marks, or any other marks, and to grant licenses thereto without providing any rights therein to Franchisee.

6. STANDARDS OF OPERATION

6.1 Site Location and Lease Premises. Within ninety (90) days of the Effective Date of this Agreement, Franchisee must locate the premises (“**Premises**”) of the Franchised Business and obtain approval from Franchisor based on the site selection criteria Franchisor has established as of the Effective Date of this Agreement. Once Franchisee has submitted a proposed site for the Premises to Franchisor for its approval, Franchisor has fifteen (15) calendar days to approve or disapprove of such proposed site for the Premises. If Franchisee does not have an approved site for the Premises within ninety (90) days of the Effective Date of this Agreement, Franchisor will provide Franchisee with an extension of thirty (30) days, or any longer time as may be required for Franchisee to obtain the necessary licensure to operate the Franchised Business. If Franchisee does not have an approved site for the Premises upon the expiration of any such extension, Franchisor may terminate the Franchise Agreement. The Premises may not be located in any person’s home and must be open to the public. The factors that Franchisor will consider for approving or disapproving the proposed site of the Premises include whether it is located within the Designated Territory; the demographics and concentration of the surrounding population; potential customer density levels; its proximity to potential competitors; its physical appearance; its total square footage; its interior space plan and floor layout; and building, sign and other applicable codes, ordinances, regulations and restrictions. Franchisee agrees to use the Premises solely for the operation of the business in the manner and pursuant to the standards prescribed herein, in the Operations Manual or otherwise in writing, and to refrain from using or permitting the use of the Premises for any other purpose or activity at any time. In the event Franchisee is the lessee of the Premises, Franchisee will furnish Franchisor with a copy of any proposed lease agreement, which will provide Franchisor the right to enter the Premises to make any modification necessary to protect the Marks and a Collateral Assignment of Lease in the form attached hereto as **Attachment C** executed by Franchisee and the lessor of the Premises, providing Franchisor notice of Franchisee’s default of the lease, a right to cure such default and the right to assume the lease, as well as the further right to sublease or assign to a System franchisee (and if Franchisor exercises its rights under the Collateral Assignment of Lease, Franchisor will have the option to acquire all fixtures, equipment and other leasehold improvements on the Premises at fair market value).

6.2 Franchised Business Opening. Unless Franchisor agrees to provide Franchisee with an extension in writing, Franchisee must open its location for business within twelve (12) months of signing this Agreement. Franchisee’s business will be considered open on the earlier of the date Franchisee opens for business or twelve (12) months after signing this Agreement (“**Opening Date**”)

6.3 Quality Standards for Fixtures, Equipment and Supplies. All fixtures, equipment and supplies for the Franchised Business selected by Franchisee must meet the quality standards set forth in Franchisor’s Operations Manual or otherwise in writing, subject to compliance with applicable laws and regulations.

6.4 Signage. Subject to compliance with applicable laws and regulations, Franchisee must acquire all signs as required by Franchisor for use at or in connection with the Franchised Business.

6.5 Initial Training Program.

6.5.1 Prior to the Opening Date, Franchisee and Franchisee's operations manager must complete Franchisor's initial training program to the satisfaction of Franchisor. If Franchisee and Franchisee's operations manager fail to do so, Franchisor reserves the right to require Franchisee and Franchisee's operations manager to undergo additional training at Franchisee's expense; Franchisor also reserves the right to terminate this Agreement. Franchisor shall provide the initial training program tuition free to Franchisee and two other people associated with the Franchised Business, such as the operations manager and sales manager. Franchisor will charge Franchisee One Thousand Five Hundred Dollars (\$1,500) per person for any additional personnel who participates in Franchisor's initial training program. Franchisee acknowledges and agrees that Franchisee shall be responsible for all travel, lodging, meal, and payroll expenses for Franchisee and its personnel to attend such initial training program.

6.5.2 Replacement operations managers likewise must complete such applicable initial training program to the satisfaction of Franchisor promptly after they are hired by Franchisee. Franchisee must pay Franchisor's then-applicable fee for all such training and shall be responsible for all travel, lodging, meal, and payroll expenses for Franchisee and its personnel to attend such initial training program.

6.5.3 To assist Franchisee in the operation of Franchisee's business, Franchisor may offer additional training programs and/or refresher courses to Franchisee and/or Franchisee's employees as Franchisor deems appropriate. Franchisee must pay Franchisor's then-applicable fee for all such training and shall be responsible for all travel, lodging, meal, and payroll expenses for Franchisee and its personnel to attend such initial training program.

6.5.4 Franchisee may also request that Franchisor provide Franchisee with a private three-day continuing education session at Franchisor's headquarters or at a location Franchisor designates. Franchisee must pay One Thousand Five Hundred Dollars (\$1,500) to Franchisor for all such training and Franchisee shall be responsible for all travel, lodging, meal, and payroll expenses for Franchisee and its personnel to attend such continuing education session.

6.5.5 Franchisee must complete a technology and certification training program provided by a third party vendor whom Franchisor designates as an Approved Supplier. If Franchisee attends such program in person, Franchisee must pay the then-current tuition rate for such training and Franchisee shall be responsible for all travel, lodging, meal, and payroll expenses for Franchisee and its personnel to attend such continuing education session.

6.5.6 Franchisee acknowledges and agrees that any training, support, guidance or tools provided to Franchisor as part of the Franchised Business under this Agreement are for the purpose of protecting the System's brand and Marks and to assist Franchisee in the operation of the Franchised Business and not for the purpose of controlling or in any way intended to exercise or exert control over Franchisee's decisions or day-to-day operations of the Franchised Business.

6.6 Supervision and Hiring.

6.6.1 Franchisee's business must be under the control of a designated primary contact ("**Primary Contact**") who meets Franchisor's then-current Primary Contact standards and requirements as defined in **Attachment H** to this Agreement. The day-to-day operations of the Franchised Business must be under the supervision of the Franchisee (or, if the Franchisee is a business entity, the Franchisee's Primary Contact or operations manager) who will devote his or her full time and energy to the operation of the business. If the Franchisee is an individual, then when the Franchisee is unable to be present during business hours, the Franchisee will, at all times while the business is open for business, have a operations manager on duty who has successfully completed the franchisor's training program and who will be responsible for the business operations of the business. Franchisee will keep Franchisor informed at all times of the identity of any employee required to enter into the confidentiality and non-competition covenants as required under Section 11 of this Agreement. Franchisee acknowledges and agrees that Franchisee alone is responsible for all employment decisions of the business, including hiring, firing, training, promotion, wage and hour requirements, recordkeeping, supervision and discipline of employees. No employee of Franchisee will be deemed to be an employee of Franchisor for any purpose whatsoever, and nothing in any aspect of the System or the Marks in any way shifts any employee or employment related responsibility from Franchisee to Franchisor. Franchisee must conduct criminal background checks on all prospective employees and employees of the business to determine whether there is a history of crimes involving children or similar crimes that are ascertainable on the public record. Franchisee is responsible for and assumes liability for all hiring decisions and compliance with all applicable federal and state employment practices.

6.6.2 Franchisee must hire a sufficient number of qualified, competent personnel, in order to offer prompt, courteous and efficient service to the public, and otherwise operate the Franchised Business in compliance with the System so as to preserve, maintain and enhance the reputation and goodwill of the System. Franchisee will at all times use Franchisee's best efforts to diligently operate the Franchised Business so as to maximize the revenues and will do all things reasonably requested by Franchisor to maximize revenues.

6.6.3 All employees engaged in the operation of Franchisee's Franchised Business during working hours must dress conforming to Franchisor's standards, must present a neat and clean appearance (wearing System uniforms, if required) in conformance with Franchisor's reasonable standards and must render competent, empathetic service to the customers of Franchisee's business.

6.7 Maintenance of Premises. Franchisee agrees to maintain the Premises, and all fixtures, furnishings, signs and equipment thereon, in conformity with Franchisor's then-current standards at all times during the term of this Agreement and to make such repairs and replacements thereto as Franchisor may require. Without limiting the generality of the foregoing, Franchisee specifically agrees:

6.7.1 To keep the Premises at all times in a high degree of repair, order and condition, including, without limitation, such periodic repainting of the exterior and interior

of the business, such replacement of, and/or maintenance and repair to, all fixtures, furnishings, signs and equipment as Franchisor may from time to time reasonably direct;

6.7.2 To meet and maintain at all times all governmental standards and ratings applicable to the operation of the Franchised Business or such higher minimum standards and ratings as set forth by Franchisor from time to time in its Operations Manual or otherwise in writing; and

6.7.3 To cause its employees to wear apparel which conforms strictly to the specifications, design, color and style approved by Franchisor from time to time.

6.8 Operation of Franchised Business. Franchisee agrees to comply with all System rules, regulations, policies and standards which are by their terms mandatory including, without limitation, those contained in the Operations Manual. Franchisee must operate and maintain the Franchised Business solely in the manner and pursuant to the standards prescribed herein, in the Operations Manual or in other materials provided by Franchisor to Franchisee from time to time. Franchisee must make such repairs and replacements to the Premises and the business as Franchisor may require Franchisee to ensure that Franchisor's required degree of quality, service and image is maintained and must refrain from deviating therefrom and from otherwise operating in any manner which adversely reflects on Franchisor's name and goodwill or on the Marks. Without limiting the generality of the foregoing, Franchisee specifically agrees as follows:

6.8.1 To purchase, install and use, at Franchisee's expense, all such fixtures, furnishings, signs and equipment, all as may be required by Franchisor, and meet the specifications of the approved site layout and plan, and all other such items as Franchisor may prescribe from time to time and to refrain from purchasing, installing or using on, about or in connection with the Premises any such item not meeting Franchisor's standards and specifications. Notwithstanding anything in this Section to the contrary, Franchisee must replace all signs within two (2) weeks of receiving notice from Franchisor.

6.8.2 To maintain in sufficient supply, and use at all times, only products, materials, supplies and expendables, as conform with Franchisor's then-current standards and specifications and to refrain from using non-conforming items without Franchisor's prior consent.

6.8.3 To sell and to offer for sale all such services and products as Franchisor may, from time to time require, and only those which Franchisor may, from time to time approve, which are not subsequently disapproved, as meeting its quality standards and specifications. In addition to any remodeling, repairs, replacement and redecoration required by this Section 6, in order to introduce new services and products throughout the System, Franchisee may be required to expend additional amounts on new, different or modified software, equipment or fixtures necessary to offer such new services or products.

6.8.4 To purchase hardware and software ("**Required Technology**") in accordance with the requirements set forth in the Operations Manual, including without limitation, a computerized point of sale system ("POS"). Franchisor reserves the right to modify these requirements from time to time. Franchisee must install and commence using

the Required Technology before opening of the Franchised Business. Franchisee acknowledges and agrees that all hardware and computer network maintenance and upgrades of other software are Franchisee's responsibility and must be done in a timely manner. There are no contractual limitations on the frequency or cost of upgrades or changes in the Required Technology that Franchisor may impose. Franchisee must also obtain and maintain an Internet connection which meets the bandwidth specifications set forth in the Operations Manual. Franchisee acknowledges and agrees that Franchisor will have full and complete independent access to Franchisees POS system, and may retrieve all information that Franchisor considers necessary, desirable, or appropriate.

6.8.5 To only use software required or approved by Franchisor in the operation of all aspects of the Franchised Business, including but not limited to the Licensed Software. Franchisee may not use any other software without Franchisor's prior written consent. Franchisor reserves the right to withdraw any such written consent at any time.

6.8.6 FRANCHISOR AND ITS AFFILIATES MAKE NO WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, WITH REGARD TO THE LICENSED SOFTWARE. FRANCHISOR AND ITS AFFILIATES DISCLAIM ANY AND ALL WARRANTIES RELATED TO THE LICENSED SOFTWARE, WHETHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, INTEROPERABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, QUIET ENJOYMENT, OR THOSE ARISING FROM TRADE USAGE OR COURSE OF DEALING. FRANCHISOR AND ITS AFFILIATES DO NOT WARRANT THAT THE LICENSED SOFTWARE WILL BE FREE FROM DEFECTS OR THAT USE OF THE LICENSED SOFTWARE WILL BE UNINTERRUPTED OR ERROR FREE. **IN NO EVENT WILL FRANCHISOR OR ITS AFFILIATES BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY DAMAGES ASSOCIATED WITH LOSS OF USE, INTERRUPTION OF BUSINESS, LOSS OF DATA OR LOSS OF PROFITS) ARISING OUT OF OR IN ANY WAY RELATED TO THE LICENSED SOFTWARE OR ITS USE.**

6.8.7 To only use email addresses provided by Franchisor in the operation of all aspects of the Franchised Business. Franchisee agrees to pay the current \$180.00 per seat annual fee and such annual fee is subject to change based on the provider's, currently Google, price increases.

6.8.8 To use such standardized accounting forms, accounting systems, reporting forms and other forms as may be developed from time to time by Franchisor or any of its Affiliates and to file such forms with Franchisor in a timely manner as may be required by Franchisor.

6.8.9 To record all sales and maintain all Business Records (as defined below) associated with the Franchised Business using the reporting systems and associated equipment specified by Franchisor in the Operations Manual and to maintain, without alteration, all information and categories required by Franchisor to be programmed into the

reporting system unless Franchisor provides prior written approval or instructions to the Franchisee to alter such categories. Franchisee acknowledges and agrees that Franchisor owns all business records, accounts, data, and contracts (“**Business Records**”) with respect to customers of the Franchised Business including, without limitation, all databases (whether in print, electronic or other form), including all names, addresses, phone numbers, email addresses, customer purchase records, and all other records contained in the databases, and all other Business Records created and maintained by Franchisee. Franchisee hereby authorizes Franchisor to access all such Business Records from such reporting systems (including but not limited to Business Records maintained in any aspect or feature of the Required Technology) and associated equipment whether by inspection on the Premises or via electronic retrieval or access, as Franchisor deems necessary. The reporting systems and associated equipment must be accessible to Franchisor twenty-four (24) hours per day, for every day of the year, including Sundays and holidays, for electronic access, and during normal business hours for personal access, and Franchisee agrees not to inhibit Franchisor’s access to the reporting system or associated equipment.

6.9 Participation in Promotions. Franchisee agrees to participate in system-wide and applicable regional promotions and advertising campaigns that Franchisor originates or approves. These may include promotions via the Internet, e-commerce, electronic media or other technologically advanced media. Franchisee also agrees to participate at its sole expense in all customer loyalty, gift certificate and similar programs created by Franchisor.

6.10 Purchases. Franchisee acknowledges and agrees that Franchisee’s obligations set forth in this Agreement and the Operations Manual are reasonable and necessary for the operation of the business and to maintain uniformity throughout the System. Franchisee must operate its business according to the methods, standards, and specifications set forth in this Agreement and the Operations Manual and any revisions or amendments to the same. Franchisee must only use approved services and products necessary to operate a Franchised Business (“**Approved Supplies**”). Franchisor shall provide Franchisee with a list of the Approved Supplies (“**Approved Supplies List**”). Franchisor shall also provide Franchisee with a list of the approved manufacturers, suppliers, and distributors authorized to supply Approved Supplies used to operate a Franchised Business or for offer for sale to customers of a Franchised Business (“**Approved Suppliers List**”). Franchisor reserves the right to revise the Approved Supplies List and the Approved Suppliers List from time to time. Franchisee acknowledges and agrees that Franchisee may incur an increased cost to comply with such changes at Franchisee’s expense.

6.10.1 Recognizing that preservation of the System depends upon product and service uniformity and the maintenance of Franchisor’s trade dress, Franchisee agrees to purchase certain signs, furnishings, supplies, fixtures, equipment and inventory from the Approved Suppliers that Franchisor specifies. Franchisee hereby acknowledges and agrees that Franchisor, any of Franchisor’s Affiliates, or a third party may be one of several, or the only, Approved Supplier of any service or product.

6.10.2 Franchisee must purchase, sell, and use only those services and products that are listed on the Approved Supplies List from suppliers that are on the Approved Suppliers List. Franchisee may not contract for alternate supplies or with alternate suppliers directly. In the event Franchisee would like to offer for sale or use any alternate product, material,

or service that is not on the Approved Supplies List, Franchisee must notify Franchisor and obtain Franchisor's prior written approval. At Franchisor's request, Franchisee must provide Franchisor, for testing purposes, a sample of the item Franchisee wishes to purchase and other information so that Franchisor can make an informed decision as to whether the product, material, supply, or supplier meets Franchisor's specifications and quality standards. Franchisee must also provide Franchisor with the name, address, and telephone number of the proposed supplier. Franchisor is not required to approve any particular proposed supply or supplier. Franchisor shall apply the following general criteria in approving or disapproving a proposed supply or suppliers: (1) quality of product or service in relation to Franchisor's specifications and quality standards; (2) supplier's customer service; (3) price; and (4) whether Franchisor deems the supply or supplier necessary or desirable for the System as a whole. Franchisor may deny or revoke Franchisor's approval of suppliers based upon the lack of any of the above items. Upon receipt of written notice of such revocation, Franchisee must cease purchasing products from such supplier. Franchisor shall generally notify Franchisee of its approval or disapproval of a proposed supplier, product, or service within sixty (60) days of receiving all requested information. Franchisee must use products purchased from Approved Suppliers solely in connection with the operation of the Franchised Business. Although suppliers, products, or services may be approved by Franchisor, Franchisor and its Affiliates expressly disclaim all warranties, including warranties of merchantability and fitness for any particular purpose regarding products, services, fixtures, furniture (including without limitation any required computer systems), signs, stationery, suppliers, or other approved items sold to or provided to Franchisee by Franchisor, any of Franchisor's Affiliates, or any third party, including any Approved Supplier.

6.10.3 Franchisor may establish business relationships, from time to time, with Approved Suppliers who may produce, among other things, certain furnishings, supplies, fixtures, equipment and inventory according to Franchisor's proprietary standards and specifications or private label goods which Franchisor has authorized and prescribed for sale by System franchisees ("**System Approved Suppliers**"). Franchisee recognizes that such products are essential to the operation of the Franchised Business and to the System generally. Franchisee further recognizes that Franchisee's failure to pay System Approved Suppliers may interfere with such suppliers' willingness to supply the System which may result in other System franchisees' inability to obtain product or ability to obtain product only on less favorable credit terms. Accordingly, Franchisee agrees to pay System Suppliers as and when due.

6.11 Hours of Business. Unless otherwise specifically approved by Franchisor, the Franchised Business must be open for the conduct of business at such times and for the minimum number of hours specified by Franchisor in the Operations Manual, as may be amended from time to time or, if different, for such hours as may be required by the terms of any lease of the Premises; and Franchisee must at all times staff the Franchised Business with such number of employees and operate the business diligently so as to maximize the revenues and profits therefrom.

6.12 Printed Materials. Franchisee must use only business stationery, business cards, marketing materials, advertising materials, printed materials or forms which have been approved in advance by Franchisor. Any translation of such materials must be approved by Franchisor. Any

and all supplies or materials purchased, leased or licensed by Franchisee must always meet those standards specified by Franchisor in the Operations Manual or otherwise in writing.

6.13 Identification of Franchised Business. In all advertising displays and materials at the Franchised Business, Franchisee must, in such form and manner as may be specified by Franchisor in the Operations Manual, notify the public that Franchisee is operating the business licensed hereunder as a Franchisee of Franchisor and must identify its business in the manner specified by Franchisor in the Operations Manual.

6.14 Customer Complaints. Franchisee must respond promptly to customer complaints and take such other steps as may be specified by Franchisor in the Operations Manual or otherwise to ensure positive customer relations.

6.15 Third Party Actions. Franchisee must notify Franchisor in writing within five (5) days of any written threat or the actual commencement of any action, suit or proceeding, or of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality which may adversely affect the operation or financial condition of the Franchised Business.

