FRANCHISE DISCLOSURE DOCUMENT

Ubatuba Açai Expansion, LLC
a California Limited Liability Company
7128 Geyser Ave.
Reseda, CA 91335
(310) 874-0008
www.ubatubaacai.com

The franchises described in this disclosure document are for the operation of **UBATUBA AÇAI BOWLS®** Cafes offering high-quality, healthy Açai bowls, invigorating smoothies, delicious empanadas, and other healthy food options. The estimated total investment necessary to begin operation of each franchise is $199,500 to $436,000. This includes the $20,000 Initial Franchise Fee must be paid to the franchisor and $10,000 to $12,000 of initial proprietary inventory paid to an affiliate.

If You are an Area Developer, You are required to pay the franchisor a nonrefundable Development Fee equal to the Initial Franchise Fee for the first Required Cafe plus $10,000 for each additional Required Cafe. The total investment necessary to begin operation of the first franchised Center is $219,500 to $476,000. This includes the $40,000 to $60,000 Development Fee that must be paid to the franchisor and $10,000 to $12,000 of initial proprietary inventory paid to an affiliate.

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 Daniela Demetrio 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: January 18, 2024

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find 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 or Exhibit G.
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 F 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 Ubatuba Acai Bowls 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 an Ubatuba Acai Bowls franchisee?	Item 20 or Exhibit G 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 similar businesses 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 registration requirement, or to contact your state, use the agency information in Exhibit E.

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in Los Angeles County, 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 or litigate with the franchisor in Los Angeles County, California than your own state.

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.

TABLE OF CONTENTS

EXHIBITS:

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

To simplify the language in this disclosure document, the words "**We**", "**Us**", or “**Our**” mean the franchisor Ubatuba Açai Expansions, LLC. “**You**" or "**Your**" means the person who buys the franchise and includes Your owners if You are a corporation, limited liability company, partnership, or other business entity. Boldface terms are for ease of reference only.

The Franchisor

We are a California limited liability company formed on July 18, 2016, to franchise and administer businesses ("**Cafes**") using the mark **UBATUBA AÇAI BOWLS®.** We do not do business under any other name and Our principal business address is 7128 Geyser Avenue, Reseda, CA 91335. Our agents for service of process are listed on **Exhibit E.**

We do not have any predecessor or parent, but we do have commonly owned and controlled entities, which operate Cafes (together referred to as the “**Company**”). Their corporate offices are located at 7128 Geyser Avenue, Reseda, CA 91335. We do not operate any Cafes, but the Company currently owns and operates seventeen Cafes in Southern California, all of which are similar to the franchise being offered to You.

We are also commonly owned with Ubatuba Açai, LLC (“**UAL**”) and Trans Fruit, LLC, (“**TFL**”), both California limited liability companies also located at 7128 Geyser Avenue, Reseda, CA 91335. TFL sells Our proprietary Açai blend, accessories and items bearing Our trademarks to Franchisees. UAL owns Our trademarks.

The Cafes are part of a dynamic chain of Açai cafes located primarily in southern California. Neither We nor the Company conduct any business activities other than in connection with the Cafes or have previously offered franchises in this or any other line of business. We have offered franchises for Cafes since September 2016.

Description of the Franchise

We offer franchises for the operation of Cafes which specialize in providing a unique variety of Açai bowls, smoothies, cones and empanadas using freshly prepared ingredients and large portion sizes at very competitive prices. The Cafes will use the UBATUBA AÇAI BOWLS trademark and other designated trademarks, trade names, service marks and logos (**“Marks”**).

Each Cafe must follow a system (the "**System**") developed by Our founder Daniela Demetrio starting in May 2013. The System includes valuable knowhow, trade secrets, distinctive interior designs, demarks, copyrights, proprietary products and software, confidential electronic and other communications, marketing programs and other business procedures as well as Our confidential Manual (the “**Manual**”). Each Cafe will use Our System and operate according to Our standards, specifications, operating procedures, and rules (the “**System Standards**”).

Cafes typically range in size from 700 to 1,400 square feet with seating approximately 15 to 35 persons inside. They are typically located in multi-tenant retail locations to take advantage of existing customer traffic. Currently, there are no current plans to develop freestanding locations. Each Cafe typically employs 4 to 14 part-time and full-time persons.

The Cafes have a unique ambience, identified exclusively with UBATUBA AÇAI BOWLS brand names, and every detail of the décor has been well planned to enhance the dining experience. Each Cafe emphasizes a clean and brightly colored atmosphere with well-trained, efficient and extremely personable managers and staff, and serves high-quality Açai bowls, smoothies, empanadas and other healthy food options. Each Cafe is typically open from 7:30 a.m. to 11:00 p.m. every day except designated holidays.

Franchise Agreements

You must be approved both operationally and financially before opening each new Cafe. The first step is to submit a Franchise Application and Questionnaire for Us to review and consider for approval.

If We approve Your Franchise Application, You will submit a Preliminary Agreement (**Exhibit A**) which upon Our execution becomes a contractual commitment between You and Us, subject to the conditions in the Preliminary Agreement, such as Your completion of training, obtaining all necessary permits and licenses for the new Cafe and payment of the balance of the Initial Franchise Fee.

The initial term of each Franchise Agreement (**Exhibit B**) is 10 years and is renewable for two additional 5-year terms, subject to certain conditions. See "Renewal" discussed below in ITEM 17.

Area Development Agreements

We may offer multiple unit developers an Area Development Agreement (“**ADA**”) for the opening and operating a minimum of 3 franchised Cafes, and preferably 5 or more franchised Cafes within a designated area (“**Territory**”) pursuant to a mutually agreed upon Development Schedule. See **EXHIBIT C.**

The ADA grants the exclusive right and obligation to develop a minimum number of Cafes within the Territory during a certain time period (the "**Required Cafes**"). A Developer must pay Us a nonrefundable Development Fee. The primary purpose of the Development Fee is to pay Us for reserving the designated territory. You must execute Our then-current form of the Franchise Agreement for each required Café. See ITEM 5 for initial fees.

Competition

The food service business is highly competitive. You will compete with a variety of food service establishments which may have financial, personnel, and technical resources far greater than Us or You, including mid-scale casual dining Cafe chains and fast food chains. You will compete for business in this highly competitive environment.

Industry Regulation

Cafe development and operation is highly regulated at the federal, state and local levels. These include design and construction requirements and permits, Cafe health, safety and sanitation, employee tip reporting, employment conditions, alcohol and tobacco sales and usage, waste and hazard materials handling and storage, advertising, access for disabled persons, advertising and food product labeling and menus. You 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. You should investigate the applicability of these, and possibly other regulations in the area in which you are interested in locating Your Cafe and should consider both their effect and cost of compliance.

ITEM 2. BUSINESS EXPERIENCE

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

President, LLC Manager and Founder: Daniela Demetrio

Daniela Demetrio, Our Founder, has been President and LLC Manager since We were formed in July 2016. She has been the Company's President and CEO since May 1, 2013. Prior to founding Ubatuba Açai, Ms. Demetrio was the General Manager of Soup Yoga located in Santa Barbara, CA from June 2008 to January 2011.

ITEM 3. LITIGATION

No litigation is required to be disclosed in this ITEM.

ITEM 4. BANKRUPTCY

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

ITEM 5. INITIAL FEES

Initial Franchise Fee

The initial franchise fee is $20,000 as payment for services rendered prior to the opening of the Cafe.

If We approve Your franchise application, You will sign a Preliminary Agreement (**Exhibit A)** and pay Us $10,000 as a deposit. When We sign the Preliminary Agreement, it becomes a commitment for one Cafe franchise subject to its conditions such as successfully completing training and locating a suitable Cafe site.

You will pay Us the balance of the initial franchise fee in full when the Franchise Agreement (**Exhibit B**) is executed, which will be after site approval, training and before opening Your Cafe. There are no refunds of any part of the deposit or the initial franchise fee, which must be paid in full before You open Your Cafe. All fees payable to Us are intended to be "net" amounts and You will pay or reimburse Us for any sales, services, use or similar taxes which may be imposed upon any such fees.

Area Development Agreement

We are also offering franchises to qualified Developers who will develop and operate at least 3 to 5 Cafes under an Area Development Agreement. You must pay Us a nonrefundable Development Fee equal to the full Initial Franchise Fee for the first Required Cafe plus $10,000 for each additional Required Cafe (as specified in the development schedule to hold the protected territory). As You develop each Required Cafe, You will pay Us an initial franchise fee (less $10,000 credit from the Development Fee) for that Cafe.

As You develop each Required Café, You will execute Our then current Franchise Agreement. The Initial Franchise Fee for all Required Studios is $20,000. For the second and subsequent Required Cafes, You will pay Us an Initial Franchise Fee less $10,000 credit from the Development Fee for that Cafe. There is no refund of the Development Fee, even if You do not open the Required Cafes.

Initial Inventory

You must purchase from Trans Fruit, LLC an initial order of Our proprietary Açai blend, accessories and items bearing Our trademarks. The estimated cost ranges from $10,000 to $12,000 and depends on the size of Your Café and anticipated customer demand.

ITEM 6. OTHER FEES

NAME OF FEE (1)	AMOUNT	DUE DATE
Franchise Royalty Fee	5% of Gross Sales (2)	Monthly (3)
Local Marketing Commitment	The lesser of (i) 3% of Gross Sales or (ii) $1000 per month (2)(4)	As Incurred
System Marketing Fund	Up to 2% of Gross Sales (2)(5)	Monthly (3)
Supplier Approval Fee	Reasonable amount for Our costs and efforts (currently $1,000)	Upon request for approval
Additional Training	Reasonable Fee (currently $500 per day)(6)	Upon Invoice
Prototype Building Plans and Specifications	Reasonable Cost (currently $1,500)	Upon Invoice
Late Payment Fees	$250 plus interest on late amounts at 18% or highest legal rate (7)	Upon Invoice
Attorney Fees	Reasonable amount to prevailing party in any legal proceeding	Upon conclusion of proceeding
Transfer Fee	25% of then current Initial Franchise Fee	Before actual transfer
Renewal Fee	25% of then current Initial Franchise Fee	Prior to Renewal
Audit	Reasonable Accounting and Legal Fees (8)	Upon invoice
Indemnification	Amount of claim and costs incurred (9)	Upon Demand
Liquidated Damages - Default	Lump Sum (Calculation based on number of months and Royalty Fee averages.) (10)	Upon Demand

(1) You must pay all of these payments to Us. None of these fees are refundable for any reason except errors.