6.16 Inspection of Franchised Business Premises. Franchisee hereby grants to Franchisor and its agents the right to enter upon the Premises, without notice, at any reasonable time for the purpose of conducting inspections of the Premises, Franchisee's Business Records, computer hardware and software, and other business equipment, and Franchisee agrees to render such assistance as may reasonably be requested and to take such steps as may be necessary immediately to correct any deficiencies detected during such an inspection upon the request of Franchisor or its agents. Any evaluation or inspection conducted by Franchisor is not intended to exercise, and does not constitute, control over Franchisee's day-to-day operation of the Franchised Business or to assume any responsibility for Franchisee's obligations under this Agreement.

6.17 Possible Variation in Certain Standards. Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege to vary standards for any System franchisee based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, licensing requirements, existing business practices or any other conditions which Franchisor deems to be of importance to the successful operation of such franchisee's business. Franchisee will have no recourse against Franchisor on account of any variation from standard specifications and practices granted to any franchisee and will not be entitled to require Franchisor to grant Franchisee a like or similar variation hereunder.

6.18 Annual Conference. As provided herein, Franchisee or Franchisee's representative must attend any annual conference ("**Annual Conference**") of franchisees held by Franchisor. If conducted, Franchisor shall determine its duration, curriculum, and location. Franchisor reserves the right to require Franchisee to pay Franchisor's then-current registration fee up to Two Thousand Dollars (\$2,000) per person, which Franchisee must pay regardless as to whether Franchisee attends such Annual Conference. Franchisee shall be responsible for all other expenses incurred in connection with any such meetings, including the costs of travel, lodging, meals, and payroll expenses. Franchisor reserves the right to use contributions to the Advertising Fund for purposes

related to the Annual Conference, including costs related to productions, programs, and materials. The parties understand and agree that Franchisee will be required to be in attendance for no more than three (3) business days for any Annual Conference.

6.19 Intellectual Property Belongs to Franchisor. If Franchisee, Franchisee's employees, or principals develop any new concept, process or improvement in the operation or promotion of the Franchised Business, Franchisee will promptly notify Franchisor and provide Franchisor with all necessary related information, without compensation. Any such concept, process, or improvement will become Franchisor's sole property and Franchisor will be the sole owner of all patents, patent applications, trademarks, copyrights and other intellectual property rights related thereto. Franchisee and Franchisee's principals hereby assign to Franchisor any rights Franchisee may have or acquire therein, including the right to modify such concept, process or improvement, and otherwise waive and/or release all rights of restraint and moral rights therein and thereto. Franchisee and Franchisee's principals agree to assist Franchisor in obtaining and enforcing the intellectual property rights to any such concept, process or improvement in any and all countries and further agree to execute and provide Franchisor with all necessary documentation for obtaining and enforcing such rights. Franchisee and Franchisee's principals hereby irrevocably designate and appoint Franchisor as Franchisee's agent and attorney-in-fact to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any such concept, process or improvement. In the event that the foregoing provisions of this Section 6.19 are found to be invalid or otherwise unenforceable, Franchisee and Franchisee's principals hereby grant to Franchisor a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the concept, process or improvement to the extent such use or sublicense would, directly or indirectly infringe Franchisee's rights therein.

6.20 Step-In Rights. In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right, or any other rights Franchisor may have against Franchisee, upon a failure to meet any of the requirements of this Section 6 or cure any default within the applicable time period (if any), Franchisor has the right, but not the obligation, to enter upon the Franchised Business premises and exercise complete authority with respect to the operation of the business until such time as Franchisor determines that the default has been cured, and Franchisee is otherwise in compliance with this Agreement. In the event Franchisor exercises the rights described in this Section, Franchisee must reimburse Franchisor for all reasonable costs and overhead, if any, incurred in connection with its operation of Franchisee's business including, without limitation, costs of personnel for supervising and staffing the Franchised Business and their travel and lodging accommodations, plus a fee not to exceed Five Hundred Dollars (\$500) per day. If Franchisor undertakes to operate the business pursuant to this section, Franchisee agrees to indemnify and hold Franchisor (and Franchisor's representative(s) and employees) harmless from and against any fines, claims, suits or proceedings which may arise out of Franchisor's operation of the business.

7. OPERATIONS MANUAL

7.1 Compliance with Operations Manual. In order to protect the reputation and goodwill of the businesses operating under the System and to maintain standards of operation under

the Marks, Franchisee must conduct the business operated under the System in accordance with various written instructions, including bulletins and confidential manuals (hereinafter and previously referred to collectively as the “**Operations Manual**”), including such amendments thereto, as Franchisor may publish from time to time, all of which Franchisee acknowledges belong solely to Franchisor and are available from Franchisor during the term of this Agreement via Franchisor’s intranet website. When any provision in this Agreement requires that Franchisee comply with any standard, specification or requirement of Franchisor, unless otherwise indicated, such standard, specification or requirement will be as set forth in this Agreement or as may, from time to time, be set forth by Franchisor in the Operations Manual. Any required standards exist to protect Franchisor’s interests in the System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to Franchisee. The Operations Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. Franchisee may follow the recommendations or guidelines or some other suitable alternative, provided Franchisee meets and complies with the required standards. In other instances, no suitable alternative may exist. In order to protect Franchisor’s interests in the System and Marks, Franchisor reserves the right to determine if Franchisee is meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

7.2 Confidential Use. Franchisee must at all times use its best efforts to keep access to the Operations Manual and any other manuals, materials, goods and information created or used by Franchisor and designated for confidential use within the System and the information contained therein as confidential and limit access to employees of Franchisee on a need-to-know basis. Franchisee acknowledges that the unauthorized use or disclosure of Franchisor’s confidential information or trade secrets will cause irreparable injury to Franchisor and that damages are not an adequate remedy. Franchisee accordingly covenants that it will not at any time, without Franchisor’s prior written consent, disclose, use, permit the use thereof (except as may be required by applicable law or authorized by this Agreement), copy, duplicate, record, transfer, transmit, allow access to or otherwise reproduce such information, in any form or by any means, in whole or in part, or otherwise make the same available to any unauthorized person or source. Any and all information, knowledge and know-how not known about the System and Franchisor’s products, services, standards, procedures, techniques and such other information or material as Franchisor may designate as confidential will be deemed confidential for purposes of this Agreement.

7.3 Revisions. Franchisee understands and acknowledges that Franchisor may, from time to time, revise the contents of the Operations Manual to implement new or different requirements for the operation of the Franchised Business, and Franchisee expressly agrees to comply with all such changed requirements which are by their terms mandatory; provided, however that such requirements will also be applied in a reasonably nondiscriminatory manner to comparable businesses operated under the System by other Franchisees. Franchisee acknowledges that Franchisor may provide updates to the Operations Manual electronically over its intranet website. Franchisee agrees, therefore, to periodically check Franchisor’s intranet website, at least twice per week, for such updates. The implementation of such requirements may require the expenditure of reasonable sums of money by Franchisee. If Franchisor elects to provide Franchisee with a hard copy of the Operations Manual, Franchisee must at all times ensure that its copy of the Operations Manual is kept on the Franchised Business Premises and kept current

and up to date. In the event of any dispute as to the contents thereof, the terms and dates of the master copy thereof maintained by Franchisor at its principal place of business will be controlling.

8. ADVERTISING AND MARKETING

8.1 Advertising Fund. At such time as Franchisor believes appropriate for the System, Franchisor or its designee will create, administer, and maintain a general marketing fund (“**Advertising Fund**”). Once established, Franchisee must pay to Franchisor a advertising fund fee up to two percent (2%) of monthly Gross Revenues. Franchisor will use Advertising Fund contributions to develop, produce and distribute national, regional and/or local advertising and to create advertising materials and public relations programs which promote, in Franchisor’s sole judgment, the Marks, any other marks owned by Franchisor or its Affiliates, and/or the products and services offered by System Franchisees. Franchisor has the sole right to determine contributions and expenditures from the Advertising Fund, or any other advertising program, and sole authority to determine, without limitation, the selection of the advertising materials and programs; provided, however, that Franchisor will make a good faith effort to expend Advertising Fund contributions in the general best interests of the System on a national or regional basis. Franchisor may use the Advertising Fund to satisfy any and all costs of maintaining, administering, directing, preparing, and producing advertising, including the cost of preparing and producing Internet (including by using social media platforms), television, radio, magazine and newspaper advertising campaigns, the cost of direct mail and outdoor billboard advertising; the cost of public relations activities and advertising agencies; the cost of developing and maintaining an Internet website; the cost of developing and maintaining a social media presence; and personnel and other departmental costs for advertising that Franchisor internally administers or prepares. Franchisor also may use the Advertising Fund to procure leads and prospects for potential customers for System franchisees, and to cover costs and expenses associated with the Annual Conference, including costs related to productions, programs and materials. Franchisee acknowledges that not all System franchisees will benefit directly or on a pro rata basis from such expenditures. While Franchisor does not anticipate that any part of the Advertising Fund contributions will be used for advertising which is principally a solicitation for franchisees, Franchisor reserves the right to use the Advertising Fund for public relations or recognition of the Slime Kitchen brand, for the creation, maintenance and search engine optimization of a web site, a portion of which can be used to explain the franchise offering and solicit potential franchisees, and to include a notation in any advertisement indicating “Franchises Available.”

8.1.1 Franchisor may periodically assist franchisees to maintain high quality standards through customer surveys, customer interviews, and other similar initiatives (“**Surveys**”). The cost of such programs can be paid by the Advertising Fund. The cost of these programs may be charged directly to Franchisee if Franchisee’s results from a Survey fall below minimum standards for such Surveys established by Franchisor for the System. Any such fees charged will be contributed to the Advertising Fund.

8.1.2 Franchisor has the right to reimburse itself from the Advertising Fund contributions for such reasonable costs and overhead, if any, as Franchisor may incur in activities reasonably related to the direction and implementation of the Advertising Fund.

8.1.3 Franchisee agrees that the Advertising Fund may otherwise be used to meet any and all costs incident to such Advertising Fund, including joint or collective advertising campaigns of Franchisor's direct or indirect parent corporations or subsidiaries thereof or affiliated companies, if any, using the System.

8.1.4 Franchisor may terminate, and resume, the Advertising Fund periodically during the term of this Agreement; however, any decision to terminate or resume the Advertising Fund will apply to all franchisees and Franchisor-owned locations equally. Franchisor will not terminate the Advertising Fund before making arrangements to spend or rebate any balance in the Advertising Fund after payment of all expenses. If Franchisor resumes the Advertising Fund, Franchisor will give Franchisee at least thirty (30) days written notice before Advertising Fees become due again, and will collect Advertising Fund Fees at the original rate in this Agreement.

8.2 Accounting for Advertising Fund. The Advertising Fund will be maintained by Franchisor in a separate bank account which will be designated as a "Trust Account," and which will not be commingled with any funds of Franchisor. Any interest that may accrue or be earned on the Advertising Fund will be added to and become part of the Advertising Fund. Upon written request, Franchisor will furnish Franchisee with an unaudited summary of Advertising Fund expenditures in a form determined by Franchisor. Franchisor may elect to accumulate monies in the Advertising Fund for such periods of time as it deems necessary or appropriate, with no obligation to expend all monies received in any fiscal year during such fiscal year.

8.3 Cooperative Advertising and other Marketing Programs. Franchisee must participate in all cooperative advertising and other marketing programs as are from time to time prescribed by Franchisor. The terms and conditions required for participation in any such cooperative advertising program(s) or marketing programs will be as specified in the Operations Manual.

8.4 Local Advertising and Promotion. Franchisee must spend the greater of two percent (2%) of monthly Gross Revenue or Two Thousand Five Hundred dollars (\$2,500) per month on local advertising and promotion ("**Local Advertising and Promotion**"). As set forth in Section 4.8, the fixed payment amount of Two Thousand Five Hundred dollars (\$2,500) per month is subject to an Annual Increase. Within thirty (30) days of the end of each quarter, Franchisee must furnish to Franchisor, in a manner approved by Franchisor, an accurate accounting of Franchisee's Local Advertising and Promotion expenditures for the preceding quarter just ended. Franchisee's accounting of Local Advertising and Promotion expenditures must be separated from the accounting for Franchisee's contributions to the Advertising Fund. Franchisor shall provide Franchisee with guidelines for Local Advertising and Promotion and any deviation from those guidelines by Franchisee requires prior approval from Franchisor. Franchisee may use its own advertising materials, or those produced by an outside agency, so long as Franchisee has received prior written permission from Franchisor and such advertising materials include Franchisor's website address and the Marks in the form, color, and manner that Franchisor prescribes. If Franchisee proposes to use any advertising materials which Franchisor has not previously approved, Franchisor has the right to condition approval of the proposed advertising upon Franchisee's agreement to provide other System franchisees, whose Franchised Businesses are located within the circulation area of the proposed advertising, the opportunity to contribute to and participate in

the advertising. Franchisee must provide any proposed advertising materials to Franchisor at least fourteen (14) days before Franchisee proposes to use those materials. Franchisor is not contractually obligated to approve or reject any advertising materials submitted to Franchisor within those fourteen (14) days, but Franchisor will attempt to do so. Franchisee may not use the advertising material unless Franchisor provides its approval in writing. Franchisee may not establish a website using or displaying any of the Marks, and Franchisee may not advertise its Franchised Business or the sale of services or products offered by the Franchised Business on the Internet except as the Franchisor permits. Franchisor may host and give access to a separate web page for the Franchised Business on Franchisor's website(s) as specified below. Any website or electronic materials Franchisee proposes to use must be approved in advance by Franchisor before publication to the site. Franchisee may not advertise or use in advertising or any other form of promotion, Franchisor's copyright works, trademarks, service marks, or commercial symbols with the appropriate © or ® registration marks or the designation TM or SM where applicable.

8.5 Grand Opening Advertising. In addition to the Local Advertising and Promotion requirements set forth in Section 8.4 above, Franchisee agrees to pay Franchisor Five Thousand Dollars (\$5,000) to conduct grand opening promotion and advertising of the Franchised Business beginning the month of the Opening Date and ending sixty (60) days following the Opening Date.

8.6 Web Site. Franchisor reserves the right, but not the obligation, to establish and maintain a website ("**Slime Kitchen Website**"), which may promote the Marks, System, and Franchised Businesses operating under the System. Franchisor reserves the sole right to control all aspects of the Slime Kitchen Website, including its design, content, functionality, links to other websites, legal notices, policies and terms of usage. Franchisor also reserves the right to discontinue operating the Slime Kitchen Website at any time without notice to Franchisee. Without Franchisor's advance written approval, Franchisee may not maintain its own website, any similar pages on the Internet (including on social media), its own email address or domain, or otherwise maintain a presence online, nor may Franchisee conduct online or pay-per-click advertising using any public computer network in connection with the Slime Kitchen Business. Franchisor will provide Franchisee a fictitious business name to use in marketing your Designated Territory ("**Territory Name**") and for use in conjunction with the Slime Kitchen Website. Franchisee acknowledges that it is not guaranteed a right to use the Territory Name for the duration of the Franchise Agreement or upon renewal and Franchisor reserves the right to modify the Territory Name. Franchisee must adhere to Franchisor's standards and policies in connection with any website or other Internet presence or advertising that we approve. Franchisor reserves the right to use monies from the Advertising Fund to pay or reimburse the costs associated with the development, maintenance and update of the Web Site. Franchisee must also participate in any System-wide area computer business, intranet system, or extranet implemented by Franchisor as described above. Franchisee acknowledges that Franchisor is the lawful, rightful and sole owner of the Internet domain name: www.theSlimeKitchen.com, and any other Internet domain names registered by Franchisor, and unconditionally disclaims any ownership interest in those or any similar Internet domain name. Franchisee agrees not to register any Internet domain name in any class or category that contains words used in or similar to any brand name owned by Franchisor or Franchisor's Affiliates or any abbreviation, acronym, phonetic variation or visual variation of those words.

8.7 Social Media. Franchisee acknowledges that the use of any social networking websites or webpages, including but not limited to Facebook, Instagram, YouTube, LinkedIn, TikTok and Twitter, which exploits, utilizes, displays, or otherwise makes use of any of the Marks or Franchisor's intellectual property ("**Social Media Sites**") is Franchisor's sole property, and Franchisee shall promptly submit to Franchisor all passwords for such Social Media Site(s) and any changes to a password shall be submitted to Franchisor within three (3) days of the change. Franchisor shall be granted full access to any Social Media Sites. Franchisee shall have no right, title or interest to any webpage on any of Franchisee's Social Media Sites including, but not limited to, all "fans", "followers", "friends" and "contacts" associated therewith which mentions, uses or refers in any way to the Proprietary Marks or Franchisor's intellectual property even if such webpage is established by Franchisee or otherwise held in Franchisee's name or by any guarantor. Franchisee acknowledges it is responsible for paying all expenses associated with such Social Media Sites.

Upon expiration, transfer or termination of this Agreement, Franchisee shall immediately take whatever steps are necessary to cancel or dismantle any such social networking account or webpage or transfer the account or webpage and all related information, including all "fans", "followers", "friends" and "contacts" associated with such accounts or webpages, to Franchisor or as Franchisor may otherwise direct. Franchisor reserves the right to hyperlink any Social Media Sites used by Franchisee to any other Internet site related to the System that Franchisor designates. Franchisor also reserves the rights to modify or use any of the content on such Social Media Sites and to authorize third parties to modify or use any of the content on such Social Media Sites, subject to the requirements of the social network service that hosts the applicable Social Media Sites, without payment of any compensation to Franchisee. Franchisee must keep Franchisor advised at all times of the addresses and domain names of any Social Media Sites used by Franchisee. Franchisee acknowledges and agrees that Franchisor has sole ownership of all domain names related to the Social Media Sites used by Franchisee, subject to the requirements of the social network service that hosts the applicable Social Media Sites.

9. MODIFICATIONS.

9.1 Modifications to the System. Franchisor reserves the right to develop other business activities or modify existing business activities in response to changes in the business environment, including those resulting from technological advances, e-commerce, expansion into new markets and other factors that may not presently be anticipated. Franchisor reserves the right to change or modify the Marks, the Franchised Business concept, the Operations Manual, and any proprietary software Franchisor requires Franchisee to use in connection with the Franchised Business. Franchisor may adopt and use new or modified trade names, trademarks, service marks, logos, equipment, software, products, techniques or concepts. Franchisor may add new and different services and products and withdraw services or products or change their names or image; redesign the trade dress, software programs and equipment or fixture standards; or discontinue them as Franchisor considers appropriate. Franchisee must accept and use the changes as if they were part of this Agreement. If changes are related to the Marks, then Franchisee will have one hundred twenty (120) days from the date of notice to implement any such changes under this Section 9.1.

9.2 Modifications not Requiring Significant Changes in Fixtures or Equipment.

If any changes or modifications involving services or products would not require the installation of new fixtures or equipment, Franchisor may instruct Franchisee to begin offering the new services or products on a date specified in a supplement to the Operations Manual or other notice. Likewise, Franchisor may direct Franchisee to stop offering the service or product on a date specified in a supplement to the Operations Manual or other notice. Franchisee agrees to comply with these instructions and directions.

9.3 Modifications Requiring Significant Changes in Fixtures or Equipment. If any changes or modifications involving new trademarks, concepts, services or products or items necessitate the addition or removal of fixtures, equipment or signs, Franchisor may instruct Franchisee to adapt the business to the change through a supplement to the Operations Manual. In consultation with Franchisor's franchisees, Franchisor will establish a schedule for Franchisee to implement the change, which will depend, among other factors, on the amount Franchisee has spent in recent periods on any other changes to the System. Franchisee will have one hundred twenty (120) days from the date of notice to implement any such changes under this Section 9.3.

9.4 Test Marketing. If Franchisor permits Franchisee to participate in any new service or product concept test, Franchisee agrees to do so in compliance with Franchisor's standards and requirements.

9.5 Dual Branding. Franchisor reserves the right to co-brand one or more concepts with the Marks ("**Dual Branding**"). Dual Branding may involve changes to the Marks and to the System. If Dual Branding is implemented, the scope and type of Dual Branding may vary in different markets. If Franchisor elects to conduct Dual Branding in the market in which Franchisee's Franchised Business is located, Franchisor will give Franchisee notice regarding such contemplated Dual Branding. Franchisee will then be required to implement Dual Branding in connection with the Franchised Business within the time period specified in the notice, and Franchisee must at its expense make the modifications necessary to implement the Dual Branding. However, Franchisor is not obligated to offer any Dual Branding opportunity available to Franchisee.

10. BUSINESS RECORDS AND FINANCIAL STATEMENTS

10.1 Maintenance of Business Records. Franchisee must obtain the right to use, maintain and update (including any required replacements) the accounting system prescribed by Franchisor in the Operations Manual, or otherwise. Franchisee must, in a manner satisfactory to Franchisor, maintain original, full and complete Business Records which will accurately reflect all particulars relating to Franchisee's business and such statistical and other information or records as Franchisor may require and keep all such information for not less than seven years, even if this Agreement is no longer in effect. Upon Franchisor's request, from time to time, Franchisee must furnish Franchisor with copies of any or all supply invoices reflecting purchases by the Franchised Business. In addition, Franchisee must compile and provide to Franchisor any statistical or financial information regarding the operation of the business, the products sold by it or data of a similar nature as Franchisor may reasonably request for purposes of evaluating or promoting the business or the System in general. Franchisee acknowledges and agrees that it is Franchisee's responsibility to ensure that Franchisee is in compliance with all laws that are applicable to the proprietary

software or other technology used in the operation of the Franchised Business, including all data protection or security laws as well as payment card industry compliance.

10.2 Examination of Business Records. Franchisor and its designated agents, including accountants and auditors, shall have the right to examine and audit such Business Records at all reasonable times at the place(s) where such Business Records are maintained by or for Franchisee to ensure that Franchisee is complying with the terms of this Agreement. Franchisor has the right to have an independent third party audit the Business Records. If the independent third party's examination reveals that any financial information Franchisee reported and any amounts Franchisee paid Franchisor or its Affiliates are less than the amounts Franchisor calculates, Franchisee must immediately pay Franchisor the amount owing in accordance with the corrected report, plus interest as provided in this Agreement. If an independent third party finds a discrepancy of two percent (2%) or more of the amount that Franchisee should have paid or reported or that Franchisee has failed to submit timely reports and/or remittances for any two reporting periods within any twelve (12) month period, Franchisee also must pay and reimburse Franchisor for all expenses connected with the examination. This may include reasonable accounting and legal fees and travel expenses. Franchisor also may exercise any other remedies Franchisor may have under this Agreement, including the right to terminate this Agreement after providing a thirty (30) day cure period.

10.3 Reports. Upon Franchisor's request, Franchisee shall prepare and furnish Franchisor with signed reports and returns of Gross Revenues, bank statements, quarterly unaudited profit and loss statements, use and gross receipt taxes and complete copies of any state or federal income tax returns covering the operation of the Franchised Business and such other reports as Franchisor may reasonably request, all of which Franchisee must certify as true and correct.

10.4 Unaudited Annual Statements. In addition to the foregoing statements, within forty-five (45) days after the close of each fiscal year of Franchisee, Franchisee must furnish to Franchisor financial statements which will include a statement of income and retained earnings, a statement of changes in financial position and a balance sheet of Franchisee, all as of the end of such fiscal year, which must be certified to by Franchisee as being true and correct.

11. COVENANTS NOT TO COMPETE AND MAINTAIN CONFIDENTIALITY

11.1 Franchisee Defined. Unless otherwise specified, the term "**Franchisee**" as used in this Section 11 will include, collectively and individually, all owners, guarantors, officers, directors, members, managers, partners, as the case may be, and holders of any ownership interest in Franchisee.

11.2 Confidential Information. For purposes of this Agreement, "**Confidential Information**" means any information that the Franchisor regards as confidential or proprietary and shall include, but is not limited to, the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures and/or improvements relating to the System, the Operations Manual, the methods of site selection, marketing methods, service analysis and selection, service methods and skills, product methods and recipes, prospective and current customer information,

employee information, and any other business information that is not generally known to Franchisor's competitors.

11.3 Non-Use and Non-Disclosure of Confidential Information. Franchisee acknowledges and agrees that over the term of this Agreement, Franchisee will receive Confidential Information which Franchisor has developed over time and at great expense. Franchisee acknowledges and agrees that such Confidential Information is not generally known in the industry and is beyond Franchisee's own present skills and experience, and that it would be expensive, time consuming and difficult for Franchisee to develop. Franchisee further acknowledges that Franchisor's Confidential Information provides a competitive advantage and would be valuable to Franchisee in the development of its business. Accordingly, Franchisee acknowledges that it will not, during the term of this Agreement or at any time thereafter, use any Confidential Information for any purpose except to operate the business. Franchisee will not disclose any Confidential Information to any individual, entity or organization, except to any of Franchisee's representatives to the extent necessary for the operation of the business, and only after the representatives are advised of the confidential nature of the information and agree to maintain its confidentiality. The protections granted hereunder will be in addition to and not in lieu of all other protections for such trade secrets and Confidential Information as may otherwise be afforded in law or in equity.

11.4 Non-Compete Covenants. Franchisee acknowledges and agrees that it will receive valuable training, goodwill, and Confidential Information that it otherwise would not receive or have access to but for the rights licensed to it under this Agreement. Franchisee therefore agrees to the following non-competition covenants:

11.4.1 Franchisee covenants that during the term of this Agreement that it will not divert or attempt to divert any business, customer or potential customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or to do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System.

11.4.2 Franchisee covenants that during the term of this Agreement that it will not either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any business, other than the one authorized by this Agreement or any other agreement between Franchisor and Franchisee that would be considered to be a Competing Business. For purposes of this Section 11.4, a "**Competing Business**" is any business that provides services or products Franchisor may now or in the future authorize Franchisee to offer or sell in connection with the operation of the Franchised Business.

11.4.3 Franchisee covenants that it will not, for a period of two (2) years after the expiration, non-renewal or termination of this Agreement, regardless of the cause of termination, or within two (2) years of the sale of the Franchised Business or any interest in Franchisee, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person or entity, own, manage, operate, maintain, engage in, consult with or have any interest in any Competing Business:

- a. At the premises of the former Franchised Business;

- b. Within the Designated Territory of the former Franchised Business; or
- c. Within twenty-five (25) miles of any System franchisee's Designated Territory or any company-owned or Affiliate-owned location.

11.4.4 Franchisee covenants that it will not, for a period of two (2) years after the expiration, non-renewal or termination of this Agreement, regardless of the cause of termination, or within two (2) years of the sale of the business or any interest in Franchisee, solicit business from customers of Franchisee's former business, or contact any of Franchisor's suppliers or vendors for any competitive business purpose.

11.4.5 Franchisee agrees that the length of time in Sections 11.4.3 and 11.4.4 will be tolled for any period during which Franchisee is in breach of the covenants or any other period during which Franchisor seeks to enforce this Agreement. The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Agreement. In the event any court of competent jurisdiction determines that the geographical limits, time period or line of business defined by this Section 11 is unreasonable, Franchisee and Franchisor agree that such a court of competent jurisdiction may determine an appropriate limitation to accomplish the intent and purpose of this Section, and the parties, and each of them, agree to be bound by such determination.

11.5 Limited Exclusion. The restrictions contained in Section 11.4 will not apply to ownership of less than two percent (2%) of the shares of a company whose shares are listed and traded on a national securities exchange if such shares are owned for investment only, and are not owned by an officer, director, employee or consultant of such publicly-traded company.

11.6 Employees. Franchisee must ensure that all of its principals, office and sales employees, and members of Franchisee's immediate family with access to Franchisor's Confidential Information execute a confidentiality and non-compete agreement in the form substantially similar to the agreement attached as **Exhibit B** to the Franchise Disclosure Document, or as Franchisor otherwise prescribes. Franchisee must furnish Franchisor a copy of each executed agreement.

12. TRANSFER AND ASSIGNMENT

12.1 Transfer by Franchisor. Franchisor shall have the right to transfer all or any part of its rights or obligations herein to any person or legal entity, including to any competitor of Franchisor which agrees to assume Franchisor's obligations hereunder.

12.2 Transfer by Franchisee. Franchisee understands and acknowledges that the rights and duties created by this Agreement are personal to Franchisee and that Franchisor has granted Franchisee the right to operate the business in reliance on many factors, including, without limitation, the individual or collective character, skill, aptitude and business and financial capacity of Franchisee and Franchisee's principals. Accordingly, neither Franchisee nor any person owning any direct or indirect equity interest therein, will, without Franchisor's prior written consent, directly or indirectly sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this Agreement or any portion or aspect thereof, or any equity

or voting interest in Franchisee (any such act or event is referred to as a “**Transfer**”). Any such purported Transfer occurring by operation of law or otherwise, including any assignment by a trustee in bankruptcy, without Franchisor’s prior written consent will be a material default of this Agreement. In the event Franchisee proposes to sell the Franchised Business, Franchisor has the right but not the obligation to broker such sale. If Franchisor elects to broker the sale, Franchisee agrees to pay to Franchisor a brokerage fee (“**Brokerage Fee**”) equal to up to ten percent (10%) of the sales price of the Franchised Business, including the fair market value of any in-kind consideration.

12.3 Representations as to Ownership. Franchisee represents that as of the execution of this Agreement its equity and voting control is owned as shown in **Attachment D** hereto. If Franchisee, or any approved successor thereof, is a partnership, limited liability company or privately-held corporation, Franchisee shall submit to Franchisor prior to any proposed Transfer of an equity or voting interest, and at any other time upon request, a list of all owners reflecting their respective present and/or proposed direct or indirect interests in Franchisee, in such form as Franchisor may require.

12.4 Conditions to Franchisor’s Consent to Transfer. Franchisee understands and acknowledges the vital importance of the performance of Franchisee to the market position and overall image of Franchisor. Franchisee also recognizes the many subjective factors that comprise the process by which Franchisor selects a suitable franchisee. Franchisor shall not unreasonably withhold its consent to a Transfer by Franchisee of any interest in this Franchise or any equity or voting interest in Franchisee and such consent will remain a subjective determination and will include, but not be limited to, the following conditions:

12.4.1 The transferee must demonstrate to Franchisor’s sole satisfaction that it meets all of Franchisor’s requirements for becoming a Franchisee, including, without limitation, that it meets Franchisor’s financial, entrepreneurial, and managerial and business standards then in effect for similarly situated franchisees, possesses a good moral character, business reputation and satisfactory credit rating, will comply with all instruction and training requirements of Franchisor and has the aptitude and ability to operate the business (as may be evidenced by prior related business experience or otherwise). Transferee must further demonstrate that it has the ability to assume Franchisee’s lease for the remaining term of this Agreement.

12.4.2 As of the effective date of the proposed Transfer, all obligations of Franchisee hereunder and under any other agreements between Franchisee and Franchisor are fully satisfied.

12.4.3 Franchisee has satisfied all monetary obligations owed to Franchisor, its Affiliates and its designated suppliers.

12.4.4 Franchisee has been in substantial compliance with the Franchise Agreement and all other agreements between Franchisee and Franchisor, its Affiliates, or its designated suppliers through the Initial Term and any Successor Term of this Agreement;

12.4.5 As of the effective date of the proposed Transfer, all obligations of the transferee to the Franchisor, its Affiliates, and designated suppliers (if any) must be fully satisfied.

12.4.6 As of the effective date of the proposed Transfer, the transferee must have the unconditional right to occupy the Premises.

12.4.7 If the transferee is new to the System, Franchisee must pay to Franchisor a transfer fee equal to fifty percent (50%) of Franchisor's then-current Initial Franchise Fee. If the transferee is an existing franchisee of the System, the Transfer Fee will be equal to twenty-five percent (25%) of Franchisor's then-current Initial Franchise Fee.. Franchisee must pay Franchisor a fee of \$2,500 for approval of transfers of non-controlling ownership interests. Provided, however, the Transfer Fee does not apply to a Transfer to Franchisee's survivor pursuant to Section 12.5 or a Transfer to a corporation, limited liability company or partnership controlled by Franchisee.

12.4.8 If the proposed transferee is going to be involved in the day-to-day operations of the Franchised Business, Franchisor may require the transferee to attend and successfully complete Franchisor's initial training program and pay to Franchisor the then-current training fee to attend such training program.

12.4.9 Franchisee must execute a general release in a form satisfactory to Franchisor, of any and all claims against Franchisor, its parent, subsidiaries, Affiliates and their officers, directors, attorneys, owners and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances arising out of, or connected with, the performance of this Agreement.

12.4.10 The transferee must execute Franchisor's then-current form of Franchise Agreement, which may contain terms and conditions substantially different from those in this Agreement for the remaining term of Franchisee's Franchise Agreement, which will be provided in writing as requested by Franchisee when listing the business for sale.

12.4.11 The transferee and/or its designated managerial personnel must have completed, to Franchisor's satisfaction, the training then required of comparable franchisees.

12.4.12 The transferee must obtain all licenses and registrations necessary to operate the Franchised Business.

12.4.13 Franchisee and its principals, owners, officers, directors, and employees comply with the post-termination provisions of this Agreement, including the non-competition and non-disclosure covenants.

12.4.14 Franchisee and Transferee agree to perform all maintenance and upgrades required to bring the Franchised Business up to Franchisor's then current standards for a Franchised Business.

12.4.15 Franchisee or transferee must provide Franchisor a copy of the executed purchase agreement relating to the proposed transfer with all supporting documents and schedules, including transferee's assumption of, and agreement to faithfully perform, all of Franchisee's obligations under this Agreement, for Franchisor's prior written approval.

12.4.16 Franchisee must request that Franchisor provide the prospective transferee with Franchisor's current form of Franchise Disclosure Document.

12.4.17 Franchisor's approval of the transfer will not constitute a waiver of any claims Franchisor may have against the transferring party.

12.4.18 Franchisor will have the right to disclose to any prospective transferee such revenue reports and other financial information concerning Franchisee and Franchisee's business as Franchisee has supplied Franchisor hereunder.

12.4.19 In any event, Franchisor may withhold or condition Franchisor's consent to any transfer as Franchisor deems appropriate based on the circumstances of the transfer or otherwise.

12.4.20 Franchisor reserves the right, depending on all of the applicable circumstances, to waive any of the above conditions and qualifications.

12.5 Transfer in the Event of Death or Mental Incompetence. Upon the death or mental incompetence (as reasonably determined by an independent third party such as a licensed doctor) of any person with any direct or indirect interest in Franchisee, the executor, administrator, or personal representative of such person must transfer his interest to a third party approved by Franchisor within six months after the death or incompetence. Such transfers will be subject to the same conditions as set forth in Section 12.4. If the heirs or beneficiaries of any such person are unable to meet the conditions in Section 12.4 hereof, Franchisor may terminate this Agreement.

12.6 Consent to Transfer not a Waiver. Franchisor's consent to a Transfer of any interest in Franchisee will not constitute a waiver of any claims it may have against the transferring party, nor will it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

13. DEFAULT AND TERMINATION

13.1 Immediate Termination. Franchisee will be deemed to be in default subject to immediate termination under this Agreement, without prior notice of the default from Franchisor and without an opportunity to cure the default, if any of the following events occur:

13.1.1 Voluntary Bankruptcy. If Franchisee becomes insolvent or makes a general assignment for the benefit of creditors, or if a petition in bankruptcy is filed by or against Franchisee and is not released within sixty (60) days or is consented to by Franchisee, or if Franchisee is adjudicated bankrupt, or if a bill in equity or other proceeding for the appointment of a receiver or custodian for Franchisee or the Franchised Business or assets is filed and consented to by Franchisee, or if a receiver or other custodian (permanent or temporary) of the Franchised Business or a substantial part of the assets is appointed by any

court of competent jurisdiction, or if a proceeding for a compromise with creditors under any state or federal law is instituted by or against Franchisee; or

13.1.2 Involuntary Bankruptcy. If a final judgment against Franchisee remains unsatisfied or of record for sixty (60) days or longer (unless a supersedeas bond is filed), or if execution is levied against the Franchised Business or property, or suit to foreclose any lien or mortgage against the Franchisee's Premises or equipment is instituted against Franchisee and not dismissed within sixty (60) days.

13.1.3 Criminal Acts and Other Misconduct. If Franchisee or Franchisee's principals are convicted of or plead guilty or no contest to a felony or take part in any criminal misconduct or other misconduct that negatively impacts the Marks or the operation of the Franchised Business.

13.1.4 Fraud. If Franchisee or Franchisee's principals commit any fraud or misrepresentation in the operation of the Franchised Business.

13.1.5 Misrepresentation. If Franchisee or Franchisee's principals make any misrepresentation or omission in connection with Franchisee's franchise application, including but not limited to any financial misrepresentation.

13.1.6 Repeated Breaches. If Franchisor sends Franchisee more than two notices to cure pursuant to Section 13.2 hereof in any twelve (12) month period or more than three (3) notices to cure pursuant to Section 13.2 in any twenty-four (24) month period.

13.1.7 Misuse of the Marks or Confidential Information. If Franchisee or Franchisee's principals materially violate any provision hereof pertaining to Marks or Confidential Information or misuse the Marks or Confidential Information.

13.1.8 Violation of Health Code. If Franchisee violates any health, safety or sanitation law, ordinance or regulation or operate the Franchised Business in a manner that presents a health or safety hazard to customers, or the general public.

13.1.9 Violation of In-term Restrictive Covenant. If Franchisee violates the in-term restrictive covenant contained in Section 11.

13.1.10 Liens. If a levy of writ of attachment or execution or any other lien is placed against Franchisee or any of Franchisee's principals or any of their assets which is not released or bonded against within thirty (30) days.

13.1.11 Insolvency. If Franchisee or any of Franchisee's principals become insolvent.

13.1.12 Abandonment. If Franchisee voluntarily or otherwise abandons the Franchised Business. The term "**abandon**" includes any conduct which indicates a desire or intent to discontinue the Franchised Business in accordance with the terms of this Agreement and will apply if Franchisee fails to operate the Franchised Business as a

Franchised Business for a period of five (5) or more consecutive days without Franchisor's prior written approval.

13.1.13 Proprietary Software. Franchisee misuses or makes unauthorized use of Franchisor's proprietary software, if any.

13.1.14 Insurance. Franchisee fails to maintain insurance or to repay Franchisor for insurance paid for by it, or otherwise fail to adhere to the requirements of Section 16.

13.1.15 Government Regulations. Franchisee fails, within thirty (30) calendar days after notification of non-compliance by federal, state or local government authorities to comply with any law or regulation applicable to the Franchised Business.

13.1.16 Government Actions. Any government action is taken against Franchisee that results in any obligation upon Franchisor which in Franchisor's sole judgment is uneconomical, not in the best interests of Franchisor, or would result in Franchisor having an unintended relationship or obligation.

13.1.17 Anti-Terrorist Activities. Franchisee fails to comply with the provisions of Section 26.

13.1.18 Personal Use of Franchised Business Property. If Franchisee takes for Franchisee's own personal use any assets or property of the Franchised Business, including employee taxes, FICA, insurance or benefits.

13.1.19 Insufficient Funds. If there are insufficient funds in Franchisee's bank account to cover a check or EFT payment to Franchisor three or more times within any 12-month period.

13.1.20 Breach of Other Agreements. If Franchisee commits any fraud, criminal acts or other misconduct or makes any misrepresentation or omission to Franchisor relating to any other agreement with Franchisor or Franchisor's Affiliates.

13.2 Termination after Failure to Cure. Franchisee will be deemed to be in default under this Agreement and Franchisor has the right to terminate this Agreement and all rights granted under this Agreement if within thirty (30) days (ten (10) days in the case of a default in payment to Franchisor) after Franchisor sends Franchisee written notification setting out the nature of the default ("**Notice to Cure**"), or within any shorter period expressly set forth in the following clauses as to such default, Franchisee does not correct the default to Franchisor's satisfaction:

13.2.1 Nonpayment. If Franchisee fails to pay as and when due any sums owed to Franchisor, any of Franchisor's Affiliates, or any of Franchisor's designated suppliers or vendors.