(2) "**Gross Sales**" is defined in the Franchise Agreement and includes all amounts received for services and product sales in or from the Cafe. "Gross Sales" does not include sales taxes, complimentary employee meals, discounts, revenue derived from selling or issuing system gift or loyalty cards (although revenue derived from selling products & services to customers who use such cards for payment will be included in Gross Sales), refunds or proceeds from the sale of furniture, equipment or similar items used in the Cafe.

FOOTNOTES:

(3) You must pay these fees no later than the third (3rd) day following the end of each calendar month or such other time as may be designated in the Manual. You agree to pay all such Fees to Us by direct transfer of funds ("**EFT**") or other method of payment designated by Us. You must submit, for each designated period, a sales report, and ensure that each account has sufficient funds for the transfer.

(4) You must spend at least this amount monthly to conduct approved local advertising and sales programs for Your Café and send Us proof of the spending. If an advertising cooperative is established in Your area, You must join it, and contributions to it will be applied toward this obligation.

(5) These payments will not be required until We determine that establishing each Fund is appropriate for the System. We will also set the initial contribution rate at that time, which may be less than the maximum rate. We will deposit each payment into a separate bank account to be used for advertising and marketing purposes as described in ITEM 11. The Company will make contributions at the same rate for its Cafe(s).

(6) This estimate is for future additional training. If You want Us to provide initial manager training to additional people, You must pay Us the then current charge (presently $1,500 each) for the training described in Item 11 below.

(7) The current maximum legal interest rate in California is 10%.

(8) In addition to any additional fees found due as a result of an audit of Your financial records, You must pay Us Our audit cost if You have understated Gross Revenues by more than 2% of the actual Gross Revenues found by the audit. The cost of an audit varies widely depending on how well the books and records are kept, but We estimate the cost of an audit to be between $1,000 and $5,000.

(9) You must indemnify Us for claims relating to Your operation of the Cafe.

(10) If the Franchise Agreement is terminated due to Your default, You must pay Us liquidated damages equal to the average monthly Royalty Fees owed or paid during the 12 full calendar months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in two (2) full years), or (b) the number of months remaining in the Agreement had it not been terminated, whichever is less.)

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)	$20,000	$20,000	Lump Sum	In Full on signing of Franchise Agreement	Us
Training Travel & Living Expenses (2)	$3,000	$6,000	As Incurred	During Training	Airlines, Hotels, Restaurants
Lease & Utility Deposits (3)	$10,000	$32,000	As Negotiated	Signing of Lease	Lessor
Construction Costs(4)	$30,000	$120,000	As Negotiated	Prior to Opening Cafe	Suppliers and Contractors
Furniture, Fixtures, Equipment, Kitchen Equipment (5)	$40,000	$50,000	As Incurred	Prior to Opening Cafe	Suppliers
Initial Inventory (6)	$10,000	$20,000	Lump Sum	As Incurred	Affiliates & Suppliers
Technology & ComputersSystems (7)	$10,000	$20,000	As Incurred	Prior to Opening	Suppliers
Plans, Permits, and Licenses (8)	$4,000	$12,000	As Incurred	Prior to Opening	Suppliers
Signage	$5,000	$10,000	As Incurred	Upon Invoice	Suppliers
Professional Fees	$1,500	$8,000	As Incurred	Upon Invoice	Accountant, Lawyers, etc.
Office Equipment and Supplies	$1,000	$2,000	As Incurred	Prior to Opening	Suppliers
Grand Opening (9)	$3,000	$6,000	As Incurred	Prior/At Opening	Suppliers
Miscellaneous (10)	$12,000	$30,000	As Incurred	Prior to Opening	Suppliers, Utilities, Us, Etc.
Additional Funds – Three Months (11)	$50,000	$100,000	Lump Sum	Prior to Opening	Employees, Suppliers, Utilities
TOTAL (12)	**$199,500**	**$436,000**	Excluding real estate costs		

FOOTNOTES:

(1) You must have paid the full amount of the Initial Franchise Fee when You sign the Franchise Agreement and prior to opening Your Cafe. It is not refundable for any reason.

(2) You must pay for the expenses of attendance, such as lodging, meals, transportation, and wages of trainees. Each Cafe must have at least one trained and certified manager. The cost of these expenses will depend on the distance You must travel, type of accommodations, the number of Your employees attending training and their wages. This does not include any wages or salary for You or Your trainees during training.

(3) These estimates are the initial lease costs and are based on the assumption that You will lease Your Cafe. A typical Cafe contains approximately 700 to 1400 square feet of indoor space for an in-line or end-cap unit. A lease normally requires payment of the first month's rent and a deposit equal to a second month's rent. A location within a mall or large shopping Cafe may be smaller but require higher rent. You should investigate all these costs in the area and for the specific site where You wish to establish Your Cafe.

(4) Lessors may contribute to the cost of remodeling or constructing the space for Your Cafe. You will follow our standard development procedures and adapt them to meet the specific requirements of Your proposed Cafe. You should investigate all these costs in the area, and for the specific site, where You wish to establish Your Cafe.

(5) The Manual contains a list of mandatory items for new Cafes with instructions for various site variations. Although You are not prohibited from doing so, We do not recommend that You purchase additional or upgraded items other than as specified in the Manual.

(6) The initial inventory consists primarily of food, proprietary acai blend, beverages, uniforms, smallwares and supplies. The amount will depend on the sales volume You anticipate as well as current market prices. See Item 8 for required single source suppliers.

(7) This is an estimate of the cost of leasing or purchasing the required point-of-sale system, camera system and other related technology. The Manual contains a list of mandatory items for new Cafe with instructions for various site variations

FOOTNOTES CONTINUED:

(8) You must obtain all necessary business permits, licenses, and approvals to operate the Cafe. This estimate is based on Our experience with the Company Cafes in Southern California. 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.

(9) You and We will agree on a specific grand promotional program for Your new Cafe. The cost of this mandatory promotional program will range from $3,000 to $6,000. Cafes being opened in a new trade area may require more initial spending than where Our brand is already known. This includes all social media and non-traditional outreach programs.

(10) Insurance, deposits, and other prepaid expenses are included in this amount. You should have funds for one year's estimated insurance premium for property, liability, workers' comp and other insurance. 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. There may also be a requirement to pay utility and/or other deposits and to prepay certain expenses.

(11) This category includes contingent working capital requirements, which could include expenditures for payroll, utilities, vendor, advertising, promotion, and similar costs during the initial phase of a new Cafe. This estimate is for the first 3 months of operation Your Cafe. This estimate is based on Our experience with the Company Cafes, and We cannot guarantee that You will not have additional expenses starting Your business. Your costs will depend on factors such as how much You follow the System and its procedures, the local market for Cafe products, the prevailing wage rate, competition, and the sales level reached during the initial period.

(12) This is Our estimate of the total expenses to start Your Cafe. Except for security deposits, none of the above payments are expected to be refundable. We will not finance any of these payments. The above are all estimates based on Our experience with the Company Cafes, but Your costs will depend to a great extent on Your area and Your decision on each issue. You should review these figures carefully with a business advisor, accountant, or attorney before making any decision to purchase a franchise.

Area Development Agreement (1)
Your Estimated Initial Investment

	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	Low	High			
Development Fee (2)	$40,000	$60,000	Lump Sum	Execution of Area Development Agreement	Us
Estimated Initial Investment (3)	$179,500	$416,000	See Item 7 chart above.		
Total	$219,500	$476,000			

FOOTNOTES:

(1) We are offering franchises to qualified Developers who will develop and operate at least 3 to 5 Cafes under an Area Development Agreement. The Development Fee is contingent on the number of Cafes You intend to open under the terms of the Area Development Agreement. Upon execution of the Area Development Agreement, You must pay Us a nonrefundable Development Fee equal to the Initial Franchise Fee for the first Required Cafe ($20,000), plus $10,000 for each additional Required Cafe to be developed under the Area Development Agreement. There are no refunds of these fees.

As You develop each Required Cafe, You will execute Our then current Franchise Agreement. The Initial Franchise Fee for the first Required Café is included within the Development Fee. For the second and subsequent Required Cafes, You will pay Us the remaining balance of the Initial Franchise Fee which is $10,000.

(2) The low amount is the Development Fee for a three (3) Cafe Area Development Agreement and the high amount is the Development Fee for a five (5) Cafe Area Development Agreement.

(3) You will incur the estimated initial expenses for each Required Cafe developed as set forth in the first table of this Item 7. These initial expenses may increase over the term of the Area Development Agreement based on inflation and other economic factors.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Each Cafe must be constructed or remodeled to Our specifications. You must obtain Our written approval of any proposed alterations to Our specifications before any work is begun. You must design, construct, remodel, equip and supply Your Cafe from suppliers previously approved by Us, which include Us and the Company ("**Approved Suppliers**").

Currently, You are not obligated to purchase or lease from Us or Our Affiliates except for the proprietary Acai blend, accessories and items bearing Our Marks. However, You will be obligated to make 100% of Your purchases from Approved Suppliers.

To ensure that the highest degree of quality and service is maintained, You must operate Your Cafe in strict conformity with the methods, standards and specifications that We prescribe in the Manual or otherwise in writing. We may modify or add new specifications in writing. We have the right to limit the number of vendors and suppliers for products, goods, supplies, fixtures and equipment. We also have the right to designate a single source of supply for certain products. We or an affiliate may be that single source. Currently, We require You to use Square for the point of sale system, Nonna's Empanadas for Our unique empanadas, Rockbot for the music system, Paper Company for paper goods, Reliant Food Service for frozen bases and milks and Trader Joe's for fruit soap & food items. Additionally, We have several approved fruit distributribtors in California. We may update our list of Approved Suppliers as We deem necessary or appropriate.

We may negotiate purchase arrangements with suppliers, including price and terms, for the benefit of franchisees and the Cafes operated by the Company. You must use some supplies that are proprietary to Us, including copyrighted forms and materials bearing Our Marks. The only material benefits You may receive for using Approved Suppliers are lower prices and better services and quality, due to Our negotiations with them on behalf of the system.

We will specify Approved Suppliers and the products and services that are required to be purchased or leased in the Manual. The list of required items will be changed to meet current needs. Approved Suppliers are identified in Our Operations Manual. Approved Suppliers and specifications are determined based on the current needs for operating the Cafe. We evaluate Approved Suppliers based on price, service, quality, and other commercially reasonable benchmarks. We have the right to limit the number of vendors and suppliers for products, goods, supplies, fixtures and equipment. We also have the right to designate a single source of supply for certain products. We or an affiliate may be that single source.

Required Purchases from an Affiliate or Us:

Currently, You must purchase Our proprietary food products and items bearing Our Marks from Us, which We or designated suppliers will sell to You at a reasonable markup.

Our Affiliate, Trans Fruit, LLC, is the Approved Supplier who sells Our proprietary Açai blend, accessories, and items bearing Our trademarks to Franchisees. As of December 31, 2023, Trans Fruit LLC's revenues from sale of goods and services to Franchisees was approximately $58,601.80 or 2.9% of its total revenue of $2,029,961.80.

During the last fiscal year, neither We, Ubatuba Acai, LLC, nor the Company received any revenues or rebates as a result of franchisee purchases. We do not have any purchasing or distribution cooperatives. If We receive rebates from suppliers based on Franchisee purchases, We use the funds to benefit the System. Except as stated above, none of Our officers own an interest in an Approved Supplier.

If We introduce proprietary Products and/or items bearing the Marks, You may be required to purchase them from an Affiliate or Us. You may be required to purchase from Us in the future software, Internet, and multi-area marketing programs, and to participate in these programs. There are no such requirements at this time, and We estimate based on present circumstances, that these required purchases will be less than one percent of Your purchases and leases.

We will approve additional suppliers. If you want to purchase items from another supplier, you may request Our "Supplier Approval Form" and pay Our Supplier Approval Fee (currently $1,000). Based on the information and samples you supply Us, We may test the items supplied and review the proposed supplier's financial records, business reputation, delivery performance, credit rating and other information. We are not required to make available to You or any supplier Our criteria for product or supplier approval. We will complete Our review promptly, generally within 90 days. You must not sell or offer for sale any products/services of the proposed supplier until Our written approval of the proposed supplier is received.

The Cafe must be equipped, decorated and supplied in compliance with Our specifications, which will be made available to You. If You acquire or lease a site for the Studio (either by signing a lease or purchasing real estate), You must employ a contractor to construct the Café and to complete all improvements in accordance with approved plans. You must also employ licensed and professionally qualified individuals to modify such plans to conform to local legal requirements and specifications. You will be responsible for all costs connected with construction, including architectural plans and seals, leasehold improvements, fixtures and signs, and for all costs related to compliance with state or local ordinances, rules and regulations.

Insurance:

The Franchise Agreement requires You to obtain insurance from Qualified Insurance Carriers satisfactory to Us. Each insurance company must be rated no less than A VII by A.M. Best and Company. The insurance You must obtain includes coverage during the construction of Your Cafe and its operation. We must be named as an additional insured on each policy except workers compensation insurance.

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. Your obligation to maintain this insurance will not be limited in any way by reason of any insurance We carry for Ourselves.

The required insurance policies must have at least the minimum coverage specified in the Franchise Agreement. In all events, the insurance policy or policies will include at least the following:

(a) Comprehensive general liability insurance, including products liability coverage with minimum coverage of $1,000,000 per occurrence and $2,000,000 in the aggregate.
(b) Property insurance covering the perils of fire and extended coverage, vandalism and malicious mischief with coverage to be at replacement cost.
(c) Liability for owned, non-owned and hired vehicles with minimum coverage of $1,000,000 per occurrence and $2,000,000 in the aggregate.)
(d) Umbrella liability insurance policy providing a minimum of $2,000,000 coverage including the above limits.
(e) Course of construction insurance at replacement cost.
(f) Workers' compensation insurance as required by applicable state law.
(g) Business interruption insurance (reasonable coverage and time limit).

ITEM 9. FRANCHISEE'S OBLIGATIONS

THIS TABLE LISTS YOUR PRINCIPAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT ("FA"), AND THE AREA DEVELOPMENT AGREEMENT ("ADA"). IT WILL HELP YOU FIND MORE DETAILED INFORMATION ABOUT YOUR OBLIGATIONS IN THESE AGREEMENTS AND IN OTHER ITEMS OF THIS FRANCHISE DISCLOSURE DOCUMENT.

Obligation	Section in Agreement	Item in Disclosure Document
a. Site Selection and acquisition/lease	FA: §1.3, 6.3 ADA: §§1.1, 4.2	Items 1, 11
b. Pre-opening purchases/leases	N/A	Items 7, 8, 11, 16
c. Site development and other pre-opening requirements	FA: §§4, 5 ADA: §§1, 2, 4	Items 1, 5, 7, 11, 12, 15
d. Initial and ongoing training	FA: §5 ADA: §4	Items 1, 11, 17
e. Opening	FA: §7.8 ADA: §2	Items 5, 7, 11
f. Fees	FA: §§2, 3.2, 4.1, 4.8, 5.6, 11.5, 16.6 ADA: §§3, 4.3, 5.2(c), 6.2(e)	Items 1, 5, 6, 7, 17, 19
g. Compliance with standards and policies/Manuals	FA: §4 ADA: §4.1	Items 1, 11
h. Trademarks and proprietary information	FA: §§4.5, 14 ADA: §4.4, 8.3	Items 13, 14
i. Restrictions on products & services offered	FA: §§4.4(a), 4.7, 4.8 ADA None	Items 8, 16
j. Warranty and customer service requirements	FA: §§4.3 ADA: None	Item 1
k. Territorial development and sales quotas	FA: §§1.2 ADA: §§1.1, 2, 4	Items 1, 12

Obligation	Section in Agreement	Item in Disclosure Document
l. Ongoing product/service purchases	FA: §§4.6, 4.7, 4.8 ADA: None	Items 8, 16
m. Maintenance, appearance & remodeling requirements	FA: §§ 4.3 4.4, 4.6, 6 ADA: None	Item 17
n. Insurance	FA: §11 ADA: None	Item 7
o. Advertising	FA: §7 ADA: None	Items 6, 7, 11
p. Indemnification	FA: §10.2 ADA: None	Item 13
q. Owner's participation/ management/staffing	FA: §§4.2, 4.9, 4.10, 9.4, 13.2 ADA: §§8.4, 8.5	Item 15
r. Records/ Reports	FA: §§8, 9.3, 9.4 ADA: None	Items 6, 11
s. Inspections/Audits	FA: §9 ADA: None	Item 17
t. Transfer	FA: §13 ADA: §§1.6, 1.7	Items 6, 17
u. Renewal	FA: §3.2 ADA: 1.2, 6	Items 6, 17
v. Post termination obligations	FA: §§4.9(f), 15 ADA: None	Item 17
w. Non-competition covenants	FA: §4.9 ADA: §8	Items 5, 17
x. Dispute resolution	FA: §§16.5, 16.7 ADA: §9	Item 17

ITEM 10. FINANCING

We do not offer direct or indirect financing. We do not guarantee Your note, lease, or other obligation. We are registered with the SBA Franchise Registry. This affiliation may assist You with obtaining expedited loan processing if You should seek SBA financing. There are no waiver of defenses or similar provisions in any note, contract or other instrument executed by franchisees with Us.

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

Except as listed below, We need not provide any assistance to You.

A. Pre-opening. Before You open Your Cafe, We will:

1. Loan you a copy of Our confidential Manual, which contains mandatory and suggested specifications, standards, operating procedures, and rules, in written and/or electronic form (Franchise Agreement, Section 4.4).

2. Conduct an operations training course for You and Your Designated Operator (Franchise Agreement, Section 5.1).

3. Provide You with assistance in locating the site for Your Cafe (Franchise Agreement, Section 1.3).

4. Approve, if it meets Our standards and specifications for approval, plans submitted by You for the design of Your Cafe (Franchise Agreement, Section 1.3).

5. Assist You in developing a marketing program designed for Your Cafe's initial opening (Franchise Agreement, Sections 4.1, 7.8).

6. Advise and assist You in opening Your Cafe and be available to assist with its operations for as long as reasonably needed, in Our opinion (Franchise Agreement, Section 4.1).

B. Post-opening. During the operation of Your Cafe, We will:

1. Advise and assist You with operating Your Cafe, including periodic visits by Our representatives (Franchise Agreement, Section 9.2).

2. Advise and assist You in opening Your Cafe and be available to assist with its operations for the first month of business, as reasonably needed in Our opinion (Franchise Agreement, Section 4.1).
3. Make available additional training programs as We deem appropriate (Franchise Agreement, Section 5.5).

4. Advise and assist You with operating Your Cafe, including periodic visits by Our representatives (Franchise Agreement, Section 9.2).

5. Assist You in planning for Your Cafe's grand opening (Franchise Agreement, Section 7.8).

6. Develop and administer, at Our discretion, advertising and promotion programs designed to promote the collective success of all Cafes (Franchise Agreement, Section 7.3).

7. Administer the System Marketing Fund ("**Marketing Fund**"), once established (Franchise Agreement, Sections 7.3 and 7.4).

8. Deposit Marketing Fund Fees received into a separate account (Franchise Agreement, Sections 7.3).

9. Make periodic calls or inspection visits to Your Cafe as We deem advisable (Franchise Agreement, Section 9.2).

10. Include information about your Cafe on our Website (Franchise Agreement, Section 7.9).

C. Site Selection.

You must select a site that meets Our approval. We will help You select a site for Your Cafe. Within three (3) months days after execution of the Preliminary Agreement, You should have located and obtained Our approval for the site of Your first Cafe. If You have not done so, We will grant You additional 90-day extensions so long as We are satisfied that you are proceeding in good faith and with due diligence. You must use Our approved form to request each ninety-day extension. After the extensions, We may terminate the Agreement with no refunds if You have not obtained an approved site.

We will consider, as part of site approval, a number of factors such as potential customer density levels, assessment of a demographic study of the customer mix compared to existing profiles already established by Us, assessment of competitor activity, revenue generators, traffic patterns of the area, as well as specific size, parking, and other physical characteristics of the proposed site itself. We will use reasonable efforts to make a site acceptance decision within 30 days after We acknowledge receipt of a complete site information form and any other materials We have requested Our approval means that the site and plans meet minimum specifications and is not a warranty of their appropriateness. We do not generally own the premises and lease it to franchisees.

D. Time Before Opening.

We believe that based upon the Company's experience, You should typically open a Cafe within six to eight months after executing the Franchise Agreement. This length of time may be affected by factors such as difficulties in obtaining a lease for an acceptable premise, financing arrangements, acquiring necessary permits, or delays caused by zoning or local ordinances, weather conditions, labor strikes, shortages of products and installation of equipment, fixtures, and signs.

You must open Your Café within eight months of executing the Franchise Agreement unless We extend the time in writing. Failure to open within the specified time period is a breach of the Franchise Agreement and Your Franchise Agreement can be terminated. (Franchise Agreement, Section 1.4) If You lease the site for Your Cafe, You must submit the proposed lease to Us for approval before signing it. As a condition of Our approval, the lease must have provisions required by Section 1.4 and Section 15.5 of the Franchise Agreement. You must send Us a copy of the signed lease within five (5) days after You signed it.