13.2.2 Under-reporting or Misreporting of Gross Revenues. If any audit reveals that Franchisee has understated Franchisee's royalty or advertising payments, or Franchisee's local advertising expenditures, by more than two percent (2%), or if Franchisee

has failed to submit timely reports and/or remittances for any two reporting periods within any twelve (12) month period, as described in Section 10.

13.2.3 Unauthorized Products or Services. If Franchisee orders, purchases, or offers for sale any unauthorized and unapproved services or products at, from, or through the Franchised Business.

13.2.4 Failure to Open. If Franchisee fails to commence operations of the Franchised Business by the Opening Date as set forth in Section 6.2 of this Agreement.

13.2.5 Licenses, Certifications and Permits. If Franchisee fails to timely procure (as set out in Section 4.6) or maintain any licenses, certifications, or permits necessary for the operation of the Franchised Business.

13.2.6 Primary Contact. If Franchisee does any of the following: (i) at any time during the term of this Agreement, the Franchised Business is not under the direct supervision of its designated Primary Contact; (ii) Franchisee designates a replacement Primary Contact without first providing notice to Franchisor; or (iii) any replacement Primary Contact does not meet Franchisor's then-current Primary Contact standards and requirements.

13.2.7 Unauthorized Transfer. If Franchisee purports to sell, transfer or otherwise dispose of Franchise or any interest in the franchise business in violation of Section 12 hereof.

13.2.8 Failure to Complete Training. If Franchisee fails to complete the initial training program as set forth in Section 6.5

13.2.9 Failure to Comply with this Agreement, other Agreements or Operations Manual. If Franchisee fails to perform or comply with any of the terms or conditions of this Agreement, any ancillary agreements between Franchisee and Franchisor or Franchisor's Affiliates, or the Operations Manual.

13.3 Nonwaiver. Franchisor's delay in exercising or failing to exercise any right or remedy under this Agreement or Franchisor's acceptance of any late or partial payment due hereunder will not constitute a waiver of Franchisor's rights against Franchisee.

13.4 Step-In Rights. In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right, or any other rights Franchisor may have against Franchisee, upon a failure to cure any default within the applicable time period (if any), Franchisor has the right, but not the obligation, to enter upon the Premises and exercise complete authority with respect to the operation of the Franchised Business until such time as Franchisor determines that the default has been cured, and Franchisee is otherwise in compliance with this Agreement. In the event Franchisor exercises the rights described in this Section 13.4, Franchisee must reimburse Franchisor for all reasonable costs and overhead, if any, incurred in connection with its operation of Franchisee's business including, without limitations, costs of personnel for supervising and staffing the business and their travel and lodging accommodations, as well as pay a fee of up to Five Hundred Dollars (\$500) per day. If Franchisor undertakes to operate the Franchised Business pursuant to this Section 13.4,

Franchisee agrees to indemnify and hold Franchisor (and Franchisor's representative(s) and employees) harmless from and against any fines, claims, suits or proceedings which may arise out of Franchisor's operation of the business.

13.5 Damages upon Abandonment. Liquidated damages for abandonment will be One Hundred Fifty Thousand (\$150,000) to cover Franchisor's cost to maintain one operations manager to run the Franchised Business and one salesperson to grow and maintain the business. Franchisor will pay Franchisee fifty percent (50%) of the net purchase price (less direct costs such as advertising, broker fees and commissions) achieved by any subsequent sale of the Franchised Business within two (2) years, less all monies due to Franchisor at termination.

14. POST TERM OBLIGATIONS

14.1 Obligations upon Termination or Expiration. Upon the termination or expiration of this Agreement for any reason, Franchisee must immediately:

14.1.1 Cease to be a Franchisee of Franchisor under this Agreement and cease to operate the former Franchised Business under the System. Franchisee must not thereafter, directly or indirectly, represent to the public that the former Franchised Business is or was operated or in any way be connected with the System or hold itself out as a present or former Franchisee of Franchisor;

14.1.2 Immediately vacate the Premises if Franchisor exercises Franchisor's rights pursuant to the Collateral Assignment of Lease attached hereto as **Attachment C**;

14.1.3 Pay all sums owing to Franchisor. Upon termination for any default by Franchisee, such sums will include actual damages, costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by Franchisor as a result of the default;

14.1.4 Return to Franchisor the Operations Manual, Confidential Information, and all trade secrets, confidential materials and other property owned by Franchisor. Franchisee may not retain a copy or record of any of the foregoing; provided, however, that Franchisee may retain its copy of this Agreement, any materials necessary to operate a franchise under an existing Franchise Agreement, any correspondence between the parties and any other document which Franchisee reasonably needs for compliance with any applicable provision of law. Franchisee must also return business cards, brochures, marketing materials and other promotional materials to Franchisor;

14.1.5 Immediately cease using all telephone numbers and listings used in connection with the operation of the Franchised Business and direct the telephone company to transfer all such numbers and listings to Franchisor or Franchisor's designee pursuant to the Conditional Assignment of Telephone Numbers attached hereto as **Attachment I** or, if Franchisor directs, to disconnect the numbers;

14.1.6 Provide Franchisor a complete list of Franchisee's employees, customers, and contacts and their respective addresses and any outstanding obligations Franchisee may have to any third parties;

14.1.7 Cease to use in any manner whatsoever, including in Franchisee's business operations and advertising, any methods, procedures, technology or other component of the System in which Franchisor has any right, title or interest. Franchisee agrees that Franchisor or a designated agent may enter upon the Premises at any time to make such changes and take possession of such items at Franchisee's sole risk and expense and without liability for trespass or compensation to Franchisee;

14.1.8 Cease to use the Marks and any other marks and indicia of operation associated with the System including stationary and other printed matter and remove all trade dress, physical characteristics, color combinations and other indications of operation under the System from the Premises. Without limiting the generality of the foregoing, Franchisee agrees that in the event of any termination or expiration of this Agreement, it will remove all signage bearing the Marks, and, upon Franchisor's request, deliver the facia for such signs to Franchisor, and remove any items which are characteristic of the System trade dress from the Premises. Franchisee agrees that Franchisor or a designated agent may enter upon the Premises at any time to make such changes at Franchisee's sole risk and expense and without liability for trespass or compensation to Franchisee; and

14.1.9 Promptly comply with (and continue to comply with) all terms of the Confidentiality, Non-Disclosure and Non-Competition Agreement, and the terms of Sections 11.4.

14.2 Damages, Costs and Expenses Resulting. In the event of termination for any default by Franchisee, Franchisee must promptly pay to Franchisor all damages, costs and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default, which obligation will give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of Franchisee's personal property, furnishings, equipment, signs, fixtures and inventory related to the operation of the business.

15. DISPUTE RESOLUTION AND CORRESPONDING PROCEDURES.

15.1 Arbitration. Any dispute between Franchisee and Franchisor or their respective Affiliates arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, or Franchisee's Franchised Business must be submitted to binding arbitration in Orange County, California (or Franchisor's then-current headquarters) in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the American Arbitration Association ("AAA") then in effect. Any arbitration must be on an individual basis and the parties and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or any proceedings involving their parties. In the event a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate will become null and void and the parties must submit all claims to the jurisdiction of the courts. The Federal Arbitration Act, as amended, will govern the rights and duties of the parties to this Agreement to resolve any disputes by arbitration.

15.1.1 Each party must bear its own costs of arbitration. The arbitrator shall award the prevailing party all reasonable costs and attorneys' fees. The arbitrator will have no

authority to determine class action claims and will have no authority to amend or modify the terms of the Agreement. To the extent permitted by applicable law, no issue of fact or law may be given preclusive or collateral estoppel effect in any arbitration, except to the extent such issue may have been determined in another proceeding between the parties.

15.1.2 Judgment upon the award of the arbitrator must be submitted for confirmation to any court having competent jurisdiction. The decision of the arbitrator shall be final and binding on all parties to the dispute; however, the arbitrator may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages, or (3) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business. This Agreement to arbitrate will survive any termination or expiration of this Agreement.

15.2 Exceptions to Arbitration. Notwithstanding Section 15.1, the parties agree that the following claims will not be subject to arbitration:

15.2.1 Any action for declaratory or equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder;

15.2.2 Any action in ejectment or for possession of any interest in real or personal property; and

15.2.3 Any action involving the Franchisor's Marks and licensing of the Marks.

15.3 Prior Notice of Claims. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, Franchisee must notify Franchisor within thirty (30) days after the discovery of the violation or breach and grant Franchisor a reasonable opportunity to cure any alleged default. Failure to timely give such notice will preclude any claim for damages.

15.4 Third Party Beneficiaries. Franchisor's officers, directors, shareholders, agents and/or employees are express third party beneficiaries of this Agreement, each having authority to specifically enforce the right to mediate/arbitrate claims asserted against such person(s) by Franchisee. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, Franchisee must notify Franchisor within thirty (30) days.

15.5 No Right to Offset. Franchisee may not withhold all or any part of any payment to Franchisor or any of its Affiliates on the grounds of Franchisor's alleged nonperformance or as an offset against any amount Franchisor or any of Franchisor's Affiliates allegedly may owe Franchisee under this Agreement or any related agreements.

15.6 Venue. Nothing contained in this Agreement will prevent Franchisor or Franchisee from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction and/or other emergency relief available to safeguard such party's interests. The parties expressly agree to the jurisdiction and venue of any court of general jurisdiction in San Mateo County, California, and the jurisdiction and venue of the United States District Court presiding over San Mateo County, California. Franchisee acknowledges that this Agreement has been entered into in the State of California, and that Franchisee is to receive valuable and continuing services emanating from Franchisor's headquarters, including but not limited to assistance, support and the development of the System. In recognition of such services and their origin, Franchisee hereby irrevocably consents to the personal jurisdiction of the state and federal courts of California set forth above.

15.7 Limitation on Actions. The parties further agree that no cause of action arising out of or under this Agreement may be maintained by Franchisee against Franchisor unless brought before the expiration of one year after the act, transaction or occurrence upon which such action is based or the expiration of one year after the complaining party becomes aware of facts or circumstances reasonably indicating that such party may have a claim against the other party hereunder, whichever occurs sooner, and that any action not brought within this period will be barred as a claim, counterclaim, defense or set-off.

15.8 Waiver of Punitive Damages. Franchisee hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, Franchisee's recovery is limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions will continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

15.9 Jury Trial Waiver. With respect to any proceeding not subject to arbitration, the parties hereby agree to waive trial by jury in any action, proceeding or counterclaim, whether at law or equity, regardless of which party brings suit. This waiver will apply to any matter whatsoever between the parties hereto which arises out of or is related in any way to this Agreement, the performance of either party, and/or Franchisee's purchase from Franchisor of the franchise and/or any goods or services.

16. INSURANCE

16.1 Lines of Insurance. Franchisee must, at its expense and no later than commencement of construction or remodeling of the Franchised Business, procure and maintain in full force and effect throughout the term of this Agreement insurance policies, in such amounts and on such terms, as prescribed by Franchisor in the Operations Manual, by an insurance company acceptable to Franchisor at all times during the terms of this Agreement. Franchisee must obtain such policies within thirty (30) days after signing this Agreement. Insurance coverage must include professional liability, general liability, non-owned automobile coverage, special form property insurance (including business income and extra expense must be included in an amount), workers compensation, a first-party bond and a third-party bond, employment practices liability that must

include a “3rd Party Endorsement” to respond to customer allegations of similar wrongful acts, and all other occurrences against claims of any person, employee, customer, agent or otherwise in an amount per occurrence of not less than such amount set forth in the Operations Manual and adjusted by Franchisor periodically in Franchisor’s sole discretion. Insurance policies must insure Franchisee and Franchisor and their Affiliates, officers, stockholders, directors, and all other parties designated by Franchisor, as additional named insureds against any liability that may accrue against them by reason of the ownership, maintenance or operation by Franchisee of the Franchised Business. The policies must also stipulate that Franchisor shall receive a thirty (30) day prior written notice of cancellation. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to Franchisor, including original endorsements affecting the coverage required by this Section, shall be furnished to Franchisor together with proof of payment within ten (10) days of issuance thereof. Franchisee shall also furnish Franchisor with certificates and endorsements evidencing such insurance coverage within ten (10) days after each of the following events: (i) at all policy renewal periods, no less often than annually, and (ii) at all instances of any change to, addition to, or replacement of any insurance. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are subject to approval by Franchisor. Franchisor reserves the right to require complete, certified copies of all required insurance policies at any time in Franchisor’s sole discretion. Franchisee is also required to collect loss history statements (“**Loss Runs**”) from its insurance carrier(s) and remit the Loss Runs to Franchisor upon Franchisee’s annual renewal of insurance.

16.2 Franchisor’s Procurement of Insurance for Franchisee. In the event Franchisee fails to obtain the required insurance and to keep the same in full force and effect, Franchisor may, but shall not be obligated to, purchase insurance on Franchisee’s behalf from an insurance carrier of Franchisor’s choice, and Franchisee shall reimburse Franchisor for the full cost of such insurance, along with a service charge (not to exceed eighteen percent (18%) of the policy premium) (“**Insurance Service Charge**”) to compensate Franchisor for the time and effort expended to secure such insurance, within five (5) days of the date Franchisor delivers an invoice detailing such costs and expenses to Franchisee. Notwithstanding the foregoing, failure of Franchisee to obtain insurance constitutes a material breach of this Agreement entitling Franchisor to terminate this Agreement or exercise any or a combination of the other default remedies set forth in Section 16 of this Agreement. Franchisee shall also procure and pay for all other insurance required by state or federal law, including, without limitation, workers’ compensation and unemployment insurance.

17. FRANCHISEE’S OWNERSHIP AND ORGANIZATION

17.1 Disclosure of Ownership Interests. Franchisee and each of its owners represents, warrants and agrees that **Attachment D** to this Agreement is current, complete and accurate. Franchisee agrees that updates to **Attachment D** to this Agreement shall be furnished promptly to Franchisor, so that the information on **Attachment D** (as so revised and signed by Franchisee) is at all times current, complete and accurate. Each owner of Franchisee must be an individual acting in his or her individual capacity, unless Franchisor waives this requirement.

17.2 Organizational Documents. If Franchisee is, or at any time becomes, a business corporation, partnership, limited liability company or other legal entity, Franchisee and each of its owners represents, warrants and agrees that: (a) Franchisee is duly organized and validly existing

under the laws of the state of its organization; (b) Franchisee has the authority to execute and deliver the Franchise Agreement and all related agreements and to perform its obligations under all such agreements; (c) the articles of incorporation, partnership agreement or other organizational documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interest in Franchisee is restricted by the terms of the Franchise Agreement; and (d) all certificates representing direct or indirect legal or beneficial ownership interests now or hereafter issued bear a legend in conformity with applicable law reciting or referring to such restrictions.

17.3 Personal Guaranty Covenants and Assumption of Obligations. Each owner (regardless of the owner's ownership interest in Franchisee) executing **Attachment D** to this Agreement must sign and irrevocably be bound by the Personal Guarantee included as **Attachment E** to this Agreement.

18. TAXES, PERMITS AND INDEBTEDNESS

18.1 Taxes. Franchisee must promptly pay when due any and all federal, state and local taxes including, without limitation, unemployment and sales taxes, levied or assessed with respect to any services or products furnished, used or licensed pursuant to this Agreement and all accounts or other indebtedness of every kind incurred by Franchisee in the operation of the business licensed hereunder.

18.2 Permits. Franchisee must comply with all federal, state and local laws, rules and regulations and timely obtain any and all permits, certificates and licenses for the full and proper conduct of the business licensed hereunder.

18.3 Full and Sole Responsibility for Debts and Obligations. Franchisee hereby expressly covenants and agrees to accept full and sole responsibility for any and all debts and obligations incurred in the operation of the Franchised Business.

19. INDEMNIFICATION AND INDEPENDENT CONTRACTOR

19.1 Indemnification. Franchisee and Franchisee's owners waive all claims against Franchisor for damages to property or injuries to persons arising out of the operation of Franchisee's business. Franchisee must fully protect, indemnify and hold Franchisor and its owners, directors, officers, successors and assigns and its Affiliates harmless from and against any and all claims, demands, damages and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of Franchisee's business (regardless of cause or any concurrent or contributing fault or negligence of Franchisor or its Affiliates) or any breach by Franchisee or Franchisee's failure to comply with the terms and conditions of this Agreement. Franchisor also reserves the right to select its own legal counsel to represent its interests, and Franchisee must reimburse Franchisor for its costs and attorneys' fees immediately upon Franchisor's request as they are incurred. Franchisor waives all claims against Franchisee for damages to property or injuries to persons arising out of the operation of Franchisor's company-owned business. Franchisor must fully protect, indemnify and defend Franchisee and its Affiliates and hold Franchisee harmless from and against any and all claims, demands, damages and liabilities of any nature whatsoever arising in any manner, directly or indirectly, out of or in connection with or incidental to the operation of Franchisor's business (regardless of cause or

any concurrent or contributing fault or negligence of Franchisee) or any breach by Franchisor or Franchisor's failure to comply with the terms and conditions of this Agreement.

19.2 Cost of Enforcement or Defense. If Franchisor is required to hire an attorney or spend any money to enforce this Agreement or to defend against any claim because Franchisee has not performed its obligations under this Agreement, Franchisor will be entitled to recover reasonable attorneys' fees and other expenses in enforcing the obligation or in defending against the claim.

19.3 No Fiduciary Relationship; Independent Contractor Status. In all dealings with third parties including, without limitation, franchisees, employees, suppliers, and customers, Franchisee must disclose in an appropriate manner acceptable to Franchisor that it is an independent entity licensed by Franchisor. Nothing in this Agreement is intended by the parties hereto to create a fiduciary relationship between them nor to constitute Franchisee as a subsidiary, joint venturer, partner, agent or employee of Franchisor for any purpose whatsoever. It is understood and agreed that Franchisee is an independent contractor and is in no way authorized to make any warranty or representation on behalf of Franchisor other than those contained in any disclosure document prepared by Franchisor for use by Franchisee, nor is Franchisee authorized to create any obligation or enter into any contract binding on Franchisor.

20. WRITTEN APPROVALS, WAIVERS, AND AMENDMENT

20.1 Approval Process. Whenever this Agreement requires Franchisor's prior approval, Franchisee must make a timely written request. Unless a different time period is specified in this Agreement, Franchisor will respond with its approval or disapproval within thirty (30) calendar days.

20.2 No Waiver. No failure of Franchisor to exercise any power reserved to it by this Agreement and no custom or practice of the parties at variance with the terms hereof will constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. A waiver or approval by Franchisor of any particular default by Franchisee will not be considered a waiver or approval by Franchisor of any preceding or subsequent breach by Franchisee of any term, covenant or condition of this Agreement.

20.3 Amendments. No amendment, change or variance from this Agreement will be binding upon Franchisor or Franchisee except by mutual written agreement. If an amendment of this Agreement is executed at Franchisee's request, any legal fees or preparation cost in connection therewith must be paid by Franchisee.

20.4 Non-uniform Agreements. No warranty or representation is made by Franchisor that all other agreements with System franchisees heretofore or hereafter issued by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Further, Franchisee recognizes and agrees that Franchisor may, due to local business conditions or otherwise, waive or modify comparable provisions of other franchise agreements granted to other System franchisees in a non-uniform manner, subject, however, to those provisions of this Agreement which require Franchisor to act toward its franchisees and franchise owners on a reasonably nondiscriminatory basis.

21. NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered, delivered by courier, or by registered mail to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor: Chris Ando
Slime Kitchen Franchise, Inc.
50 Black Fox Way
Redwood City, CA 94062

Notices to Franchisee: _____

Courtesy Copy to: _____

Any notice shall be by personal delivery, courier delivery or registered mail which shall be deemed to have been given at the date and time of mailing.

22. GOVERNING LAW

22.2 THIS AGREEMENT TAKES EFFECT UPON ITS ACCEPTANCE AND EXECUTION BY FRANCHISOR IN THE STATE OF CALIFORNIA; AND SHALL BE INTERPRETED AND CONSTRUED UNDER THE LAWS THEREOF, WHICH LAWS SHALL PREVAIL IN THE EVENT OF ANY CONFLICT OF LAW.

22.4 FRANCHISEE ACKNOWLEDGES THAT THIS AGREEMENT IS ENTERED INTO IN THE STATE OF CALIFORNIA AND THAT ANY ACTION SOUGHT TO BE BROUGHT BY EITHER PARTY SHALL BE BROUGHT IN SAN MATEO COUNTY, CALIFORNIA. THE PARTIES DO HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION OR VENUE FOR THE PURPOSES OF CARRYING OUT THIS PROVISION.

22.6 NO RIGHT OR REMEDY CONFERRED UPON OR RESERVED TO FRANCHISOR OR FRANCHISEE BY THIS AGREEMENT IS INTENDED TO BE, NOR SHALL BE DEEMED, EXCLUSIVE OF ANY OTHER RIGHT OR REMEDY HEREIN OR BY LAW OR EQUITY PROVIDED OR PERMITTED, BUT EACH SHALL BE CUMULATIVE OF EVERY OTHER RIGHT OR REMEDY.

22.8 NOTHING HEREIN CONTAINED SHALL BAR FRANCHISOR'S RIGHT TO OBTAIN INJUNCTIVE RELIEF AGAINST THREATENED CONDUCT THAT WILL CAUSE IT LOSS OR DAMAGES, UNDER THE USUAL EQUITY RULES, INCLUDING THE APPLICABLE RULES FOR OBTAINING RESTRAINING ORDERS AND PRELIMINARY INJUNCTIONS.

23. SEVERABILITY AND CONSTRUCTION

23.1 Severability. Should any provision of this Agreement be for any reason held invalid, illegal or unenforceable, such provision will be deemed restricted in application to the extent required to render it valid, and the remainder of this Agreement will in no way be affected and will remain valid and enforceable for all purposes, both parties hereto declaring that they would have executed this Agreement without inclusion of such provision. In the event such total or partial invalidity or unenforceability of any provision of this Agreement exists only with respect to the laws of a particular jurisdiction, this Section 23 will operate upon such provision only to the extent that the laws of such jurisdiction are applicable to such provision. Each party agrees to execute and deliver to the other any further documents which may be reasonably required to effectuate fully the provisions hereof. Franchisee understands and acknowledges that Franchisor will have the right to reduce the scope of any covenant of this Agreement binding upon Franchisee, or any portion hereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it will comply forthwith with any covenant as so modified, which will be fully enforceable.

23.2 Execution in Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, but such counterparts together will constitute one and the same instrument.

23.3 Headings and Captions. The headings and captions contained herein are for the purposes of convenience and reference only and are not to be construed as part of this Agreement. All terms and words used herein will be construed to include the number and gender as the context of this Agreement may require. The parties agree that each section of this Agreement will be construed independently of any other section or provision of this Agreement.

23.4 Interpretation of Rights and Obligations. The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties.

23.4.1 Franchisor's Rights. Whenever this Agreement provides that Franchisor has a certain right, that right is absolute and the parties intend that Franchisor's exercise of that right will not be subject to any limitation or review. Franchisor has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement.

23.4.2 Franchisor's Reasonable Business Judgment. Whenever Franchisor reserves discretion in a particular area or where Franchisor agrees to exercise its rights reasonably or in good faith, Franchisor will satisfy its obligations whenever it exercises reasonable business judgment ("**Reasonable Business Judgment**") in making a decision or exercising a right. Franchisor's decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if Franchisor's decisions or actions are intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes Franchisor's financial or other individual interests. Examples of items that will promote or

benefit the System include, without limitation, enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

24. ENTIRE AGREEMENT

This Agreement, any Exhibit attached hereto and the documents referred to herein, shall be construed together and constitute the entire, full and complete agreement between Franchisor and any parent company, subsidiary or Affiliate of Franchisor, and Franchisee concerning the subject matter and supersede all prior agreements. No other representation has induced Franchisee to execute this Agreement, and there are no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein, which are of any force or effect with reference to this Agreement or otherwise. No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing by both parties. Nothing in this or in any related agreement, however, is intended to disclaim the representations made in the Franchise Disclosure Document furnished by Franchisor to Franchisee.

25. SPOUSAL CONSENT

Franchisee's spouse, or if Franchisee is a legal entity, each owner's spouse, personally and unconditionally guarantees without notice, demand or presentment the payment of all of Franchisee's monetary obligations under this Agreement as if each spouse were an original party to this Agreement in his or her individual capacity. All such spouses further agree to be bound by the Franchisee's non-competition and confidentiality covenants as if each were an original party to this Agreement in his or her individual capacity. All such spouses must execute a spousal consent in the form attached hereto as **Attachment H**. In the event of divorce and re-marriage, or subsequent marriage, Franchisee, or if Franchisee is a legal entity, its owners, covenant and agree to provide Franchisor with a properly executed spousal consent, in the form prescribed by Franchisor.

26. ANTI-TERRORIST ACTIVITIES

Franchisee certifies that neither Franchisee, nor Franchisee's owners, principals, employees or anyone associated with Franchisee is listed in the Annex to Executive Order 13224. (The Annex is available at <https://www.state.gov/executive-order-13224>.) Franchisee agrees not to hire or have any dealings with a person listed in the Annex. Franchisee certifies that Franchisee has no knowledge or information that, if generally known, would result in Franchisee, Franchisee's owners, principals, employees, or anyone associated with Franchisee being listed in the Annex to Executive Order 13224. Franchisee agrees to comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with the Anti-Terrorism Laws (as defined below). In connection with such compliance, Franchisee certifies, represents, and warrants that none of Franchisee's property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and Franchisee's owners or principals are not otherwise in violation of any of the Anti-Terrorism Laws. Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all such Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that Franchisee's indemnification responsibilities as provided

in Section 19 of this Agreement pertain to Franchisee's obligations under this Section 26. Any misrepresentation by Franchisee under this Section or any violation of the Anti-Terrorism Laws by Franchisee, Franchisee's owners, principals or employees will constitute grounds for immediate termination of this Agreement and any other agreement Franchisee has entered into with Franchisor or one of Franchisor's Affiliates in accordance with the terms of Section 13 of this Agreement. As used herein, "Anti-Terrorism Laws" means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies lists and any other requirements of any Governmental Authority (including without limitation, the United States Department of Treasury Office of Foreign Assets Control) addressing or in any way relating to terrorist acts and acts of war.

27. FORCE MAJEURE

Whenever a period of time is provided in this Agreement for either party to do or perform any act or thing, except the payment of monies, neither party shall be liable or responsible for any delays due to strikes, lockouts, casualties, acts of God, war, government regulation or control or other causes beyond the reasonable control of the parties, and in any event said time period for the performance of an obligation hereunder shall be extended for the amount of time of the delay. This clause shall not apply or not result in an extension of the term of this Agreement.

28. CAVEAT

Franchisee acknowledges that it is entering into this Agreement as a result of its own independent investigation and not as a result of any representations about Franchisor made by its shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

29. ACKNOWLEDGMENTS

Franchisee acknowledges having received from Franchisor a copy of Franchisor's Disclosure Document, together with a copy of all proposed Exhibits and Agreements relating to the sale of the franchise, at one time and in one document in accordance with all applicable franchise legislation, at least fourteen (14) days prior to signing this Agreement; or at least fourteen (14) days prior to any payment of any consideration by or on behalf of Franchisee to Franchisor or any of Franchisor's associates for the sale of this franchise.

FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND FRANCHISEE ACKNOWLEDGES THAT FRANCHISEE HAS NOT RECEIVED NOR RELIED UPON, ANY WARRANTY OR GUARANTY, EXPRESS OR IMPLIED, AS TO: (A) THE VALIDITY, EXCLUSIVE OWNERSHIP OR ENFORCEABILITY OF ANY MARK; (B) THE VALIDITY OR ENFORCEABILITY OF ANY COPYRIGHT, PATENT OR TRADE SECRET; OR (C) THE

REVENUES, PROFITS OR SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT.

FRANCHISEE ACKNOWLEDGES THAT FRANCHISEE HAS READ THIS AGREEMENT AND FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT AND THAT FRANCHISEE HAS NO KNOWLEDGE OF ANY REPRESENTATION BY FRANCHISOR, OR ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES OR AGENTS THAT ARE CONTRARY TO THE STATEMENTS MADE IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT OR TO THE TERMS OF THIS AGREEMENT.

30. NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES.

The following provisions applies only to franchisees and franchises that are subject to state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by 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 Franchisor, any franchise seller, or any other person acting on behalf of Franchisor, any franchise seller, or any other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[Signatures to Follow]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the date first written above.

FRANCHISOR:

SLIME KITCHEN FRANCHISE, INC.

By:_____

Title:_____

FRANCHISEE:

By:_____

Title:_____

FRANCHISEE:

By:_____

Title:_____

FRANCHISEE:

By:_____

Title:_____

ATTACHMENT A

DESIGNATED TERRITORY, INITIAL FRANCHISE FEE AND TERRITORY DESIGNATION MAP

1. **DESIGNATED TERRITORY.** The Designated Territory granted to Franchisee in Section 1.1 of the Agreement will consist of the following Zip Codes: _____

2. **INITIAL FRANCHISE FEE.** The Initial Franchise Fee payable pursuant to Section 4.1:

☐

Thirty-Five Thousand Dollars (\$35,000) for the right to operate a Slime Kitchen Business within a Designated Territory

☐

No initial franchise fee for the right to operate a Slime Kitchen Business within a Designated Territory is payable because a transfer fee was paid pursuant to Section 12.4.7.

☐

No initial franchise fee for the right to operate a Slime Kitchen Business within a Designated Territory is payable because a Successor Fee was paid pursuant to Section 2.2.1.

3. **TERRITORY DESIGNATION MAP.** The following is for illustrative purposes and describes Franchisee's Designated Territory by map image. Notwithstanding the below map image, the zip codes set forth in Section 1 shall remain the definitive territory for the term of the Franchise Agreement.

ATTACHMENT B
AUTHORIZATION
TO INITIATE DEBIT ENTRIES

_____,
the undersigned franchisee, hereby authorizes Slime Kitchen Franchise, Inc. to initiate debit entries to its checking account indicated below at the depository identified below, hereinafter referred to as “**Depository**”, to debit to such account the amount of such entry reflecting fees and other amounts that become payable by the undersigned to Slime Kitchen Franchise, Inc.:

Depository Name: _____

Depository Branch: _____

Depository Address: _____

Depository City, State, and Zip: _____

Routing Number: _____

Account Name: _____

Account Number: _____

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that:

This authorization is to remain in full force and effect until Slime Kitchen Franchise, Inc. has received advance written notification of its termination from the undersigned in such manner as to afford Slime Kitchen Franchise, Inc. and Depository reasonable time and opportunity to act upon such notification.

IN WITNESS WHEREOF, this authorization has been executed on _____.

FRANCHISEE:

FRANCHISEE:

By: _____

By: _____

Title: _____

Title: _____

Phone No.: _____

Phone No.: _____

ATTACHMENT C

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned (“**Assignor**”) hereby assigns, transfers and sets over unto Slime Kitchen Franchise, Inc., a California corporation, (“**Assignee**”) all of Assignor’s right, title and interest as tenant in, to and under that certain lease, a copy of which is attached hereto as Schedule 1 (“**Lease**”) respecting premises (“**Premises**”) located at _____ . This Agreement is for collateral purposes only and except as specified herein, Assignee will have no liability or obligation of any kind whatsoever arising from or in connection with this Collateral Assignment of the Lease unless Assignee takes possession of the Premises pursuant to the terms hereof and assumes the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease or the Premises.

Upon a default by Assignor under the Lease or under the franchise agreement between Assignee and Assignor (“**Franchise Agreement**”), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee will have the right and is hereby empowered to take possession of the Premises, expel Assignor therefrom, and, in such event, Assignor will have no further right, title or interest in the Lease.

Assignor agrees it will not allow or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Through the initial term of the Franchise Agreement and any successor terms thereto, Assignor agrees that it may elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that such option must be exercised, unless Assignee otherwise agrees in writing. Upon failure of Assignee to otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as stated herein, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the sole purpose of effecting such extension or renewal.

[SIGNATURES AT END OF EXHIBIT]

CONSENT AND AGREEMENT OF LESSOR

The undersigned Lessor under the aforementioned Lease hereby:

- a. Agrees to notify Assignee in writing of and upon the failure of Assignor to cure any default by Assignor under the Lease;
- b. Agrees that Assignee will have the right, but not the obligation, to cure any default by Assignor under the Lease within thirty (30) days after delivery by Lessor of notice thereof in accordance with Paragraph (a) above;
- c. Consents to the foregoing Collateral Assignment and agrees that if Assignee takes possession of the Premises and confirms to Lessor the assumption of the Lease by Assignee as tenant thereunder, Lessor will recognize Assignee as tenant under the Lease, provided that Assignee cures within such 30-day period the defaults of Assignor under the Lease;
- d. Agrees that Assignee may further assign the Lease or its interest therein or sublet the Premises to a person, firm or corporation who is a System franchisee who is reasonably acceptable to Lessor. In the case of an assignment, Assignee will have no further liability or obligation under the Lease as assignee, tenant or otherwise. In the case of an assignment or sublease, this Consent and Agreement of Lessor will continue to apply with respect to any such subsequent System franchisee.

[SIGNATURES AT END OF EXHIBIT]

IN WITNESS WHEREOF, this Collateral Assignment of the Lease has been executed on _____.

ASSIGNOR:

Print Name: _____

Title: _____

ASSIGNEE

Print Name: _____

Title: _____

LESSOR

Print Name: _____

Title: _____

ATTACHMENT D

STATEMENT OF FRANCHISEE OWNERSHIP

Franchisee hereby acknowledges that Franchisee is a(n):

_____ individual _____ corporation
_____ partnership _____ limited liability company
_____ joint venture _____ other business form _____ (describe)
(check one)

Franchisee hereby warrants and represents that the following persons own, either legally or beneficially, voting control of Franchisee:

NAME	TITLE	PERCENTAGE OWNED
------	-------	---------------------

Franchisee acknowledges that Franchisor is relying on the accuracy of the above information, and that the information set forth above is true and correct. (The following persons must sign: each person who owns ten percent (10%) or more of a corporation or limited liability company; each partner; sole proprietor.)

Print Name: _____

Social Security No.: _____

Print Name: _____

Social Security No.: _____

Print Name: _____

Social Security No.: _____

ATTACHMENT E

PERSONAL GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS (“Guaranty”), dated _____, made by _____, _____, and _____, (collectively, “**Guarantors**”), in favor of Slime Kitchen Franchise, Inc., a California corporation (“**Franchisor**”).

WHEREAS, the Guarantors, and each of them, desire to guarantee the obligations of _____, a _____ [*corporation / partnership / sole proprietor / limited liability company*] (“**Franchisee**”), under that certain Franchise Agreement by and between Franchisee and Franchisor, of even date herewith (“**Franchise Agreement**”); and

WHEREAS, Franchisor desires to accept such guarantee;

NOW, THEREFORE, in consideration of the covenants and conditions herein set forth, and in order to induce Franchisor to enter into the Franchise Agreement, the Guarantors, and each of them, hereby agree, for the benefit of Franchisee, its successors and assigns, as follows:

1. **Guaranty**. Guarantors and each of them hereby unconditionally guarantee the punctual payment when due, whether at stated maturity, by acceleration or otherwise, of all obligations of Franchisee now or hereafter existing under the Franchise Agreement, whether for fees, expenses, interest, or otherwise (such obligations being “**Obligations**”), and agree to pay any and all expenses (including attorney fees and expenses) incurred by Franchisor in enforcing any rights under this Guaranty.

2. **Guaranty Absolute**. Guarantors and each of them guarantee that the Obligations will be paid strictly in accordance with the terms of the Franchise Agreement, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of Franchisor with respect thereto. The liability of the Guarantors under this Guaranty will be absolute and unconditional irrespective of:

- (i) any lack of validity or enforceability of the Franchise Agreement or any other agreement or instrument relating thereto;
- (ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to departure from the Franchise Agreement;
- (iii) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Obligations; or
- (iv) any other circumstance which might otherwise constitute a defense available to, or a discharge of, Franchisee or a Guarantor.

This Guaranty will continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by Franchisor upon

the insolvency, bankruptcy or reorganization of Franchisee or otherwise, all as though such payment had not been made.

3. Waiver. Guarantors hereby waive promptness, diligence, notice of acceptance and any other notice with respect to any of the Obligations and this Guaranty and any requirement that Franchisor protect, secure, perfect or insure any security interest or lien or any property subject thereto or exhaust any right or take any action against Franchisee or any other person or entity or any collateral.

4. Waiver of Subrogation. Notwithstanding anything to the contrary in this Guaranty, Guarantors hereby irrevocably waive all rights they may have at law or in equity, to the extent that such rights may interfere with any claim or demand by Franchisor under the Franchise Agreement or this Guaranty (including, without limitation, any law subrogating the Guarantors to the rights of Franchisor), to seek contribution, indemnification, or any other form of reimbursement from Franchisee, any other Guarantor, or any other person now or hereafter primarily or secondarily liable for any obligations of Franchisee to Franchisor, for any disbursement made by the Guarantors under or in connection with this Guaranty or otherwise. If (i) Guarantors will make payment to Franchisor of all or any part of the Obligations and (ii) all the Obligations will be paid in full, Franchisor will, at Guarantors' request, execute and deliver to Guarantors appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to Guarantors of an interest in the Obligations resulting from such payment by Guarantors.

5. Amendments, Etc. No amendment or waiver of any provision of this Guaranty nor consent to any departure by the Guarantors therefrom will in any event be effective unless the same will be in writing and signed by Franchisor, and then such waiver or consent will be effective only in the specific instance and for the specific purpose for which given.

6. No Waiver; Remedies. No failure on the part of Franchisor to exercise, and no delay in exercising any right hereunder will operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

7. Continuing Guaranty: Transfer of Franchise Agreement. This Guaranty is a continuing guaranty and will (i) remain in full force and effect until payment in full of the Obligations and all other amounts payable under this Guaranty, (ii) be binding upon the Guarantors, their successors and assigns, and (iii) inure to the benefit of and be enforceable by Franchisor and its successors, transferees and assigns. Without limiting the generality of the foregoing clause (iii), Franchisor may assign or otherwise transfer the Franchise Agreement to any other person or entity, and such other person or entity shall thereupon become vested with all the rights in respect thereof granted to Franchisor herein or otherwise.

8. Governing Law. This Guaranty will be governed by, and construed in accordance with, the laws of the State of California.

IN WITNESS WHEREOF, Guarantors have executed this Guaranty as of the date first above written.

GUARANTOR

Print Name: _____

Percentage of Ownership in Franchisee: _____%

Address: _____

Social Security No.: _____

GUARANTOR

Print Name: _____

Percentage of Ownership in Franchisee: _____%

Address: _____

Social Security No.: _____

GUARANTOR

Print Name: _____

Percentage of Ownership in Franchisee: _____%

Address: _____

Social Security No.: _____

ATTACHMENT F

SPOUSAL CONSENT AND GUARANTY

NOTE: EACH SPOUSE OF FRANCHISEE, OR IF FRANCHISEE IS A LEGAL ENTITY, THE SPOUSE OF EACH OWNER OF FRANCHISEE, MUST SIGN THIS SPOUSAL CONSENT.

The individual(s) listed below represents to Slime Kitchen Franchise, Inc. (“**Franchisor**”) that each is the spouse of the individual(s) who have signed a Franchise Agreement with the Company.