You are responsible for conforming the premises to building codes and local ordinances. You must adhere to Our standards and specifications for the construction and design of the Café, which will include requirements for the interior and exterior layout, signage, equipment, fixtures, and trade dress. You must obtain Our prior written approval of site-specific drawings/plans before beginning construction. You may not open Your Cafe without Our prior written consent and satisfaction of all pre-opening obligations stated in the Manual and the installation of all equipment, fixtures, furnishings, and signs included in the plans and specifications approved by Us. You will be solely responsible for all employment decisions and functions of the franchised location, including those related to hiring, firing, training, wage and hour requirements, record-keeping, supervision, and discipline of employees.

If You enter into an Area Development Agreement, You are responsible for securing sites We find acceptable and within the deadlines of the Development Schedule. If You fail to meet a deadline in the Development Schedule, You will be in default and We may terminate the Area Development Agreement.

E. Advertising.

We will develop marketing, promotion and advertising programs designed to promote UBATUBA AÇAI BOWLS businesses. Your participation in all such advertising and sales promotion programs must be in full and complete accordance with any terms and conditions as We may have established.

We will provide access to advertising and marketing materials and services to You. We currently conduct marketing at a trade area level to encourage visits from potential, as well as prior, customers. We may also use premium incentives and product awareness campaigns in advertising and promotion. Advertising media may include print, Internet, social media and digital marketing, vehicle wraps, fundraisers, public relations campaigns and radio or television (primarily local in scope). Whenever possible, the material is produced in-house or provided by vendors.

You may develop advertising materials for Your own use at Your own cost. All advertising materials must have been approved by Us in advance and in writing. Approval takes between 30 and 60 days. All of Your advertising, promotion and marketing must be completely clear and factual, not misleading, and conform to the highest standards of ethical marketing and promotion policies and comply with all truth in advertising laws. You must submit to Us samples of all advertising, promotional and marketing materials (including Internet or electronic media marketing material) for Our prior written approval. You must only use advertising copy and other materials which are in strict compliance with Our requirements, as set forth in the Manual or otherwise.

There are no restrictions on Your advertising, except that You may not advertise independently on the Internet using Our Marks or outside Your territory, and t Your advertising must be approved by Us, as stated above. You must participate in Our “online” marketing campaigns, Gift Card program, Loyal Customer program and similar marketing programs as they are developed.

You may not register any domain name or establish or maintain any website, social media site or other digital presence in any media or on any platform in any manner whatsoever that uses the Marks without Our prior written approval. If such approval is granted by Us, You shall establish and operate such digital presence in accordance with Our standards and policies as set forth in the Manual or otherwise in writing from time to time.

Grand Opening. You must conduct a pre-approved grand opening promotion for Your Cafe. The cost of the grand opening promotion will range from a minimum of $3,000 to $6,000 in approved expenditures, with regard to such promotion. We will assist You in planning Your grand opening.

Local Advertising. You must spend at least $1,000 or 3% of Your Café’s Gross Sales, whichever is the lesser amount, monthly for pre-approved local advertising and promotion of Your Cafe in its trade area. You must submit confirmation of Your Local Advertising following the procedures and timing requirements designated in the Manual.

If an Advertising Cooperative (“**Ad Co-op**”) is established for the area where Your Cafe is located, You must join, actively participate in and contribute to the Ad Co-op; contributions to it will be applied toward Your Local Marketing Commitment. The Ad Co-op may also serve as a means of exchanging ideas, sharing information and problem solving. You must contribute to the Ad Co-op up to 3% or more of Your Cafe’s Gross Sales, which is in addition to your contributions to the system wide Marketing Fund discussed below. The Ad Co-op members may agree to additional funding in accordance with its established Bylaws. We will oversee each Ad Co-op. If You are in default of the Franchise Agreement, You will not have voting privileges. The Ad Co-op may prepare annual or periodic financial statements, and these will be available to You upon request.

Marketing Fund. If and when We notify that We have established a Marketing Fund, You must contribute up to 2% of Your Cafe's Gross Sales. We will establish the Marketing Fund when We determine that it is appropriate to do so.

The Marketing Fund will be used to develop, produce, and administer marketing programs designed to increase sales for all Cafes system wide. Advertising may be in the form of print ads, radio, television, or electronic media and may be conducted on a regional and/or national basis. We may use a national or regional advertising agency or in house advertising to create and place advertising. All interest earned on monies contributed to the Marketing Fund and any funds received from suppliers based on Franchisee purchases will be used for the same purpose. Marketing Fund contributions will not be targeted to advertise or sell franchises. The purpose of the Marketing Fund is to develop advertising and marketing programs that will benefit all Cafes wherever located. We cannot ensure that the Marketing Fund's expenditures will be equally beneficial or proportionate to each Cafe's contributions.

We will account for monies in the Marketing Funds separately from Our other amounts received. Money from the Marketing Fund may be used to pay Us for the reasonable salaries, administrative costs, travel expenses and overhead incurred by Us in the administration of that Fund and its programs. We will prepare an annual unaudited statement of monies collected and expenditures of the Funds and provide it to You upon Your written request. The Cafes operated by the Company will contribute to the Marketing Funds at the same rate as Franchisees.

F. Computers; Computer Programs.

Your Cafe must have a point of sale and computer system as specified in the Manual, which will operate Our currently approved software and allow You to participate in the Network. Your Cafe must also have one or more modems, printer, copier, polling systems, digital menu boards, computerized safe systems, music system, and a telephone answering machine capable of voice mail recovery. We may require You to upgrade or update Your equipment, such as the computers, other hardware, programs, fax machine and telephone system, with reasonable limitation on the frequency or cost of this requirement. You are responsible for installing and maintaining a broadband hook-up and other reasonably necessary utilities for the Cafe.

Currently, We use Square for the Point of Sale (POS) system. You are required to use this POS system for Your Cafe. You must use your POS system to complete all sale transactions, and provide sales, accounting, and inventory reports. Square charges a 2.75% per sale transaction fee, but subject to Your needs and contract with them. These amounts may be adjusted to account for inflation and product enhancements. You will be responsible for all ongoing computer maintenance, repairs and upgrades. We may change the POS vendor upon reasonable notification to You. 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. If Our administrative access is terminated, You will be in default and We may terminate the Franchise Agreement.

Currently, You are required to use Rockbot for the music system in the operation of Your Cafe. Rockbot's current monthly subscription fee is $25.00 per month, and the Rockbot equipment is $300.00.. You will also purchase the speaker and amplifier from a supplier approved by Us. You will be responsible for all ongoing maintenance, repairs, and upgrades. We may change the music vendor upon reasonable notification to You. Additionally, Your Café must have a security system in compliance with Our specifications.

All of the designated equipment and software is available generally at competitive prices. The purchase cost is estimated at $5,000 to $20,000. Your annual maintenance costs are estimated at $3,500 to $6,000. None of the above are proprietary properties of Us or the Company, and We are not obligated to provide or assist You in obtaining the above items or services. We may require you to upgrade or update Your equipment, such as the computers, other hardware, and software programs, with reasonable limitation on the frequency or cost of this requirement. If We establish an online management and communication system for Cafe Operations, You must participate fully with its requirements as stated in the Manual.

G. Confidential Manual.

You may review Our Manual before purchasing a Franchise. However, You may not copy any of the information contained in the Manual, as it contains proprietary information. You must sign a confidentiality agreement regarding the Manual before Your review. (**Exhibit D**)

H. Training.

Our Initial Training Program consisted of the following general content with a duration of approximately four (4) weeks according to the following outline:

INITIAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Introduction to the Acai Market - History of the Market - Competition - Growth and Opportunity	1	2	Company Café or Your Location.

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Marketing and Branding - Understanding the Ubatuba Brand and Position in the Market - How to create awareness - Driving Traffic into your stores - Our brand presentation	4	4	Company Café or Your Location.
Managing the Business and Overseeing Daily Operations - Hiring Staff and Managing your Team - Training your Staff - Hiring the Right People - HR responsibilities	4	8	Company Café or Your Location.
Maintaining the Equipment and Your Inventory Management - Knowing our Suppliers - Maintaining the Equipment - Inventory Management and Ordering	4	6	Company Café or Your Location.
System Software - Working with our POS Systems - Managing Transactions - Using technology to manage your customer relationships	4	6	Company Café or Your Location.
Collateral Materials - Printed Materials, Menus, Brochures, Collateral, Business cards	1	1	Company Café or Your Location.
Preparing the Products and Knowing the Menu - How to make the products - Product Presentation	4	96	Company Café or Your Location.
TOTALS:	22	111	

FOOTNOTES:

(1) The Initial Training must be successfully completed no later than one week before Your Cafe opens. It will be conducted in one of Company's Cafes located in California one to three months prior to Your opening Your Cafe. We expect to conduct these training courses several times each year.

(2) You and/or Your Designated Operator must attend and successfully complete Our Initial Training. We may terminate the Franchise Agreement for failure to successfully complete this training course.

(3) You will be responsible for paying all of Your personnel's travel, lodging and food costs.

(4) The instructors will include Trainers and Training Managers, each of whom have experience in Cafe operations with Us or with other food systems.

(5) The materials used in Our Initial Training are the Manual and other materials such as various videos. We may modify Our training programs at any time. We may develop and provide audio-visual and other training materials at a reasonable charge.

(6) The actual hours required for Initial Training will depend on a variety of factors, including the trainee's prior experience in certain applicable areas and his or her ability to pass any written and/or practical exams to Our reasonable satisfaction.

(7) If You operate 3 or more UBATUBA AÇAI BOWLS Cafes You may apply to offer training at Your training facility. We may certify You for training if You meet Our standards, Your training facility has been certified by Us and Your designated training manager has been certified by Us. You must reimburse Us for the travel, living and other expenses Incurred in evaluating your facility and your training manager.

(8) As We deem necessary, We may require that You and Your personnel complete additional training courses or programs covering operations and new product or procedure introductions. We may require You to pay a reasonable fee for the additional training. Currently, Our training fee is $500 per day and You must pay for all travel, lodging and food costs for You and Your personnel. We expect that additional training will be conducted at one Our Cafes in Los Angeles, California, will be one or two days in duration and cover changes in Cafe products and procedures. Under normal circumstances, the additional training will not occur more than once a year. See ITEM 6 for current daily charge.

(9) If You are a business entity, each of Your owners who own 10% or more of the outstanding voting interests must attend a 2 to 3 Day Overview Training, which is a condensed version of the Initial Training. There is no extra charge for this training program which will be held in California at one of Company's Cafes.

ITEM 12. TERRITORY

You must operate Your Cafe at a specific location selected by You and approved by Us. You will have the right and obligation to operate and maintain Your Cafe within a designated geographic area. You will not receive an exclusive territory and You may face competition from other franchisees, from outlets that We own, or from other channels of distribution or competitive brands that We control.

We agree that unless Your Cafe is in a “high density area” (as defined below), We will not establish an UBATUBA AÇAI BOWLS Cafe within one half (1/2) mile of Your Cafe, except for one or more “Non-Traditional Venue” Cafes (“Your Territory”).

We have the discretion to determine what is to be considered a “**high density area**”, which will typically be an area with a high degree of pedestrian traffic, such as a downtown portion of an urban area with high rise commercial buildings, if the Café is located within a shopping mall, or a densely populated residential area with primarily multi-family or apartment units. If Your Café is located within a “high density area”, then You and We will agree on the area, if any, in which You will have territorial protection.

“**Non-Traditional Venue”** means a site or location for which the lessor, owner or operator thereof shall have indicated its intent to limit the operation of its food service facilities to itself or a master concessionaire or contract food service provider, and which site or location is either (i) within another primary business or (ii) at an institutional setting such as a school, college and university, military and other governmental facility, hospital, hotel, limited access highway, shopping mall, airport, toll road, office or in-plant food facility, sports arena and stadium, supermarket, grocery store or convenience store.

We reserve all rights not expressly granted in the Franchise Agreement. The Franchise Agreement does not restrict Us from operating or authorizing others to operate other franchises or Company-owned Cafes or other channels of distribution, at any location, from selling or leasing similar products or services under a name other than UBATUBA AÇAI BOWLS. We do not currently intend to do so.

We have the sole and exclusive right to produce, license, distribute and market products using the Marks or other marks (such as pre-packaged products, beverages, books, clothing, souvenirs, and novelty items) through any outlet anywhere, and through any distribution channels, including the Internet. We reserve the right to use or license others to use Our name and other trademarks to distribute products. You will not receive any of these rights. We are not required to pay You for soliciting or accepting orders from inside Your territory.

You must receive Our prior written approval before relocating the Cafe. Any request to relocate Your Cafe will be either approved or denied within 90 days of Our receipt of all relevant information. We may approve the relocation of Your Restaurant in certain limited circumstances, such as loss of the location due to condemnation, eminent domain destruction, or loss of Your right of possession for reasons not caused by You.

The Franchise Agreement will not grant You any options, rights of first refusal or similar rights to acquire additional franchises within Your Territory or contiguous areas. There is no minimum sales quota. You maintain rights to Your Territory even though the population increases. Your territorial rights are not dependent upon achievement of a certain sales volume, market penetration or any other contingency, and it will not be altered except by mutual consent.

There are no restrictions on Your advertising, except that You may not advertise independently on the Internet, or outside Your Territory, and You may not maintain any Website or any presence on the Internet without Our prior written consent. Your advertising must be approved by Us, as stated in Item 11 above.

Area Development Agreement.

During the term of an Area Development Agreement, We will not license or allow any other party to open a UBATUBA AÇAI BOWLS Cafe within Your designated Territory (except for one or more "**Non-traditional Venue**" Cafes (defined above) or pursuant to the first refusal rights contained in Your Franchise Agreement.

If You materially breach the Area Development Agreement and it is terminated, We will have full rights to franchise other parties to operate Cafes within what was the Development Area, or to operate Cafes Ourselves within that Development Area.

If before the end of the term You have opened all of the Cafes required by the Area Development Agreement and We decide that one or more additional Cafes should be developed within the Development Area, You will have the right of first refusal for the additional Cafe(s).

If We acquire any other similar cafes with the intention of converting them to Cafes using Our Marks, You will have a right of first refusal to purchase and convert any of those businesses during the term of the Area Development Agreement.

We will evaluate and approve or disapprove the proposed site for each new Cafe You plan to open under the Area Development Agreement using Our then current site criteria. Your rights within the Development Area are contingent on meeting the Development Schedule. Each Cafe developed under the Area Development Agreement will have the same territory rights and protections as defined above in this Item 12 and pursuant to the Café's Franchise Agreement.

ITEM 13. TRADEMARKS

You will receive the right to operate a Cafe under the name UBATUBA AÇAI BOWLS. You may also use other current or future Marks as We designate to operate Your Cafe. By Marks, We mean trade names, trademarks, service marks and logos used to identify and operate Your business. The following Marks have been registered on the United States Patent and Trademark Office ("**USPTO**") Principal Register:

Mark	Date	Reg. Number	Type
UBATUBA AÇAI BOWLS	03/07/17	5154876	
Turtle Design	12/01/20	6208514	
UBATUBA AÇAI BOWLS	7/16/19	5803983	(Word Mark)
UBATUBA AÇAI X	6/25/19	5786645	(Word Mark)

The above marks are owned by Ubatuba Açai, LLC, who has granted Us a perpetual license for sole use of the Marks, as part of a written license agreement. All required affidavits have been filed. Additionally, We have several common law trademark designs that will be used in the operation of Your Café.

You must follow Our rules when You use any of the Marks. You may not use any of the Marks alone or with modifying words, designs or symbols as part of a corporate name or in any form on the Internet, including, but not limited to URLs, domain names, email addresses, locators, links, metatags, or search techniques, except as We license to You or otherwise authorized in writing. You may not use any of the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized by us in writing. Guidelines regarding proper trademark use and notices are set forth in the Manual and will be updated from time to time.

No agreements limit Our right to use or franchise the use of the Marks. We do not know of any infringing uses that could materially affect Your use of the Marks. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceeding, or any pending material litigation, involving the Marks. You must notify Us immediately after learning about an infringement of or challenge to your use of the Marks. We will take the action We think appropriate to protect the integrity and validity of the Marks. We are not required to take any specific action in regard to infringements involving the Marks. We have the sole right to control administrative proceedings or litigation regarding any trademark infringements. We will defend You and indemnify You if You are a party to a legal proceeding involving a Mark licensed by Us, used properly by You in compliance with System and Franchise Agreement, and timely informed Us of the proceeding. You must modify or discontinue the use of a trademark if We modify or discontinue it. You must not contest Our right to the Marks, trade secrets or business techniques.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent or registered copyright, but You can use the proprietary information in the Manual, training materials, including DVD and CD diskettes, electronic emails, and confidential information. We claim proprietary interest in the trade dress of Cafes. Although We have not made a copyright filing for the Manual, training materials, advertising materials and other written materials, We claim a copyright, and the information is proprietary and confidential, and may only be used as provided in the Franchise Agreement.

The Manual will remain Our sole property. You must keep it in a secure place on the Cafe premises. You must tell us immediately if You learn about an infringement or challenge to Our copyrights. We will take action that We think is appropriate. You must also agree not to contest Our interest in these or Our other trade secrets.

You must modify or discontinue the use of an item or process covered by a copyright if We modify or discontinue it. We do not have to reimburse You for any related expense required by the modification or discontinuance. You or Designated Operator may divulge confidential information only to those employees who must have access to it to operate Cafe. The Manual may not be copied, recorded, or otherwise reproduced without Our prior written consent.

You agree to keep and respect all confidential information received from Us and obtain from Your Designated Operator, each of Your Cafe's managers and other employees an agreement to keep and respect all such confidences and to be responsible for Your employees' keeping this information confidential. A copy of the employee confidentiality agreement is attached as **Attachment 2 in the Franchise Agreement.** You agree to timely provide Us with copies of Your employee's executed confidentiality agreements.

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

You or Your Designated Operator, who has successfully completed Our training program, must directly supervise, and participate in the actual day-to-day operation of the Cafe. Your Cafe must at all times have an on-site manager approved by Us and certified as designated in the Manual.

Your Cafe must at all times have an on-site manager approved by Us and certified as designated in the Manual. You must take steps necessary to ensure that Your employees preserve good customer relations; render competent, prompt, courteous and knowledgeable service; and are properly trained. You and Your employees must handle all customer complaints, refunds, returns and other adjustments in a manner that will not detract from Our name and goodwill.

You agree to keep and respect all confidential information received from Us and to obtain from Your Designated Operator, each of Your Cafe's managers and other employees an agreement to keep and respect all such confidences and to be responsible for Your employees' keeping this information confidential. A copy of the employee confidentiality agreement is attached as **Attachment 2 in the Franchise Agreement.** You agree to timely provide Us with copies of Your employee's executed confidentiality agreements.

If You are an entity, We do not require that Your Designated Operator own an equity interest in such entity. Neither You nor Your Designated Operator may have an interest or business relationship with any of Our business competitors. If You are a legal entity such as a corporation, partnership, or limited liability company, one of Your owners must be approved by Us to be Your full-time representative.

All of Your owner(s) must personally guarantee the Franchise Agreement and, if applicable, the Area Development Agreement. We have the right to approve all owners and any future owners. The Area Development Agreement requires You to designate an "**Authorized Agent**" who will have full authority to act on Your behalf in performing, administering, or amending the Area Development Agreement.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You may offer and sell only those services and products that We have approved (see ITEM 8). You must offer all products and services that We designate as required for all franchisees. These required products and services are described in the Manual. You must obtain Our prior written approval for any other products and services to be sold by Your Cafe. All sales must be properly accounted for in Your POS system. If We implement customer satisfaction programs for all franchisees, You must participate fully with their requirements as stated in the Manual.

We may change the types of authorized products and services that you must offer from Your Cafe. There are no limits on Our right to make such changes. If You propose an additional product or service, You must submit it to Us for approval before offering it in Your Cafe. We may approve it initially for testing only. All proposals approved by Us will become Our property.