In consideration of the grant by the Franchisor to Franchisee under the Franchise Agreement, each of the individual spouses listed below agrees, in consideration of benefits received and to be received by each of them, agrees to be bound by the covenants not to compete and maintain confidentiality that are set forth in Section 11 of the Franchise Agreement.

IN WITNESS WHEREOF, this Spousal Consent has been executed as of the dates below.

SPOUSE

Date: _____

Print Name: _____

SPOUSE

Date: _____

Print Name: _____

SPOUSE

Date: _____

Print Name: _____

In consideration of the grant by the Franchisor to Franchisee under the Franchise Agreement, each of the individual spouses listed below agrees, in consideration of benefits received and to be received by each of them, jointly and severally, and for themselves, their heirs, legal representatives and assigns that they, and each of them unconditionally guarantees the full and timely performance by Franchisee of all of Franchisee's obligations under the Franchise Agreement, including, without limitation, any of Franchisee's indebtedness arising under or by virtue of the Franchise Agreement. However, any separate property of spouse is excluded from this Guaranty except where Franchisee seeks to assign assets to a spouse to avoid claims.

IN WITNESS WHEREOF, this Spousal Guaranty has been executed as of the dates below.

SPOUSE

Date: _____

Print Name: _____

SPOUSE

Date: _____

Print Name: _____

SPOUSE

Date: _____

Print Name: _____

ATTACHMENT G

COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS AND TELEPHONE LISTINGS AND INTERNET ADDRESSES

THIS ASSIGNMENT is entered into on _____, in accordance with the terms of the Slime Kitchen Franchise, Inc. Franchise Agreement (“**Franchise Agreement**”) between

 (“**Franchisee**”) and Slime Kitchen Franchise, Inc. (“**Franchisor**”), executed concurrently with this Assignment, under which Franchisor granted Franchisee the right to own and operate a Slime Kitchen business (“**Franchise Business**”) located at

_____.
FOR VALUE RECEIVED, Franchisee hereby assigns to Franchisor (1) those certain telephone numbers and regular, classified or other telephone directory listings (collectively, the “**Telephone Numbers and Listings**”) and (2) those certain Internet website addresses (“**URLs**”) associated with Franchisor’s trade and service marks and used from time to time in connection with the operation of the Franchise Business at the address provided above. This Assignment is for collateral purposes only and, except as specified herein, Franchisor shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment, unless Franchisor shall notify the telephone company and/or the listing agencies with which Franchisee has placed telephone directory listings (all such entities are collectively referred to herein as “**Telephone Company**”) and/or Franchisee’s Internet service provider (“**ISP**”) to effectuate the assignment pursuant to the terms hereof.

Upon termination or expiration of the Franchise Agreement (without extension), Franchisor shall have the right and is hereby empowered to effectuate the assignment of the Telephone Numbers and Listings and the URLs, and, in such event, Franchisee shall have no further right, title or interest in the Telephone Numbers and Listings and the URLs, and shall remain liable to the Telephone Company and the ISP for all past due fees owing to the Telephone Company and the ISP on or before the effective date of the assignment hereunder.

Franchisee agrees and acknowledges that as between Franchisor and Franchisee, upon termination or expiration of the Franchise Agreement, Franchisor shall have the sole right to an interest in the Telephone Numbers and Listings and the URLs, and Franchisee irrevocably appoints Franchisor as Franchisee’s true and lawful attorney-in-fact, which appointment is coupled with an interest, to direct the Telephone Company and the ISP to assign same to Franchisor, and execute such documents and take such actions as may be necessary to effectuate the assignment. Upon such event, Franchisee shall immediately notify the Telephone Company and the ISP to assign the Telephone Numbers and Listings and the URLs to Franchisor. If Franchisee fails to promptly direct the Telephone Company and the ISP to assign the Telephone Numbers and Listings and the URLs to Franchisor, Franchisor shall direct the Telephone Company and the ISP to effectuate the assignment contemplated hereunder to Franchisor. The parties agree that the Telephone Company and the ISP may accept Franchisor’s written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor’s exclusive rights

in and to the Telephone Numbers and Listings and the URLs upon such termination or expiration and that such assignment shall be made automatically and effective immediately upon Telephone Company's and ISP's receipt of such notice from Franchisor or Franchisee. The parties further agree that if the Telephone Company or the ISP requires that the parties execute the Telephone Company's or the ISP's assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, Franchisor's execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement.

ASSIGNEE:

ASSIGNOR:

SLIME KITCHEN FRANCHISE, INC.

By: _____

By: _____

Its: _____

Its: _____

ATTACHMENT H
SITE SELECTION ADDENDUM

Slime Kitchen Franchise, Inc. (“**Franchisor**”) and

(“**Franchisee**”), entered into a Franchise Agreement dated _____ for the operation of a Slime Kitchen franchised business (“**Franchised Business**”) and desire to supplement its terms, as set forth below. The parties therefore agree as follows:

1. Within ninety (90) days after Franchisee receives notice of approval of the Franchise Agreement, Franchisee must obtain a site, at Franchisee’s expense, for the Franchised Business, which site Franchisor must approve as hereinafter provided. The site will be within the following territory: _____ (“**Site Selection Territory**”).

2. Franchisee’s failure to obtain a site for the business within the time required in Paragraph 1 will constitute a default under the Franchise Agreement and this Site Selection Addendum. Time is of the essence.

3. Prior to Franchisee’s acquisition by lease or purchase of a site for the Franchised Business, Franchisee must submit to Franchisor, in the form Franchisor specifies, such other information or materials as Franchisor may reasonably require, and a letter of intent or other evidence satisfactory to Franchisor which confirms Franchisee’s favorable prospects for obtaining the proposed site. Recognizing that time is of the essence, Franchisee must submit a proposed site, together with the information and materials required by this Paragraph 3, to Franchisor for Franchisor’s approval within ninety (90) days after execution of this Site Selection Addendum. Franchisor will have fifteen (15) days after receipt of such information and materials from Franchisee to approve or disapprove the site as a location for the business. No proposed site will be deemed approved unless Franchisor has expressly approved it in writing.

4. Franchisor will furnish to Franchisee such site selection guidelines, consultation and on-site evaluation as Franchisor deems advisable as part of Franchisor’s evaluation of Franchisee’s request for site approval. Franchisor will not, however, provide on-site evaluation for any proposed site prior to Franchisor’s receipt of the information and materials required by Paragraph 3 hereof. If Franchisor deems on-site evaluation necessary and appropriate, Franchisor will conduct up to two (2) on-site evaluations at Franchisor’s cost. For each additional on-site evaluation (if any), Franchisee must reimburse Franchisor for Franchisor’s reasonable expenses including, without limitation, the costs of travel, lodging, and meals.

5. If Franchisee will be occupying the business premises under a lease, Franchisee must, prior to the execution of the lease, submit the lease to Franchisor for Franchisor’s written approval. Franchisor’s approval of the lease will be conditioned upon Franchisee’s execution of a Collateral Assignment of Lease in the form Franchisor prescribes and the inclusion of the following terms and conditions:

- a. That the lessor consents to Franchisee's use of such Marks and initial signage as Franchisor may prescribe for the business;
- b. That the use of the premises be restricted solely to the operation of the Franchised Business;
- c. That Franchisee be prohibited from subleasing or assigning all or any part of Franchisee's occupancy rights or extending the term of or renewing the lease without Franchisor's prior written consent;
- d. That the lessor provide to Franchisor copies of any and all notices of default given to Franchisee under the lease;
- e. That Franchisor (or Franchisor's designee) has the right to enter the premises to make modifications necessary to protect the Marks or the System or to cure any default under the Franchise Agreement or under the lease;
- f. That Franchisor (or Franchisor's designee) has the option, upon default, expiration, or termination of the Franchise Agreement, and upon notice to the lessor, to assume all of Franchisee's right under the lease terms, including the right to assign or sublease.

6. Franchisee must furnish Franchisor a copy of any executed lease within ten (10) days after execution thereof.

7. After Franchisor has approved a site for the franchised business in writing and Franchisee has acquired the site pursuant to Paragraph 3 hereof, the site will constitute the Premises referred to in Section 1.3 of the Franchise Agreement.

8. Franchisee hereby acknowledges and agrees that Franchisor's approval of a site does not constitute an assurance, representation or warranty of any kind, express or implied, as to the suitability of the site for the franchised business or for any other purpose. Franchisor's approval of the site indicates only that Franchisor believes the site complies with acceptable minimum criteria established by Franchisor solely for Franchisor's purposes as of the time of the evaluation. Both parties to this Agreement acknowledge the application of criteria that have been effective with respect to other sites and premises may not be predictive of potential for all sites and that, subsequent to Franchisor's approval of a site, demographic and/or economic factors, such as competition from other similar businesses, included in or excluded from Franchisor's criteria could change thereby altering the potential of a site. Such factors are unpredictable and are beyond Franchisor's control. Franchisor will not be responsible for the failure of a site approved by Franchisor to meet Franchisee's expectations as to revenue or operational criteria. Franchisee further acknowledges and agrees that Franchisee's acceptance of a franchise for the operation of the franchised business at the site is based on Franchisee's own independent investigation of the suitability of the site.

9. This Site Selection Addendum constitutes an integral part of the Franchise Agreement between the parties hereto, and terms of this Site Selection Addendum will be controlling with respect to the subject matter hereof. Except as modified or supplemented by this Site Selection Addendum, the terms of the Franchise Agreement are hereby ratified and confirmed.

[Signatures to Follow]

IN WITNESS WHEREOF, the parties hereto have duly executed this Addendum on the day and year first above written.

FRANCHISOR: Slime Kitchen Franchise, Inc.

By: _____

Date: _____

Title: _____

FRANCHISEE:

By: _____

Date: _____

Title: _____

FRANCHISEE:

By: _____

Date: _____

Title: _____

FRANCHISEE:

By: _____

Date: _____

Title: _____

ATTACHMENT I

PRIMARY CONTACT ADDENDUM

1. Primary Contact. Franchisor requires that Franchisee's business at all times be under its designated Primary Contact's direct supervision. Franchisee represents and warrants to Franchisor that the following person, and only the following person, is the Primary Contact:

NAME

TITLE

ADDRESS

2. Primary Contact's Responsibilities. Franchisee's Primary Contact must meet Franchisor's standards and requirements, and must have successfully completed the Slime Kitchen initial training program. Franchisee's Primary Contact is the individual who has the authority to actively direct Franchisee's business affairs regarding the business, is responsible for overseeing the general management of the business and has authority to sign all contracts. Prior to there being any change to Franchisee's designated Primary Contact, Franchisee must provide Franchisor with advance written notice of this change and Franchisor must confirm that Franchisee's proposed replacement Primary Contact meets Franchisor's then-current Primary Contact standards and requirements.

3. Default of the Franchise Agreement. Franchisee will be in default of its obligations under the Franchise Agreement if any of the following occur: (i) at any time during the term of the Franchise Agreement Franchisee's business is not under its designated Contact Person's direct supervision, (ii) Franchisee designates a replacement Contact Person without first providing Franchisor with notice of this change, or (iii) any replacement Contact Person does not meet Franchisor's then-current Contact Person standards and requirements. Upon any of these occurrences, Franchisor will have the right, after providing Franchisee with advance written notice of the default and a fifteen (15) day opportunity to cure the default, to terminate the Franchise Agreement.

[Signatures to Follow]

FRANCHISOR: Slime Kitchen Franchise, Inc.

By: _____

Date: _____

Title: _____

FRANCHISEE:

By: _____

Date: _____

Title: _____

FRANCHISEE:

By: _____

Date: _____

Title: _____

FRANCHISEE:

By: _____

Date: _____

Title: _____

EXHIBIT B

SLIME KITCHEN FRANCHISE, INC.

**CONFIDENTIALITY, NON-DISCLOSURE
AND NON-COMPETITION AGREEMENT**

EXHIBIT B

CONFIDENTIALITY, NON-DISCLOSURE AND NON-COMPETITION AGREEMENT

WHEREAS, the undersigned is an officer, director, member, manager, key employee, partner or owner of an interest in the equity or voting interests of _____, the Franchisee under, and signatory to, that certain Franchise Agreement dated _____ (“**Franchise Agreement**”) entered into with Slime Kitchen Franchise, Inc. (“**Franchisor**”) granting Franchisee the right to own and operate a Slime Kitchen franchised business (“**Franchised Business**”) on the terms and conditions stated in the Franchise Agreement.

WHEREAS, the undersigned acknowledges that, in order to induce Franchisor to enter into the Franchise Agreement, Franchisee must cause certain persons owning an interest in Franchise or who are associated with Franchisee in an executive or similar capacity, to sign this Confidentiality, Non-Disclosure and Non-Competition Agreement (“**Agreement**”) for the benefit of Franchisor.

NOW, THEREFORE, the undersigned, having read this Agreement and understanding its terms, hereby agrees as follows:

1. Nondisclosure of Confidential Information.

a. The undersigned agrees not to disclose, duplicate, sell, reveal, divulge, publish, furnish or communicate, either directly or indirectly, any Confidential Information (as defined below) to any other person, firm or entity, unless authorized in writing by Franchisor.

b. The undersigned agrees not to use any Confidential Information for his or her own personal gain or to further the purposes of others, whether or not the Confidential Information has been conceived, originated, discovered or developed, in whole or in part, by the undersigned or represents the undersigned’s work product. To the extent the undersigned has assisted in the preparation of any information which Franchisor considers to be Confidential Information or has prepared or created such information by himself or herself, the undersigned hereby assigns any rights that he or she may have in such information as creator to Franchisor, including all ideas made or conceived by the undersigned.

c. The undersigned understands and agrees that the use, publication or duplication of the Confidential Information for any purpose not authorized by this Agreement constitutes an unfair method of competition by the undersigned.

d. The provisions of this paragraph 1 shall survive the expiration or termination of all contracts between Franchisor and Franchisee.

e. The provisions concerning non-disclosure of Confidential Information shall not apply if disclosure of Confidential Information is legally compelled in a judicial or administrative proceeding, provided the undersigned shall have used its best efforts, and shall have afforded Franchisor the opportunity, to obtain an appropriate protective order or other assurance satisfactory to Franchisor of confidential treatment for the information required to be disclosed.

f. The term “**Confidential Information**” shall have the same meaning assigned to it in the Franchise Agreement. A copy of the relevant sections of the Franchise Agreement is attached to this Agreement as Schedule 1.

2. Return of Proprietary Materials.

Upon expiration or termination of the Franchise Agreement, the undersigned shall surrender to Franchisee, or, if directed by Franchisor, directly to Franchisor, all materials in the possession of the undersigned relating to or concerning any Confidential Information. The undersigned understands and agrees that such materials shall be and remain the sole property of Company.

3. Agreements Regarding Competition.

a. For purposes of this Paragraph 3 the term “**Competing Business**” shall mean a business that provides services or products that Franchisor may now or in the future authorize Franchisee to offer or sell in connection with the operation of the Franchised Business.

b. For as long as the Franchise Agreement shall remain in effect, the undersigned agrees that he or she shall neither directly nor indirectly, whether individually, or through, on behalf of, as a member of, or in conjunction with any person, persons, partnership, corporation, or other legal entity, operate, advise on the development or operation of, be employed in a managerial or sales capacity by, or have any interest as an owner of any business, other than as a Franchisee of the Franchisor, that would be considered to be a Competing Business located anywhere in the world, provided, however, the restrictions stated in this paragraph shall not apply to the undersigned after eighteen (18) months from the date that the undersigned ceases to be an officer, director, member, manager, key employee, partner or owner of an interest in the equity or voting interests in Franchisee.

c. For a period of eighteen (18) months after expiration or termination of the Franchise Agreement, or an event of transfer as defined in the Franchise Agreement, whichever occurs first, the undersigned agrees that it, he or she shall neither directly nor indirectly, whether individually, or through, on behalf of, as a member of, or in conjunction with any person, persons, partnership, corporation, or other legal entity, operate, advise on the development or operation of, be employed in a managerial or sales capacity by, or have any interest as an owner of any business, other than as a Franchisee of the Franchisor, that would be considered to be a Competing Business within twenty-five (25) miles of any franchise or corporate-owned Slime Kitchen location or territory under a development agreement.

d. This Agreement does not prohibit the undersigned from owning five percent (5%) or less of the voting stock of a company that is in a Competing Business and whose shares are publicly traded on a national exchange.

e. The parties understand and agree that the undersigned may engage in any activities not expressly prohibited by this Agreement. However, in connection with permitted activities, the undersigned shall not (i) use the Confidential Information or any of the Marks (as that term is

defined in the Franchise Agreement); (ii) engage in any conduct or activity which suggests or implies that Franchisor endorses, or authorizes, the undersigned's activities; or (iii) induce any person to engage in conduct prohibited by this Agreement.

4. Interference.

The undersigned agrees not to, directly or indirectly, for itself or on behalf of any other person, divert, or attempt to divert, any business or customer of any Franchised Business to any competitor by direct or indirect inducement or perform any act which directly or indirectly could, or may, injure or prejudice the goodwill and reputation of the Marks or the Franchisor's system.

5. Irreparable Harm to Franchisor.

a. The undersigned understands and agrees that Franchisor will suffer irreparable injury not capable of precise measurement in monetary damages if it discloses or misuses any Confidential Information, or if the undersigned breaches the covenants contained in this Agreement. Accordingly, in the event of a breach of this Agreement by the undersigned, the undersigned consents to entry of interim relief, including, without limitation, the entry of a temporary restraining order, preliminary injunction, permanent injunction, writ of attachment, appointment of a receiver, and any other equitable relief which the court deems necessary in order to prevent irreparable injury, all without the requirement that bond be posted.

b. The undersigned agrees that the award of equitable remedies to Franchisor in the event of such breach is reasonable and necessary for the protection of the business and goodwill of Company.

6. Survival.

The agreements made by the undersigned shall survive the expiration or termination of all contracts between Franchisor and Franchisee.

7. Validity; Conformity With Applicable Law.

a. Wherever possible, each provision of this Agreement shall be interpreted in a manner as to be valid under applicable law, but if any provision of this Agreement shall be invalid or prohibited thereunder, the provision shall be ineffective only to the extent of the prohibition or invalidity without invalidating the remainder of this Agreement.

b. The parties agree that the laws of the state having jurisdiction over the undersigned shall govern any dispute concerning or involving the construction, interpretation, validity or enforcement of the provisions of this Agreement regarding competition, but only with respect to the subjects covered in Paragraph 3.

8. Miscellaneous.

a. Any waiver granted to the undersigned by Franchisor excusing or reducing any obligation or restriction imposed under this Agreement shall be evidenced by a writing signed by

Franchisor in order to be effective and shall only be effective to the extent specifically allowed in such writing. No waiver granted by Franchisor shall constitute a continuing waiver. Any waiver granted by Franchisor shall be without prejudice to any other rights Franchisor may have. The rights and remedies granted to Franchisor are cumulative. No delay on the part of Franchisor in exercising any right or remedy shall preclude Franchisor from fully exercising such right or remedy or any other right or remedy.

b. This Agreement sets forth the entire agreement made by the undersigned pertaining to the subject matter hereof, fully superseding any and all prior agreements or understandings that may exist between the undersigned and the Franchisor pertaining to such subject matter. No amendment, change, modification or variance to or from the terms and conditions contained in this Agreement shall be binding on the undersigned unless it is contained in a writing and duly signed by the undersigned and Franchisor.

c. This Agreement shall be binding on the undersigned's heirs, executors, successors and assigns as though originally signed by such persons.

d. The parties agree that all capitalized terms in this Agreement shall have the same meaning assigned to them in any Franchise Agreement between Franchisor and Franchisee, and incorporate such definitions into this Agreement.

IN WITNESS WHEREOF, the undersigned has entered into this Agreement as of the date shown above the undersigned's signature.

DATED: _____

Signature of Individual

Print Name of Individual

EXHIBIT C

SLIME KITCHEN FRANCHISE, INC.

STATE ADDENDA

EXHIBIT C

STATE ADDENDA

The following modifications are to the Slime Kitchen Franchise, Inc. Franchise Disclosure Document and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement dated _____, and Statement of Franchisee.

NO WAIVER OR DISCLAIMER OF RELIANCE IN CERTAIN STATES.

The following provisions applies only to franchisees and franchises that are subject to state franchise registration/disclosure laws in California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, or Wisconsin:

No statement, questionnaire, or acknowledgement signed or agreed to by 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 Franchisor, any franchise seller, or any other person acting on behalf of Franchisor, any franchise seller, or any other person acting on behalf of Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

It is agreed that this state law addendum supersedes any inconsistent portion of the Franchise Agreement dated _____, and of the Franchise Disclosure Document.

DATED: _____.

FRANCHISOR:

Slime Kitchen Franchise, Inc.

By: _____

Title: _____

FRANCHISEE:

By: _____

Title: _____

CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT AT LEAST 14 DAYS PRIOR TO EXECUTION OF AGREEMENTS.

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

Item 2: None of the persons identified in Item 2 of the franchise disclosure document ("FDD") is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

Item 6: The current maximum legal interest rate in California is 10%.

Item 12: You will not receive an exclusive territory competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands we control.

Item 17: In connection with Item 17 of the franchise disclosure document, the following paragraphs are included pursuant to California law:

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

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

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

4. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

5. The franchise requires a franchisee to execute a general release of claims upon renewal or transfer of the agreement. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

6. California Corporations Code Section 31125 requires the franchisor to give the franchisee a disclosure document approved by the Department of Financial Protection and Innovation prior to a solicitation of a proposed material modification of an existing franchise.

7. California Corporations Code Section 31512.1 - Franchise Agreement Provisions Void as Contrary to Public Policy:

Any provision of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

- (a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
- (b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
- (c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
- (d) Violations of any provisions of this division.

8. Re: Website: www.theslimekitchen.com

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION, ANY COMPLAINTS CONCERNING THE CONTENT OF THESE WEBSITES MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

SLIME KITCHEN FRANCHISE, INC

EXHIBIT D

SLIME KITCHEN FRANCHISE, INC.

STATEMENT OF FRANCHISEE

EXHIBIT D

NOTE: THIS STATEMENT OF FRANCHISEE SHALL NOT BE COMPLETED OR SIGNED BY YOU, AND WILL NOT APPLY, IF THE OFFER OR SALE OF THE SLIME KITCHEN FRANCHISE IS SUBJECT TO THE STATE FRANCHISE REGISTRATION/DISCLOSURE LAWS IN THE STATES OF CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

STATEMENT OF FRANCHISEE

[Note: Dates and Answers Must be Completed in the Prospective Franchisee's Own Handwriting]

In order to make sure that no misunderstanding exists between you, the Franchisee, and us, Slime Kitchen Franchise, Inc. (also called “**Slime Kitchen**” or the “**FRANCHISOR**” or “**we**”) and to make sure that no violations of law might have occurred, and understanding that we are relying on the statements you make in this document, you represent and warrant as follows:

A. The following dates are true and correct:

- | | Date | Initials | |
|----|---------------|----------|---|
| 1. | _____, 20____ | _____ | The date on which I received a Franchise Disclosure Document regarding the Slime Kitchen Franchise. |
| 2. | _____, 20____ | _____ | The date of my first face-to-face meeting with Franchise Salesperson to discuss a possible purchase of a Slime Kitchen Franchise. |
| 3. | _____, 20____ | _____ | The date on which I received a completed copy (other than signatures) of the Franchise Agreement which I later signed. |
| 4. | _____, 20____ | _____ | The date on which I signed the Franchise Agreement. |
| 5. | _____, 20____ | _____ | The earliest date on which I delivered cash, check or other consideration to the Franchise Salesperson or an officer of Slime Kitchen Franchise, Inc. |

B. Representations.

1. The individuals signing for me constitute all of the executive officers, partners, shareholders, investors and/or principals. Each of such individuals has reviewed the Franchise Disclosure Document and all exhibits and carefully read, discussed, understands and agrees to the Franchise Agreement, each attached written Addendum and any personal guaranties.

2. I have had an opportunity to consult with an independent professional advisor, such as an attorney or accountant, prior to signing any binding documents or paying any sums, and Slime Kitchen has strongly recommended that I obtain such independent advice. I have also been strongly advised by Slime Kitchen to discuss my proposed purchase of a Slime Kitchen Franchise with any existing Slime Kitchen franchisees prior to signing any binding documents or paying any sums and Slime Kitchen has supplied me with a list of all existing franchisees.

3. I understand that a) entry into any business venture necessarily involves some unavoidable risk or loss or failure; b) the purchase of a Slime Kitchen Franchise or any other franchise is a speculative investment; c) investment beyond that outlined in the Franchise Disclosure Document may be required to succeed; d) there exists no guaranty against possible loss or failure in this or any other business; and e) the most important factors in the success of any Slime Kitchen Franchise, including the one to be operated by me, are my personal business skills, which include marketing, sales, and management, and require sound judgment and extremely hard work.

If there are any matters inconsistent with the statements in this document or if anyone has suggested that you sign this document without all of its statements being true, correct and complete, immediately inform Slime Kitchen (Phone: (866) 887-4029) and our President.

You understand and agree that we do not furnish, or authorize our salespersons, brokers or others to furnish any oral or written information concerning actual or potential sales, costs, income, expenses, profits, cash flow, tax effects or otherwise (or information from which such items might be ascertained), from franchise or non-franchised units, that no such results can be assured or estimated, and that actual results will vary from unit to unit.

You understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under applicable law.

[Signature Page to Follow]

PROSPECTIVE FRANCHISEE:

FRANCHISE SALESPERSON:

Date

Date

(Printed Name)

(Printed Name)

REVIEWED BY FRANCHISOR:

By: _____

Date

(Printed Name)

Its: _____

EXHIBIT E

SLIME KITCHEN FRANCHISE, INC.

FINANCIAL STATEMENT

Financial Statements

Slime Kitchen Franchise, Inc.

December 31, 2024



Haynie & Company

(a professional corporation)

Certified Public Accountants and Management Consultants

4910 Campus Drive Newport Beach, California 92660-2119 (949) 724-1880 FAX (949) 724-1889

To the Members and Management
SLIME KITCHEN FRANCHISE, INC.
Redwood City, California

Opinion

We have audited the accompanying financial statements of Slime Kitchen Franchise, Inc. (a California Corporation), which comprise the balance sheet as of December 31, 2024 and the related statements of income, stockholders' equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Slime Kitchen Franchise, Inc., as of December 31, 2024, and the results of its operations, changes in stockholder's equity, and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

May 29, 2025
Newport Beach, California

HAYNIE & COMPANY

SLIME KITCHEN FRANCHISE, INC.

Balance Sheet
December 31, 2024

ASSETS

Current assets:

Cash and cash equivalents	\$ 108,438
Royalties receivable	<u>18,239</u>

Total current assets 126,677

Due from related party	53,948
Operating leases, right of use assets	<u>32,073</u>

Total assets \$ 212,698

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable	\$ 6,054
Credit card payable	9,291
Income taxes payable	800
Unearned gift cards revenue payable	2,344
Deferred revenue, current portion	2,500
Current portion of operating lease liabilities	<u>16,235</u>

Total current liabilities 37,224

Deferred revenue, net of current portion	22,500
Operating lease liabilities, net of current portion	<u>14,340</u>

Total liabilities 74,064

Stockholders' equity:

Common stock, no par value; 100,000 shares authorized, 20,000 shares issued and outstanding	135,100
Retained earnings	<u>3,534</u>

Total stockholders' equity 138,634

Total liabilities and stockholders' equity \$ 212,698

See notes to financial statements.

SLIME KITCHEN FRANCHISE, INC.
Statement of Income
For the Year Ended December 31, 2024

Revenues:	
Royalty fees	\$ 18,239
Management fees	121,643
Other revenues	<u>420</u>
Total revenues	<u>140,302</u>
Operating expenses:	
General and administrative	19,311
Professional services	37,687
Supplies	25,559
Travel and entertainment	7,166
Advertising and promotion	<u>16,163</u>
Total operating expense	<u>105,886</u>
Income before provision for income taxes	34,416
Provision for income taxes	<u>(800)</u>
Net income	<u><u>\$ 33,616</u></u>

See notes to financial statements.

SLIME KITCHEN FRANCHISE, INC.
 Statements of Stockholder's Equity
 For the Year Ended December 31, 2024

	<u>Common Stock</u>		<u>Retained</u>	
	<u>Shares</u>	<u>Amount</u>	<u>earnings</u>	<u>Total</u>
Balances, December 31, 2023	20,000	\$ 35,100	\$ -	\$ 35,100
Contributions	-	100,000	-	100,000
Distributions	-	-	(30,082)	(30,082)
Net income	<u>-</u>	<u>-</u>	<u>33,616</u>	<u>33,616</u>
Balances, December 31, 2024	<u>20,000</u>	<u>\$ 135,100</u>	<u>\$ 3,534</u>	<u>\$ 138,634</u>

See notes to financial statements.

SLIME KITCHEN FRANCHISE, INC.
Statement of Cash Flows
For the Year Ended December 31, 2024

Cash flows from operating activities:

Net income	\$ 33,616
Item not requiring cash:	
Change in income taxes payable	800
Non-cash lease expense	(1,498)
(Increase) decrease in assets:	
Accounts receivable	(18,239)
Due from related party	(53,948)
Increase (decrease) in liabilities:	
Accounts payable	6,054
Credit card payable	9,291
Unearned gift cards revenue payable	2,344
Deferred revenue	<u>25,000</u>

Cash used by operating activities	<u>3,420</u>
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Cash flows from investing activities:

Cash from investing activities	<u>-</u>
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Cash flows from financing activities:

Contributions from stockholder	100,000
Distributions to stockholder	<u>(30,082)</u>

Cash from financing activities	<u>69,918</u>
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Change in cash	73,338
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Cash, beginning of year	<u>35,100</u>
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Cash, end of year	<u><u>\$ 108,438</u></u>
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See notes to financial statement

SLIME KITCHEN FRANCHISE, INC.
Statement of Cash Flows
For the Year Ended December 31, 2024

Supplemental disclosure of cash flow information:

Cash paid during the year for:

Interest

\$ -

Income taxes

\$ -

**Supplemental disclosure of non-cash investing
and financing activities:**

Increase in right-of-use assets and lease liabilities
through the application of ASC 842, Leases:

Right-of-use assets

\$ 32,073

Lease liabilities

\$ 30,575

See notes to financial statements.

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of Slime Kitchen Franchise, Inc. (the "Company", a California corporation) is presented to assist in the understanding of the Company's financial statements. The financial statements and notes are representations of the Company's management, who is responsible for their integrity and objectivity.

Organization and nature of business

The Company was organized in August of 2022, in the State of California, to franchise outlet locations offering for sale custom premade slime, supplies and accessories, along with offering classes, workshops, and parties where customers can create custom slime.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income taxes

The Company files income tax returns in the U.S. federal and California jurisdictions, and the Company's income tax returns are subject to examination by federal and state taxing authorities, generally for a period of three years. The Company has accrued a California minimum tax of \$800 as of December 31, 2024.

Cash and cash equivalents

The Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Company, from time to time, maintains cash balances that exceed the Federal Deposit Insurance Corporation limits. Amounts in excess of these limits as of December 31, 2024 were \$0.

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Revenue recognition and deferred revenue

In 2014, the FASB issued Revenue from Contracts with Customers (Topic 606). This guidance outlines a single, comprehensive model for accounting for revenue from contracts with customers. The Company adopted the standard on August 2, 2022. We have also analyzed the provisions of the FASB's ASC Topic 606, Revenue from Contracts with Customers, and have concluded that no changes are necessary to conform with the new standards.

Revenue from the sale of franchises is allocated as follows: First, to any distinct pre-opening activity services; Second, any remaining revenue will be recognized over the license term.

The Company recognizes a portion of franchise payments revenue on a straight-line basis over the life of the related franchise agreements and any exercised renewal periods. Cash payments are typically due upon the execution of an area development or franchise agreement. Then also upon execution of a renewal agreement. The Company's performance obligation with respect to franchise payments revenues consists of pre-opening obligations including conducting an operations training course, developing a marketing program designed for the center's initial opening, providing assistance in locating a center site and assisting with the coordination of pre-opening activities. Subsequent to the center's opening, the Company continues to provide advice and assistance with general center operations, training as deemed necessary, and the administration and maintenance of advertising programs designed to promote the collective success of all centers for a specified period of time, which is satisfied over the life of each franchise agreement.

The new revenue guidance in ASC 606 did not impact the timing of continuing franchise fees.

Deferred revenue resulting from cash collected for initial franchise fees paid by franchisees are classified as liabilities in the balance sheets based on the expected timing of revenue recognition associated with these liabilities. The following table reflects the changes in deferred revenue as of December 31, 2024:

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition and deferred revenue (continued)

Deferred contract revenues:

Cash collected for initial franchise payments	\$ 25,000
Revenue recognized	<u>-</u>
Deferred revenue, December 31, 2024	<u>\$ 25,000</u>

The following table illustrates estimated revenues expected to be recognized in the future related to unsatisfied performance obligations as of December 31, 2024:

Year ended December 31:	<u>Contract Revenue</u>
2025	\$ 2,500
2026	2,500
2027	2,500
2028	2,500
2029	2,500
Thereafter	<u>12,500</u>
	<u>\$ 25,000</u>

Fair value of financial instruments

The carrying value of cash and cash equivalents approximates the current value due to the short-term nature of these instruments.

Property and equipment

Significant additions and betterments are capitalized. Expenditures for maintenance, repairs and minor renewals are charged to expense as incurred.

Property and equipment are stated at cost. Depreciation and amortization are calculated on the straight-line method over the estimated useful lives of such assets.

SLIME KITCHEN FRANCHISE, INC.
Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts receivable

Accounts receivable are stated at the amount the Company expects to collect from outstanding balances. The Company provides for probable uncollectible amounts through a charge to earnings and a credit to allowance for credit losses based on its assessment of the current status of individual accounts. Balances that are still outstanding after the Company has used reasonable collection efforts are written off through a charge to allowance for credit losses and a credit to accounts receivable. As of December 31, 2024, the Company had a total of \$18,239 accounts receivable. At December 31, 2024, management determined that a reserve for credit losses approximated \$0.

Advertising

The Company expenses advertising costs as they are incurred. Advertising expenses for the period ended December 31, 2024 totaled \$16,163.

Long-lived assets

Management reviews long-lived assets for impairment when circumstances indicate the carrying amount of an asset may not be recoverable based on the undiscounted future cash flows of the asset. If the carrying amount of an asset may not be recoverable, a write-down to fair value is recorded. Fair values are determined based on the discounted cash flows, quoted market values, or external appraisals, as applicable. Long-lived assets are reviewed for impairment at the individual asset or the asset group level for which the lowest level of independent cash flows can be identified. Management has evaluated the long-lived assets and has not identified any impairments as of December 31, 2024.

Basis of accounting

The accompanying financial statements have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

SLIME KITCHEN FRANCHISE, INC.
Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Company adopted Financial Accounting Standards Board ASC 842, Leases. The Company also implemented the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

The new standard establishes a right of use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payments will be recognized into profit or loss on a straight-line basis over the lease term. When a lease includes renewal options which can extend the lease term, only those options that are reasonably expected to be exercised and that the Company can exercise at its sole discretion are included in the measurement of lease assets and liabilities.

The adoption of the new lease standard resulted in the recognition of right-of-use-assets and lease incentives, of \$40,890 and operating lease liabilities of \$40,890 as of December 31, 2024.

Allowance for credit losses

The Company adopted Accounting Standards Update 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASC 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (“CECL”) methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and certain other financial assets. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. The Company adopted ASC 326 and all related subsequent amendments thereto using the modified retrospective approach for all financial assets measured at amortized cost and determined that the adoption did not have a material impact to the previously reported allowance amounts.

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

2. **FRANCHISE AGREEMENTS AND INITIAL SERVICES**

The Company executes franchise agreements that set the terms of its arrangement with each franchisee. The franchise agreement requires the franchisee to pay an initial, non-refundable fee of \$25,000, and a continuing monthly royalty fee based on the greater of 5% of gross revenues or \$2,000. Subject to the Company's approval and payment of a renewal fee, a franchisee may also generally renew its agreement upon its expiration for one additional 10-year term.

The franchisee also pays into an advertising fund (once established) of 2% of gross revenues (as defined). Other fees are payable based upon the terms of the franchise disclosure document.

When an individual franchise is sold, the Company agrees to provide certain services to the franchisee, including territory approval, training, and access to operations manual. The Company recognizes initial fees in part as revenue when substantially all distinct initial pre-opening activity services are complete and then remaining amounts will be recognized over the license term. Continuing fees are recognized when earned, with an appropriate provision for estimated uncollectible fees charged to expense. Renewal fees are recognized as income over the life of the renewal agreement, beginning when the renewal becomes effective. Direct costs of sales and servicing of franchise agreements are charged to expense as incurred.

During the 2024 year, a total of four franchise locations were sold; three to related parties and one to a third-party. The related party locations were open and running as of the end of 2024 and the Company agreed to waive the initial franchise fees. The third-party location was not open or running and, as such, the initial franchise fee has been deferred.

3. **INCOME TAXES**

As of December 31, 2024 the provision for income taxes consists of the following:

Federal	\$	-
State		800
	\$	800

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

4. MANAGEMENT FEE AGREEMENT

In January of 2024, the Company entered into a Franchise Management Fee Agreement with a certain related party. The agreement commenced on January 1, 2024, and will continue for a period of 3 years. Based upon the terms of the agreement, the related party agreed to pay the Company a quarterly management fee in exchange for various management services. As of December 31, 2024, the Company was owed approximately \$54,000 relating to these management fees, and this amount has been included in the due from related party balance.

5. OPERATING LEASES

During the 2024 year, the Company entered into two operating leases for vehicles used for business purposes. The leases require monthly payments in aggregate of approximately \$1,500.

The following summarizes the line items in the Company's balance sheet relative to its operating leases as of December 31, 2024:

Operating lease right-of-use asset	\$ 32,073
Operating lease liabilities, short-term	16,235
Operating lease liabilities, long-term	14,340
Total operating liabilities	\$ 30,575

The weighted-average remaining lease term related to the Company's operating lease liabilities as of December 31, 2024 was approximately 2 years. The discount rate related to the Company's operating lease liabilities as of December 31, 2024 was 7.5%. The discount rate has been adopted under the practical expedient as the discount rates implicit in the Company's operating leases cannot be readily determined. The maturities of operating lease liability as of December 31, 2024, is as follows:

2025	\$ 17,977
2026	13,428
2027	1,480
Subtotal	32,885
Less: Imputed interest	(2,310)
	\$ 30,575

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

5. OPERATING LEASES (CONTINUED)

During the year ended December 31, 2024, lease expense related to these operating leases approximated \$6,000 and is included in general and administrative expenses.

6. RELATED PARTY TRANSACTIONS

As discussed in Note 4 above, in January of the 2024 year, the Company entered into a Franchise Management Fee Agreement with a certain related party. As of December 31, 2024, approximately \$54,000 of management fees were due to the Company from the related party in relation to this agreement and approximately \$121,000 in fees were received during the year then ended.

During the 2024 year, the Company signed franchise agreements with three related parties for three separate franchise locations. The Company agreed to waive all initial franchise fees for these locations.

7. SUBSEQUENT EVENTS

Subsequent event disclosures

The Company has evaluated subsequent events through May 29, 2025, the date which the financial statements were available to be issued.

Operating lease

The Company entered into an operating facility lease with a certain third party commencing in February of 2025.

Financial Statements

Slime Kitchen Franchise, Inc.