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ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

Provision	Section	Summary
a. Initial Term	FA: §3.1	Initial term of Franchise is 10 years.
b. Renewal or extension of the term.	FA: §3.2	You may renew the franchise for an additional 10-year term if certain conditions are met. "Renewal" may require You to sign a contract with materially different terms and conditions than Your original contract.
c. Requirements for renewal or extension.	FA: §3.2	6-12 months' notice, no defaults during last 12 months, material and timely compliance with Franchise and other agreements during expiring term, satisfied all monetary obligations owed to Us and Your suppliers, completed all required additional training, made all requested changes in operating personnel, modernized the Cafe and other equipment, payment of renewal fee, and signing of new Franchise Agreement and general release.
d. Termination by Franchisee.	Not applicable	You may terminate the Franchise Agreement on any grounds available by law.
e. Termination by Us without cause	None	
f. Termination by Us with cause.	FA: §15.1	We can terminate only if You default.
g. "Cause" defined as defaults which can be cured.	FA: §15.1	You have 30 days after notice to cure defaults (except defaults in payment to Us, in which case You only have 5 days to cure after notice). Includes defaults in other Franchise Agreements with Us. No cure period for default repeated twice within any twelve-month period.

h. "Cause" defined as defaults which cannot be cured.	FA: §15.1	Non-curable defaults: Failure to open in specified time period, failure to complete training or allow inspection, bankruptcy or similar action, loss of possession, material misrepresentation in obtaining franchise, violation of health and safety laws, conviction of crime involving moral turpitude, failure to obtain consent to transfer rights or failure to offer first right of refusal.
i. Obligations on termination.	FA: §15.3	Immediate obligations include no more use of telephone numbers, trademarks or proprietary information; remove all Marks; return Our manuals and all other confidential materials; pay all amounts due to Us; and de-identify the Cafe.
j. Assignment of contract by Us.	FA: §13.8	No restriction on Our right to assign.
k. "Transfer" by You-definition	FA: §13.5	Includes transfer of rights under Franchise Agreement and ownership change.
l. Our approval of transfer by franchisee.	FA: §13.3	We have the right to approve all third-party transfers but will not unreasonably withhold approval.
m. Conditions for Our approval of transfer.	FA: §§13.4, 13.5, 13.6	No default, assets of the Cafe in standard condition, payment of all amounts owed to Us and Affiliates, payment of transfer fee, transferee qualifies and passes training, current Franchise Agreement signed by transferee, and release and non-competition agreement signed by You.
n. Our right of first refusal to acquire your business.	FA: §13.7	We can match any offer for the franchised business.
o. Our option to purchase your business	None	
p. Your death or disability.	FA: §13.6	Approval by Us of heir or sale within six months to an approved buyer.

q. Non-competition covenants during the term of the franchise.	FA: §4.9	No interest in a Cafe or similar business offering the same or similar services or products to those sold in a UBATUBA AÇAI BOWLS business ("Similar Business").
r. Non-competition covenants after the franchise is terminated, transferred or expires.	FA: §4.9	No interest in any Similar Business for 2 years within 10 miles of any Cafe in the U.S. or Canada.
s. Modification of the agreement.	FA: §16.12	Only written and signed modifications, but Manual subject to change.
t. Integration/ merger clause.	FA: §16.11	The agreement between the parties is limited to the agreement and other documents referred to therein. Any representations or promises outside of the disclosure document and Franchise Agreement and Area Development Agreement may not be enforceable. This provision is subject to applicable state law.
u. Dispute resolution by arbitration or mediation.	FA: §16.5	Except for certain claims, all disputes must be arbitrated in the county where Our headquarters are located ("Home County"), currently Los Angeles County, California.
v. Choice of forum	FA: §16.5	Except for injunctions, any arbitration or litigation must be in Home County.
w. Choice of Law.	FA: §16.7	Law of the state where the Cafe is located.

This table lists important provisions of the Area Development Agreement ("ADA"). You should read these provisions in the ADA attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

Provision	Section	Summary
a. Initial Term	ADA: §6	Initial term is mutually agreed between You and Us.
b. Renewal or extension of the term.	ADA: §6	
c. Requirements for renewal or extension.	None	
d. Termination by Franchisee.	Not applicable	You may terminate the Franchise Agreement on any grounds available by law.
e. Termination by Us without cause	None	
f. Termination by Us with cause.	ADA: §§1.5, 7	We can terminate only if You default or fail to meet the Development Schedule or if You are in default under any Franchise Agreement with Us and fail to cure such default. The termination of the ADA will have no effect on any franchises previously issued to You..
g. "Cause" defined as defaults which can be cured.	ADA: §7	You have 30 days after notice to cure most defaults, other than failure to meet the Development Schedule. Such cause includes defaults in other Franchise Agreements with Us.
h. "Cause" defined as defaults which cannot be cured.	ADA: §7.2	Non-curable defaults: Failure to meet deadlines in Development Schedule.
i. Obligations on termination.	ADA: §1.4	No further rights or obligations.
j. Assignment of contract by Us.	None	
k. "Transfer" by You-definition	None	

l. Our approval of transfer by franchisee.	ADA: §1.7	No transfers allowed.
m. Conditions for Our approval of transfer.	None	
n. Our right of first refusal to acquire your business.	None	
o. Our option to purchase your business	None	
p. Your death or disability.	None	
q. Non-competition covenants during the term of the franchise.	ADA: §8.3	No Competitive Interest in a business similar to or competitive with an UBATUBA AÇAI BOWLS business.
r. Non-competition covenants after the franchise is terminated, transferred or expires.	None	
s. Modification of the agreement.	ADA: §9.1	Only written and signed modifications.
t. Integration/ merger clause.	ADA: §9.1	The agreement between the parties is limited to the agreement and other documents referred to therein. Any representations or promises outside of the disclosure document and Area Development Agreement may not be enforceable. This provision is subject to applicable state law.
u. Dispute resolution by arbitration or mediation.	ADA: §9.1	Except for certain claims, all disputes must be arbitrated in the county where Our headquarters are located ("Home County"), currently Los Angeles County, California.
v. Choice of forum	ADA: §9.1	Except for certain claims, all disputes must be arbitrated in Home County.
w. Choice of Law.	ADA: §9.1	Law where most of the Territory is located.

ITEM 18. PUBLIC FIGURES

We do not use any public figure to promote Our franchises, but We may do so in the future.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised Cafes. 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 Café, however, We may provide You with the actual records of that Cafe. 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 Daniela Demetrio at 7128 Geyser Avenue, Reseda, CA 91335, (310) 874-0008, the Federal Trade Commission and the appropriate state regulatory agencies.

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ITEM 20: CAFES AND FRANCHISEE INFORMATION

Table No. 1
SYSTEM WIDE CAFES SUMMARY
For Fiscal Years 2021 – 2023

Column 1 Cafe Type	Column 2 Year	Column 3 Cafes of the Start of the Year	Column 4 Cafes at the End of the Year	Column 5 Net Change
Franchised	2021	2	2	0
	2022	2	2	0
	2023	2	2	0
Company - Owned	2021	10	16	+6
	2022	16	17	+1
	2023	17	17	0
Total Cafes	2021	12	18	+6
	2022	18	19	+1
	2023	19	19	0

Note: Our Fiscal Year ends December 31. “Company-owned Cafes” shown in these tables are operated by entities which Our owners control.

Table No. 2
TRANSFERS OF CAFES FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
For Fiscal Years 2021 – 2023

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Totals	2021	0
	2022	1
	2023	0

Table No. 3
STATUS OF FRANCHISED CAFES
For Fiscal Years 2021 – 2023–

Column 1 State	Column 2 Year	Column 3 Cafes at Start of Year	Column 4 Cafes Opened	Column 5 Terminations	Column 6 Non-Renewals	Column 7 Reacquired By Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Cafes at End of the Year
California	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
Total	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2

Table No. 4

STATUS OF COMPANY CAFES
For Fiscal Years 2021 – 2023

Column 1 State	Column 2 Year	Column 3 Cafes at Start of Year	Column 4 Cafes Opened	Column 5 Cafes Reacquired from Franchisees	Column 6 Cafes Closed	Column 7 Cafes Sold to Franchisees	Column 8 Cafes at End of the Year
California	2021	10	6	0	0	0	16
	2022	16	1	0	0	0	17
	2023	17	1	0	0	0	17
Total	2021	10	6	0	0	0	16
	2022	16	1	0	0	0	17
	2023	17	1	0	0	0	17

Table No. 5
PROJECTED OPENINGS
AS OF DECEMBER 31, 2023

STATE	FRANCHISE AGREEMENTS SIGNED BUT BUSINESS NOT OPENED	PROJECTED FRANCHISED NEW BUSINESSES IN THE NEXT FISCAL YEAR	PROJECTED COMPANY OWNED BUSINESSES OPENINGS IN NEXT FISCAL YEAR
California	0	1	0
Totals	0	1	0

The names, addresses and telephone numbers of Our current and former franchisees are attached hereto as **Exhibit G**. During the last three fiscal years, We have signed no settlement agreements containing confidentiality clauses with current or former franchisees. 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.

ITEM 21. FINANCIAL STATEMENTS

Our audited financial statements are attached as **Exhibit F**.

ITEM 22. CONTRACTS

Copies of the following agreements are attached:

A. Preliminary Agreement
B. Franchise Agreement with Exhibits and State Addenda
C. Area Development Agreement
D. Confidentiality Agreement

ITEM 23. RECEIPTS

You will find copies of a detachable receipt in **Exhibit I** at the very end of this disclosure document.

It is important that you sign, date and return a Receipt to Us. As noted on the cover page, this Disclosure Document is available in electronic format, in which case You must print a copy of the Receipt and send a signed and dated copy to Us. Thank you.

The name, principal business address and telephone number of each franchise seller offering the franchise are identified on the Receipts.

Exhibit
A

PRELIMINARY AGREEMENT

DATE: _______________, 202__

TO: _____________________ (“**You**” or “**Your”)**

FROM: Ubatuba Açai Expansion, LLC. ("**Us”, “We” or “Our**")

1. Franchise Approval.

(a) You have requested Us to approve and grant one UBATUBA AÇAI franchise for an Outlet to be located within the area or at the address described below:

Street Address or Area: ____

City:____________________, State:_____ (the "**Outlet**")

(b) This Preliminary Agreement is binding upon both parties.

(c) We have approved Your franchise request and commit to You that We will issue a Franchise Agreement for the Outlet subject to fulfillment of and compliance with all of the terms and conditions specified within this Preliminary Agreement.

2. Deposit; Refunds. You are delivering to Us upon execution of this Preliminary Agreement Your check in the amount of $10,000 as a deposit against the initial franchise fee. You understand and agree that this deposit and the initial franchise fee are NOT REFUNDABLE in whole or part under any circumstances.

3. Financial Terms of the Franchise. Your Franchise Agreement will contain the following financial terms:

Initial Franchise Fee	$20,000
Royalty Fee	5% of Gross Sales
Local Marketing	$1,000 or 3% of Gross Sales (less of)
Marketing Fund Fee	(In future) up 2% of Gross Sales
Renewal Fee	25% of then current initial franchise fee
Transfer Fee	25% of then current initial franchise fee

4. Conditions. You agree that issuance of a UBATUBA AÇAI franchise is subject to the satisfaction of each of the conditions set forth below:

(a) Your selection and acquisition of a site for the Outlet, written approval by Us of such site and construction of the Outlet pursuant to plans approved in advance by Us;

(b) Receipt by You of all approvals, permits and licenses necessary to operate the Outlet at the proposed site;

(c) Approval by Us of any legal entity proposed by You;

(d) Successful completion of UBATUBA AÇAI training by You or the Outlet's Designated Operator;

(e) Execution by the parties of the then-current form of franchise agreement following completion of training and before Outlet opening;

(r) Payment by You of the balance of the initial franchise fee upon execution of the franchise agreement;

(g) Your satisfactory performance and cooperation pursuant to this Agreement; and

(h) You have met any specific conditions of approval specified below:

____

5. Information Questionnaire. Our approval is materially based on the information You have submitted to Us, such as in the Information Questionnaire, which is attached hereto and incorporated herein by reference. You hereby represent and warrant that all such information and other information furnished by You to Us is true, correct and accurate in all material respects and that there have been no material omissions in such information. You agree to notify Us in writing immediately of any material change in the financial or other information furnished by You to Us. You further agree that We may terminate this Preliminary Agreement and may refuse to issue the franchise provided for by this Preliminary Agreement in the event that any material adverse change occurs in Your financial, business, or personal circumstances.

6. Confidential Information and Trade Secrets. You agree on behalf of Yourself and Your employees and other representatives to maintain strict confidentiality with regard to all confidential information and trade secrets which are disclosed to You in connection with the sale of a UBATUBA AÇAI franchise and in training You or Your employees to operate the Outlet. You further agree to sign and have each of Your employees and owners who will receive training to sign a Confidentiality Agreement in the form attached to this Agreement and to deliver the same to Us before training commences.

7. Site Selection. (a) You acknowledge and agree that it is Your sole responsibility to select and acquire a site that meets Our criteria for site approval and to follow Our procedures in obtaining site approval for the Outlet. In the event that We do assist in the site selection process, You agree and acknowledge that any such assistance or any recommendation, approval or advice must not be considered as any assurance or guarantee of success for the Outlet at such site.

(b) You agree to submit at least one proposed site for Our written approval within ninety (90) days of Our approval of this Agreement and to proceed diligently to take all actions necessary to acquire the site and construct the Outlet following Our site approval.

(c) Any lease or purchase agreement signed for the approved site is subject to Our prior approval, and any lease must contain the provisions required by Your UBATUBA AÇAI Franchise Agreement, Section 6.3 and 15.5.

8. Legal Entities; Personal Guaranty. (a) If Your Franchise Agreement is to be signed by or assigned to a corporation or other legal entity, all record and beneficial owners of the legal entity must be approved by Us and must execute a personal guaranty of the Franchise Agreement. Any exceptions to this requirement must be in writing signed by Our President.

(b) You agree to notify Us in writing of any intention to transfer the franchise to a legal entity at least thirty (30) days in advance of any such proposed transfer and to furnish Us with the necessary documents required by the Franchise Agreement and Our procedures.

10. Specific Understandings by You. You specifically acknowledge and agree as follows:

(a) Execution of this Agreement does not constitute the grant of a franchise, and You will be entitled to execute the UBATUBA AÇAI Franchise Agreement hereunder only if and when all conditions of this Agreement have been met.

(b) Only Our Franchise Development Committee may agree to grant a franchise or make any other commitment with regard to a UBATUBA AÇAI franchise, and any such agreement or commitment must be in writing signed by one of Our corporate officers.

IN WITNESS WHEREOF, the parties have executed this Preliminary Agreement on the date set forth above.

You: (if Individual(s))

By: ______________________ By: ______________________

Name: ____________________ Name: ____________________

You: (if Legal Entity)

Name of Entity: ________________________

By: ________________________
Authorized Officer

Name: ________________________

Us:

UBATUBA AÇAI EXPANSION, LLC.

By: ________________________
Daniela Demetrio, LLC Manager

CONFIDENTIALITY AGREEMENT

The undersigned Employee of_____________________ ("**Employer**"), which has applied for an UBATUBA AÇAI franchise from Ubatuba Açai Expansion, LLC ("**Franchisor**") or is an UBATUBA AÇAI franchisee, hereby agrees that he or she shall not, while employed by Employer or following such employment, communicate to, or use for the benefit of, any other person, persons, partnership, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of an UBATUBA AÇAI Outlet, including the UBATUBA AÇAI Manual; provided, however, that the foregoing does not include information which the Employee can demonstrate came to his or her attention prior to being employed by Employer or which has become a part of the public domain through publication or communication by others. Nothing in this agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employ has reason to believe is unlawful.

The Employee acknowledges and agrees that Employer alone will be solely responsible for all hiring and employment decisions and functions relating to Employer's UBATUBA AÇAI Outlet, including those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of employees, regardless of whether Employer has received advice from Franchisor on these subjects or not. Employee is not employed by Franchisor.

The Employee agrees to promptly disclose to Employer, any and all ideas, improvements, processes, names, menu items, and enhancements to the franchised business which Employee alone or with others invents, discovers makes or conceives ("Innovations") at any time during, and for a period of one year after employment in a UBATUBA AÇAI Outlet. All such Innovations will be deemed the sole and exclusive property of the Franchisor. The Franchisor has the right to incorporate such Innovations into the System without compensation to the Employee.

The Employee acknowledges that any failure to comply with the requirements of this Confidentiality Agreement will cause Employer and the Franchisor irreparable injury, and Employee agrees that in addition to any other right or remedy provided by law, Employer and/or the Franchisor shall be entitled to specific performance of, or an injunction against violation of, the requirements of this Confidentiality Agreement.

The Employee agrees that upon termination of his or her employment with Employer for any reason, he or she will return all copies of documents containing confidential information or trade secrets to Employer, including without limitation the UBATUBA AÇAI Confidential Manual(s).

IN WITNESS WHEREOF, the undersigned has executed this document in consideration of his or her employment by the Employer.

DATED: ______________________

Print Name: ______________________________

Signature: ______________________________

("**Employee**")

Exhibit
B

UBATUBA AÇAI BOWLS®

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT
TABLE OF CONTENTS

UBATUBA AÇAI BOWLS®
FRANCHISE AGREEMENT

THIS AGREEMENT dated ____________ 202__ is between Ubatuba Açai Expansion, LLC, a California limited liability company ("**We**", "**Us**" or "**Our**"), and ________________________, a ________________ organized under the laws of the State of ____________ ("**You**" or "**Your**"), and the Principals identified on the signature page of this Agreement ("**Principals**"). Terms in boldface in this Agreement are for ease of reference only.

RECITALS:

A. We own the exclusive rights to offer and sell franchises for the operation of retail Outlets using the name and trademark UBATUBA AÇAI BOWLS® and other trademarks (the "**Marks**") and following a system of operation ("**System**") to operate a chain of these Outlets ("**Outlets**") which was developed and used by Us and Our commonly owned companies which operate Outlets (collectively, the "**Company**").

B. You either desire (i) to purchase a UBATUBA AÇAI BOWLS franchise (**"Franchise**") and own and operate a Outlet and We have approved You for a Franchise or (ii) to renew an existing Franchise, in which case the attached Renewal Addendum will become part of this Agreement.

THEREFORE, in consideration of the mutual promises contained in this Agreement, the parties hereby agree as follows:

ARTICLE 1: GRANT OF FRANCHISE

1.1 Grant

Subject to the following terms and conditions, We grant to You a franchise to use the System and the Marks solely in direct connection with the sale of beverage, food and other products from a UBATUBA AÇAI BOWLS Outlet to be operated by You at the following location (referred to in this Agreement as "**Your Outlet"**):

Address: ____

UBATUBA AÇAI Outlet No.__________

1.2 Territorial Rights

(a) We agree that, unless Your Outlet is in a "high density area" (as defined below), We will not operate and will not authorize any other person to operate a UBATUBA

AÇAI Outlet within half of a mile (1/2) from the initial front door of Your Outlet (the "**Territory**") except one or more "Non-traditional Venue" Outlets defined in subsection (iv) below.

(b) Except for the foregoing, You and We agree that this franchise is non-exclusive , We reserve all other rights, including the right, directly or indirectly:

(i) To operate, and authorize others to operate, UBATUBA AÇAI Outlets at any location and of any type or category whatsoever outside of the Territory;

(ii) To operate, and authorize others to operate a business under any name *other than* UBATUBA AÇAI, at any location and of any type or category whatsoever;

(iii) To produce, license, distribute and market any products or service using the Marks or other marks through any business anywhere and through distribution channel, at wholesale or retail, including by means of the Internet (or any other existing or future form of electronic commerce), mail order catalogs, direct mail advertising and other distribution methods. Other distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, military installations, or industry locations (e.g., manufacturing site, office building). We are not required to pay You for soliciting or accepting orders from inside Your Territory;

(iv) To operate, and to authorize others to operate, a UBATUBA AÇAI Outlet at a Non-Traditional Venue near or within Your Territory. "**Non-Traditional Venue"** means a site or location for which the lessor, owner or operator thereof has indicated its intent to limit the operation of facilities to itself or a master concessionaire or contract food service provider and which site or location is either (i) within another primary business or (ii) at an institutional setting such as a school, college, university, military and other governmental facility, hospital, hotel, limited access highway, shopping mall, airport, toll road, office or in-plant food facility, sports arena or stadium, supermarket, grocery store or convenience store, some of which may have other Restaurant operations such as food courts.

(c) A "**high density area**", to be determined by Us in Our full discretion, is typically an area with a high degree of pedestrian traffic such as a downtown portion of an urban area with high-rise commercial buildings or a densely populated residential area with primarily multi-family or apartment units. If We determine that Your Outlet is located within a "high density area", any territorial rights will be stated in **Attachment 1** to this Agreement.

(d) If You want to offer catering or delivery service from Your Outlet, You must obtain Our prior written approval. Any catering or delivery services must meet Our written standards and shall only be conducted in Your Territory. You also must charge the same price for products offered by Your Outlet for any catering or delivery services. All catering or delivery services income must be included in Gross Revenues for purposes of the Royalty Fee, Local Marketing and Marketing Fund Fees.

1.3 Site; Relocation

(a) Site Selection. You must select a site that meets Our approval and follow the procedures set forth in Our Manual or otherwise in writing. We will provide You with site selection guidelines and assistance that We consider necessary and appropriate. You agree (i) that although We may have been involved in the site selection process for Your Outlet and approved its location, You have sole responsibility for selecting the above location for Your Outlet and (ii) that We make no warranty, representation or guaranty of any kind with respect to Your Outlet's location, success or profitability.

(b) Site Approval. You must locate and obtain Our approval for the site of Your Outlet within three (3) months of executing this Agreement. If You have not done so, We will grant You an extension so long as We are satisfied that you are proceeding in good faith and with due diligence.