January 31, 2024



Haynie & Company

(a professional corporation)

Certified Public Accountants and Management Consultants

4910 Campus Drive Newport Beach, California 92660-2119 (949) 724-1880 FAX (949) 724-1889

To the Members and Management
SLIME KITCHEN FRANCHISE, INC.
Redwood City, California

Opinion

We have audited the accompanying financial statements of Slime Kitchen Franchise, Inc. (a California Corporation), which comprise the balance sheet as of January 31, 2024 and the related statements of operations, stockholders' equity, and cash flows for the period beginning August 2, 2022 (inception) to January 31, 2024, 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 Slime Kitchen Franchise, Inc., as of January 31, 2024, and the results of their operations, changes in stockholder's equity, and its cash flows for the period beginning August 2, 2022 (inception) to January 31, 2024, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our 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.

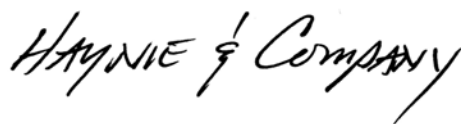
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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.

A handwritten signature in black ink that reads "Haynie & Company". The signature is written in a cursive, flowing style.

March 5, 2024
Newport Beach, California

SLIME KITCHEN FRANCHISE, INC.

Balance Sheet
January 31, 2024

ASSETS

Current assets:

Cash and cash equivalents	\$ 135,100
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Total assets	\$ 135,100
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LIABILITIES AND STOCKHOLDERS' EQUITY

Income taxes payable	\$ 800
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Total liabilities	800
-------------------	-----

Stockholders' equity:

Common stock, no par value; 100,000 shares authorized, 20,000 shares issued and outstanding	135,100
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Accumulated deficit	(800)
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Total stockholders' equity	134,300
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Total liabilities and stockholders' equity	\$ 135,100
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See notes to financial statement

SLIME KITCHEN FRANCHISE, INC.

Statement of Operations

For the period from August 2, 2022 (inception) to January 31, 2024

Revenues	\$ <u>-</u>
Operating expenses	<u>-</u>
Total operating expense	<u>-</u>
Operating income	<u>-</u>
Income before provision for income taxes	-
Provision for income taxes	<u>(800)</u>
Net loss	<u><u>\$ (800)</u></u>

See notes to financial statement

SLIME KITCHEN FRANCHISE, INC.

Statements of Stockholder's Equity

For the period from August 2, 2022 (inception) to January 31, 2024

	<u>Common Stock</u>		<u>Accumulated</u>	
	<u>Shares</u>	<u>Amount</u>	<u>deficit</u>	<u>Total</u>
Issuance of common stock	20,000	\$ 135,100	\$ -	\$ 135,100
Net loss for the period	<u>-</u>	<u>-</u>	<u>(800)</u>	<u>(800)</u>
Balances, January 31, 2024	<u>20,000</u>	<u>\$ 135,100</u>	<u>\$ (800)</u>	<u>\$ 134,300</u>

See notes to financial statements.

SLIME KITCHEN FRANCHISE, INC.

Statement of Cash Flows

For the period from August 2, 2022 (inception) to January 31, 2024

Cash flows from operating activities:

Net loss \$ (800)

Item not requiring cash:

Change in income taxes payable 800

Cash from operating activities -

Cash flows from investing activities: -

Cash from investing activities -

Cash flows from financing activities:

Issuance of common stock 135,100

Cash from financing activities 135,100

Change in cash 135,100

Cash, beginning of period -

Cash, end of period \$ 135,100

Supplemental disclosure of cash flow information:

Cash paid during the period for:

Interest \$ -

Income taxes \$ -

See notes to financial statement

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of Slime Kitchen Franchise, Inc. (the "Company", a California corporation) is presented to assist in the understanding of the Company's financial statements. The financial statements and notes are representations of the Company's management, who is responsible for their integrity and objectivity.

Organization and nature of business

The Company was organized in August of 2022, in the State of California, to franchise outlet locations offering for sale custom premade slime, supplies and accessories, along with offering classes, workshops, and parties where customers can create custom slime.

Currently, the Company has not yet begun selling franchise locations. However, once the Company's planned operations commence, it will be focused on sales and development of these franchise locations.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income taxes

The Company files income tax returns in the U.S. federal and California jurisdictions, and the Company's income tax returns are subject to examination by federal and state taxing authorities, generally for a period of three years. The Company has accrued a California minimum tax of \$800 as of January 31, 2024.

Cash and cash equivalents

The Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. The Company, from time to time, maintains cash balances that exceed the Federal Deposit Insurance Corporation limits. Amounts in excess of these limits as of January 31, 2024 were \$0.

SLIME KITCHEN FRANCHISE, INC.
Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

In 2014, the FASB issued Revenue from Contracts with Customers (Topic 606). This guidance outlines a single, comprehensive model for accounting for revenue from contracts with customers. The Company adopted the standard on August 2, 2022. We have also analyzed the provisions of the FASB's ASC Topic 606, Revenue from Contracts with Customers, and have concluded that no changes are necessary to conform with the new standards.

Revenue from the sale of franchises is allocated as follows: First, to any distinct pre-opening activity services; Second, any remaining revenue will be recognized over the license term.

Fair value of financial instruments

The carrying value of cash and cash equivalents approximates the current value due to the short-term nature of these instruments.

Property and equipment

Significant additions and betterments are capitalized. Expenditures for maintenance, repairs and minor renewals are charged to expense as incurred.

Property and equipment are stated at cost. Depreciation and amortization are calculated on the straight-line method over the estimated useful lives of such assets.

Accounts receivable

Accounts receivable are stated at the amount the Company expects to collect from outstanding balances.

Advertising

The Company expenses advertising costs as they are incurred. Advertising expenses for the period ended January 31, 2024 was zero.

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-lived assets

Management reviews long-lived assets for impairment when circumstances indicate the carrying amount of an asset may not be recoverable based on the undiscounted future cash flows of the asset. If the carrying amount of an asset may not be recoverable, a write-down to fair value is recorded. Fair values are determined based on the discounted cash flows, quoted market values, or external appraisals, as applicable. Long-lived assets are reviewed for impairment at the individual asset or the asset group level for which the lowest level of independent cash flows can be identified. Management has evaluated the long-lived assets and has not identified any impairments as of January 31, 2024.

Basis of accounting

The accompanying financial statements have been prepared using the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America.

Leases

The Company adopted Financial Accounting Standards Board ASC 842, Leases. The Company also implemented the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification. The adoption of this standard did not have a material impact on the accompanying financial statements.

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for credit losses

The Company adopted Accounting Standards Update 2016-13, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASC 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss (“CECL”) methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable forecasts and generally applies to financial assets measured at amortized cost, including loan receivables and certain other financial assets. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. The Company adopted ASC 326 and all related subsequent amendments thereto using the modified retrospective approach for all financial assets measured at amortized cost and determined that the adoption did not have a material impact to the previously reported allowance amounts.

Subsequent event disclosures

The Company has evaluated subsequent events through March 5, 2024, the date which the financial statements were available.

2. FRANCHISE AGREEMENTS AND INITIAL SERVICES

The Company executes franchise agreements that set the terms of its arrangement with each franchisee. The franchise agreement requires the franchisee to pay an initial, non-refundable fee of \$25,000, and a continuing monthly royalty fee based on the greater of 5% of gross revenues or \$2,000. Subject to the Company's approval and payment of a renewal fee, a franchisee may also generally renew its agreement upon its expiration for one additional 10-year term.

The franchisee also pays into an advertising fund (once established) of 2% of gross revenues (as defined). Other fees are payable based upon the terms of the franchise disclosure document.

SLIME KITCHEN FRANCHISE, INC.

Notes to Financial Statements

2. **FRANCHISE AGREEMENTS AND INITIAL SERVICES (CONTINUED)**

When an individual franchise is sold, the Company agrees to provide certain services to the franchisee, including territory approval, training, and access to operations manual. The Company recognizes initial fees in part as revenue when substantially all distinct initial pre-opening activity services are complete and then remaining amounts will be recognized over the license term. Continuing fees are recognized when earned, with an appropriate provision for estimated uncollectible fees charged to expense. Renewal fees are recognized as income over the life of the renewal agreement, beginning when the renewal becomes effective. Direct costs of sales and servicing of franchise agreements are charged to expense as incurred.

No franchise locations were sold during the period ended January 31, 2024.

3. **INCOME TAXES**

As of January 31, 2024 the provision for income taxes consists of the following:

Federal	\$	-
State		<u>800</u>
	\$	<u><u>800</u></u>

EXHIBIT F

SLIME KITCHEN FRANCHISE, INC.

**STATE FRANCHISE ADMINISTRATORS AND AGENTS
FOR SERVICE OF PROCESS**

EXHIBIT F**STATE FRANCHISE ADMINISTRATORS AND AGENTS
FOR SERVICE OF PROCESS**

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation One Sansome Street, Suite 600 San Francisco, CA 94104 415-972-8559 866-275-2677	Christopher Ando Slime Kitchen Franchising, Inc. 50 Black Fox Way Redwood city, CA 94062 (925) 785-7034
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 44 Capitol Avenue Hartford, CT 06106 203-240-8299	N/A
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 850-245-6000	N/A
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 404-656-3790	N/A
HAWAII	State of Hawaii Business Registration Division Securities Compliance Branch Dept. of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 808-586-2722	Hawaii Commissioner of Securities Same Address
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 515-281-4441	N/A

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 502-696-5389	N/A
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 504-342-7013 (gen. info.) 504-342-7900	N/A
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 207-298-3671	N/A
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202 410-576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit G. Mennen Williams Building, 1 st Floor Lansing, MI 48913 517-335-7567	N/A
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101 651-539-1500	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Nebraska Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, NE 68508-2732 P.O. Box 95006 Lincoln, Nebraska 68509-5006 Tele: 402-471-2171	N/A
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 603-271-3641	N/A
NEW YORK	Bureau of Investor Protection and Securities New York State Department of Law 28 Liberty Street, 21st Floor New York, NY 10005-1495 212-416-8236	Secretary of State of New York 99 Washington Avenue Albany, New York 12231

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NORTH CAROLINA	Secretary of State's Office/Securities Division Legislative Annex Building 300 Salisbury Street Raleigh, NC 27602 919-733-3924	N/A
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol, Fifth Floor Bismarck, ND 58505-0510 701-328-4712; Fax: 701-328-0140	North Dakota Securities Commissioner 600 East Boulevard Avenue State Capitol, Fifth Floor Bismarck, ND 58505-0510 701-328-4712; Fax: 701-328-0140
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 30 East Broad Street, 15th Floor Columbus, OH 43215 614-466-8831 or 800-282-0515	N/A
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 405-521-2451	N/A
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 503-378-4387	N/A
RHODE ISLAND	Rhode Island Department of Business Regulation Securities Division John O. Pastore Center – Building 69-1 1511 Pontiac Avenue Cranston, RI 02920 401-222-3048	Director, Rhode Island Department of Business Regulation John O. Pastore Center Building 69-1 1511 Pontiac Avenue Cranston, RI 02920 401-222-3048
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 803-734-2166	N/A
SOUTH DAKOTA	Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 605-773-3563	Director of the Division of Insurance Department of Labor and Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 605-773-3563
TEXAS	Secretary of State Statutory Documents Section P.O. Box 12887 Austin, TX 78711-2887 512-475-1769	N/A

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South (P.O. Box 45804) Salt Lake City, UT 84145-0804 TELE: 801-530-6601 FAX:801-530-6001	N/A
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9th Floor Richmond, VA 23219 804-371-9051	Clerk of the State Corporation Commission 1300 E. Main Street, 1st Floor Richmond, VA 23219 804-371-9733
WASHINGTON	Department of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501 360-902-8762	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501
WISCONSIN	Wisconsin Dept. of Financial Institutions Division of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705 608-266-8557	Wisconsin Commissioner of Securities 4822 Madison Yards Way, North Tower Madison, WI 53705 608-266-8557

EXHIBIT G

SLIME KITCHEN FRANCHISE, INC.

LIST OF CURRENT AND FORMER FRANCHISEES

List of Current or Former Franchisees
As of June 10, 2025

Open Locations

CALIFORNIA:

Lidia Merlos
Eliddy & Co. LLC
stoneridge@theslimekitchen.com

2045 Stoneridge Mall Rd Spc #A129
Pleasanton, CA 94588
925-399-1598

Leanne Johnson & Christina Schwartz (**OPENED 6/1/25**)
Schwartz Johnson LLC
reno@theslimekitchen.com

2052 Lake Tahoe Blvd.
South Lake Tahoe, CA 96150
530-721-2386

IOWA:

Shelbie & Maurice Williams
Tru Visions Investments LLC
coralridge@theslimekitchen.com

1451 Coral Ridge Ave.
Coralville, IA 5244
319-540-4243

NEVADA:

Leanne Johnson & Christina Schwartz
SCHWARTZ JOHNSON LLC
reno@theslimekitchen.com

299 E Plumb Lane, Ste 127
Reno, Nevada 89502
775-386-3662

Outlets Not Yet Open

CALIFORNIA:

Leanne Johnson & Christina Schwartz
SCHWARTZ JOHNSON LLC
truckee@theslimekitchen.com

11429 Donner Pass Rd.
Truckee, CA 96161
(expected to open 7/1)

IOWA:

Shelbie & Maurice Williams
desmoines@theslimekitchen.com
Des Moines, Iowa

Tru Visions Investments LLC
3800 Merle Hay Rd
Des Moines, IA 50310
(expected to open 8/1)

NEVADA:

Lidia Merlos
Eliddy & Co. LLC
fashionshow@theslimekitchen.com

3200 Las Vegas Blvd S Suite 1855,
Las Vegas, NV 89109
(expected to open 8/1)

Former Franchisees

ACMB LLC,
46417 Paseo Padre Pkwy,
Fremont, CA 94539

Former location
2045 Stoneridge Mall Rd Spc #A129
Pleasanton, CA 94588
925-399-1598

EXHIBIT H

SLIME KITCHEN FRANCHISE, INC.

FORM OF GENERAL RELEASE

EXHIBIT H
FORM OF GENERAL RELEASE

This General Release (“**Release**”) made on _____, by and between Slime Kitchen Franchise, Inc., a corporation formed under the laws of the State of California and having its principal place of business at 50 Black Fox Way, Redwood City, CA 940623 (“**Franchisor**”), and each of the undersigned individuals/ partnerships/corporations/limited liability companies (jointly and severally, the “**Franchisee**”).

WITNESSETH:

WHEREAS, Franchisee acquired one or more franchises from Franchisor to open and operate one or more franchised businesses (“**Slime Kitchen Outlet(s)**”) pursuant to the Franchise Agreement(s) between Franchisor and Franchisee dated _____ (“**Franchise Agreement(s)**”);

WHEREAS, Franchisee has elected to assign and transfer or renew the Franchise Agreements and all Franchisee's rights thereunder in accordance with the terms of the Franchise Agreements; and

WHEREAS, Franchisor has agreed to consent to such assignment and transfer on condition that, among other things, Franchisee execute this Release.

NOW, in consideration of the above, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Franchisee and Franchisor hereby agree as follows:

1. Release. Franchisee hereby absolutely and forever releases and discharges Franchisor and its Related Parties (as defined below), from and against any and all Claims (as defined below) of Franchisee arising out of or relating to the offer or sale of the Franchise Agreement(s), including violations of any federal or state law, rule, or regulation pertaining thereto. “**Related Parties**” means predecessors, affiliates, agents, employees, successors, assigns, and their respective officers, directors, shareholders, heirs, executors, and representatives. “**Claims**” means any and all claims, proceedings, demands, causes of actions, rights to terminate and rescind, liabilities, losses, damages, and rights of every kind and nature whatsoever, whether now known or unknown, suspected or unsuspected, at law or in equity, which the releasing party now has, owns or holds, at any time before this time ever had, owned or held, or at any time after this time has, owns or holds. Franchisee hereby irrevocably covenants not to assert, or to initiate any suit or proceeding based in whole or in part upon any Claim released hereunder.

With respect to the matters being released pursuant to the terms of this Release, Franchisee further voluntarily and unconditionally waive each and every right which they, or any of them, may have under Section 1542 of the Civil Code of the State of California and any similar law of any state or territory of the United States. Section 1542 reads as follows:

1542. A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Franchisee understands and acknowledges that the significance and consequence of their waiver of Section 1542 of the Civil Code is that even if any of them should eventually suffer additional damages arising out of a matter being released pursuant to this Release, said party will not be permitted to make any claim for those damages. Furthermore, Franchisee acknowledges that they intend these consequences even as to claims for injury and/or damages that may exist as of the date of this Release but which Franchisee do not know exist, and which, if known, would materially affect Franchisee's decision to execute this Release, regardless of whether the parties' lack of knowledge is a result of ignorance, oversight, error, negligence, or any other cause.

2. Entire Agreement. This Release supersedes any prior negotiations and agreements, oral or written, with respect to its subject matter. This Release may not be amended except in a writing signed by all of the parties. No representations, warranties, agreements, or covenants have been made with respect to this Release, and in executing this Release, none of the parties is relying upon any representation, warranty, agreement, or covenant not set forth herein.

3. Acknowledgement. Each of the parties certifies to the other that it has read all of this Release and fully understands all of the same and that it has executed this Release after having had the opportunity to obtain legal advice as to such party's rights from legal counsel of its choice.

4. Power and Authority. Each of the parties represents and warrants to the other that it has the full power and authority to execute this Release, and to do any and all things reasonably required hereunder. Nothing herein shall constitute an admission of any liability or wrongdoing by any party hereto.

5. No Assignment. Franchisee represents and warrants to Franchisor that it has not assigned, transferred, or conveyed to any third party all or any part of or partial or contingent interest in any of the released matters which are called for to be released by this Release now or in the future, that it is aware of no third party who contends or claims otherwise, and that it shall not after this time purport to assign, transfer, or convey any such claim.

6. Choice of Law. This Release shall be construed in accordance with and all disputes hereunder shall be governed by the laws of the State of California. If any legal action is necessary to enforce the terms and conditions of this Release, the parties hereby agree that any action sought to be brought by either party, shall be brought in the appropriate state or federal court covering Orange County, California, with jurisdiction over the matter.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed this Release in multiple copies the day and year first above written.

ATTEST:

Slime Kitchen Franchise, Inc.

By: _____

Title: _____

ATTEST/WITNESS:

FRANCHISEE:

By: _____

Title: _____

By: _____

Title: _____

State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

California _____

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.

EXHIBIT I

SLIME KITCHEN FRANCHISE, INC.

RECEIPTS

SLIME KITCHEN 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 Slime Kitchen Franchise, Inc. 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 we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Slime Kitchen Franchise, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency listed on **Exhibit F**.

The franchise sellers for this offering are Christopher Ando, Katherine Ando, and Melissa Kuaea, Slime Kitchen Franchise, Inc., 50 Black Fox Way, Redwood City, CA 94062, (925) 785-7034.

Issuance Date: May 29, 2025.

We authorize the respective state agencies identified on **Exhibit F** to receive service of process for us in the particular state.

I received a disclosure document dated May 29, 2025 that included the following Exhibits:

- A. Franchise Agreement
- B. Confidentiality, Non-Disclosure, and Non-Competition Agreement
- C. State Addenda
- D. Statement of Franchisee
- E. Financial Statements
- F. State Franchise Administrators and Agents for Service of Process
- G. List of Current and Former Franchisees
- H. Form of General Release

_____ Date	_____ Signature	_____ Printed Name
_____ Date	_____ Signature	_____ Printed Name

[This page to be signed and retained for your records.]

SLIME KITCHEN 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 Slime Kitchen Franchise, Inc. 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 we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Slime Kitchen Franchise, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and the state agency listed on **Exhibit F**.

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- F. State Franchise Administrators and Agents for Service of Process
- G. List of Current and Former Franchisees
- H. Form of General Release

_____ Date	_____ Signature	_____ Printed Name
_____ Date	_____ Signature	_____ Printed Name

[This page is to be signed, dated, and returned to franchisor.]