(c) Construction. After approval of the site, You agree to purchase from Us, at a reasonable price, a copy of Our prototype plans and specifications for building out an Outlet, and You agree to employ an architect, designer and others as necessary to revise the plans needed for Your site. Except as may be expressly provided in the Manual, no changes of any kind in design, equipment or decor will be made in, on or about Your Outlet premises without Our prior written approval in each instance. In any event, You must obtain Our prior approval of the final plans and specifications for Your Outlet before submitting them to any landlord, property owner, or governmental agency and/or before beginning the construction or remodel. You agree to construct and equip Your Restaurant in accordance with all of Our standards, policies, and procedures at such time, and be in strict compliance with Our deadlines as stated in the Manual or other written communications from Us.

(d) Relocation. You will not relocate Your Outlet without Our prior written consent. We will consent to a relocation to an alternative, pre-approved location under limited circumstances only, such as loss of the location due to condemnation, eminent domain destruction, loss of Your right of possession for reasons not caused by You, or a very substantial and detrimental change in the business potential and character of the location. If We consent to the relocation of Your Outlet, You must comply with such reasonable site selection and construction procedures as We may require. You must conduct a Grand Opening Promotion as required by Section 7.8 below. You will be solely responsible for the expense of any such relocation and will pay Us a reasonable fee for Our services in connection with such relocation. If We consent to the relocation of Your Restaurant, You must comply with such reasonable site selection and construction procedures as We may require and following relocation. You will be fully responsible for closing the existing location and must comply with Section 15.3 below regarding de-identification.

1.4 Opening Date

You must complete construction and open Your Outlet for business within eight (8) months following the Effective Date of this Agreement. You may not open Your Outlet without Our prior written consent and satisfaction of all pre-opening obligations stated in the Manual and the installation of all equipment, fixtures, furnishings and signs included in the plans and specifications approved by Us. Your failure to open the Outlet in full compliance with these provisions will be a material event of default under this Agreement, and We may prevent You from opening the Outlet.

ARTICLE 2: FEES

2.1 Fees

You agree to pay Us:

(a) A non-refundable "**Initial Franchise Fee"** of $20,000, as payment for services rendered prior to the opening of the Restaurant, which has been fully earned and must have been paid in full upon execution of this Agreement;

(b) A "**Royalty Fee**" equal to five percent (5%) of Your Outlet's Gross Revenues per month as payment for the continuing right to use the System and Marks; and

(c) In the future when We determine that the System has grown to an appropriate size, a **"Marketing Fund Fee"** designated by Us and to be applied as described in Section 7.3 below.

2.2 No Fees Refundable

You agree that these Fees are not refundable in whole or part under any circumstances and have been fully earned by Us by the grant of this franchise.

2.3 Payment of Fees

(a) You agree to pay Us the Royalty Fee and Marketing Fund Fee no later than three business days following each calendar month or at such other time as may be designated in the Manual, such as without limitation weekly or daily transfers. If this deadline is a legal holiday where Your Outlet is located, payment must be made on the next business day. You must make payments in strict accordance with Our requirements, including EFT payments as described below. TIME IS OF THE ESSENCE regarding payment of such Fees.

(b) You agree to pay all such Fees to Us by direct transfer of funds ("**EFT**") or other method of payment designated by Us. Such method of payment will be determined by Us in Our sole discretion and may be changed from time to time.

(c) You agree at Our request to furnish the information, execute forms, make arrangements and complete procedures as are reasonably necessary to establish direct EFT or ACH payments automatically from Your account(s) to the account(s) We may designate in order to pay directly such Fees within each payment period. Without limiting the foregoing, You specifically agree to obtain the necessary equipment used by the System to transmit sales and other polling information which will allow Us to cause such transfers to be made and You are required to give Us access to such equipment as set forth in Section 8. You further agree to maintain sufficient funds in Your account(s) to allow timely honoring of each payment to Us by Your bank or other financial institution. You hereby specifically authorize Us to make such direct transfers of the Fees so long as such transfers are limited to amounts computed with reference to sales information furnished by You, or if You fail to furnish such information, with reference to good faith estimates by Us.

(d) All fees due under this Agreement which are not paid when due will bear interest from and after their respective due dates at the rate of eighteen percent (18%) per annum or the highest rate permitted by law, whichever is less. Any late payment of such Fees will be accompanied by a late payment administrative charge of $250.00.

2.4 Gross Revenues

The term "**Gross Revenues"** as used in this Agreement will mean the total of all cash or other form of payment received for the use of the Outlet and sale of sale of products and services in or from the Outlet, including food, drinks, clothing and other tangible property of every kind, or entertainment charges, made or sold at, in, upon or from Your Outlet and from any vending, game or other type of machine or similar device located at Your Outlet, and any and all other amounts which are received as compensation for any services rendered from Your Outlet including catering and delivery services. All amounts collected and paid out for sales taxes levied on the sale of such food, drinks, property, services and receipts, selling or issuing system gift or loyalty cards, and the proceeds from the sale of any furniture, fixtures or equipment previously used at Your Outlet are excluded from Gross Revenues.

ARTICLE 3: TERM; RENEWAL

3.1 Initial Term

Subject to earlier termination, this Agreement has an Initial Term of ten (10) years ("**Initial Term"**) or the length of Your lease for Your Outlet, whichever is less. The Initial Term will commence on the date on which You first operate Your Outlet as a UBATUBA

AÇAI Outlet. You agree to send Us written notice of Your Outlet's opening date. You must during the Initial Term have the right to operate Your Outlet at the location specified in Section 1.1 or at an alternative location approved in advance by Us in writing.

3.2 Renewal

You may renew this Agreement for two additional consecutive five (5) year terms, so long as all of the following conditions have been met before the end of the then current term:

(a) You must give Us written notice of renewal not less than six (6) months or more than twelve (12) months before the end of the current term;

(b) You must not default in any material provision of this Agreement, Area Development Agreement, or any other agreement with Us at any time during the last twelve months of the prior term and must have complied with all material terms and conditions of this Agreement during the current Term;

(c) You must be in good standing as a UBATUBA AÇAI Franchisee and be approved by Us operationally and financially;

(d) You must have paid all amounts owed to Us, Our affiliated companies ("**Affiliates**"), and Our approved suppliers (as defined in Section 4.8) and have timely paid all such amounts throughout the current term;

(e) We may send You a written notice of required changes to be made at Your Outlet, such as (i) additional training requirements, (ii) personnel changes and (iii) modernization of Your Outlet and its equipment, and/or redecorating Your Outlet and installing new signs and equipment to reflect the then current UBATUBA AÇAI standards and image, in which case You must make all of such changes as and when requested by Us;

(f) You must have obtained an extension or renewal of Your Lease for the Outlet to cover the renewal term and delivered to Us a fully executed copy of such Lease.

(g) You must execute and deliver to Us Our then-current form of Franchise Agreement to apply to the renewal term, but in no event shall the term be longer than Your right to occupy the Outlet. Such Franchise Agreement will contain the then-current Royalty Fee rate and Marketing Fund Fee amounts required of new Franchisees;

(h) You understand and agree that the form You execute may contain different financial terms and a revised description of Your Territory from the prior Franchise Agreement(s);

(i) You must pay Us no less than thirty days prior to expiration of the existing agreement, a “**Renewal Fee**” equal to twenty-five percent (25%) of the amount of Our Initial Franchise Fee in effect at the time renewal begins; and

(j) You must execute Our form of a general release of any and all claims against Us, the Company and Our Affiliates, and Our and their officers, directors, agents and employees.

3.3 Interim Period

If You do not exercise Your right to renew this Agreement prior to the expiration of the Agreement, and continue to accept the benefits of this Agreement after the expiration of this Agreement, then at Our option, this Agreement may be treated either as (i) expired as of the date of expiration with You then operating a franchise without the right to do so and in violation of Our rights, or (ii) continued as a month-to-month basis (“Interim Period”) until one party provides the other with written notice of its intent to terminate the Interim Period, in which case the Interim Period will terminate thirty (30) days after receipt of the notice to terminate. In the latter case, all of Your obligations and restrictions 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 You upon expiration of this Agreement will be deemed to take effect upon termination of the Interim Period.

ARTICLE 4: OPERATING SYSTEM AND PROCEDURES

4.1 Operating Assistance

We will at no additional cost to You advise and assist You in opening Your Outlet, including periodic visits by Our representative(s), to the extent We deem necessary.

4.2 Designated Operator

The individual named in this Section must be an experienced food professional with multi-unit Outlet supervisory experience, who will devote his or her full time, best efforts and constant personal attention to the day to day operation of Your Outlet, with full authority to act on Your behalf and on behalf of the Principals with regard to the operation of Your Outlet: ________________________________ (the "**Designated Operator**"), who must be at all times approved by Us and certified by Us as fully trained for operations. Certification and approval of the Designated Operator includes both satisfactory completion of our Outlet Manager, Kitchen Manager and Designated Operator Training Programs, and also working sufficient additional time in a Company-operated Outlet, as we deem necessary in our sole discretion, to successfully develop and operate a UBATUBA AÇAI Outlet. Any change in the identity of Your Designated Operator must be approved by Us in writing. Any failure to comply with this Section 4.2 will be a material breach of this Agreement.

4.3 Operation of Your Outlet

Unless You have received Our prior written approval to the contrary, You will:

(a) Keep Your Outlet open for business during the hours We specify;

(b) Operate Your Outlet in a clean, safe and orderly manner, providing courteous, first-class service as provided in the Manual and passing all quality inspections and reports conducted by Us or a designated third party;

(c) Construct, equip, and operate Your Outlet in accordance with all UBATUBA AÇAI standards, policies, and procedures as may be established from time by Us, as stated in the Manual or other written communications from Us.

(d) Comply with all health, safety and other laws applicable to the operation of Your Outlet, maintain at least a 90%, "A" or better health inspection score, cure any deficiencies immediately after a governmental inspection and request another inspection as soon as possible thereafter;

(e) Diligently promote and make every reasonable effort to increase the business of Your Outlet;

(f) Advertise Your Outlet by the use of the Marks and any other insignia, slogans, emblems, symbols, designs, and other identifying characteristics as may be developed or established from time to time by Us as stated in the Manual or other written communication from Us;

(g) Prevent the use of Your Outlet for any immoral or illegal purpose, or for any other purpose, business activity, use or function which is not expressly authorized by this Agreement or in the Manual;

(h) Obtain and use only the equipment and technology required by the Manual, such as without limitation, a computerized point of sale cash collection system ("**POS System**") which among other things will allow us to poll information about Your Outlet, credit card and/or debit card system, computer equipment and related software and communications systems;

(i) Never manipulate or tamper with the POS System software without Our prior written approval. Maintain Our full and complete independent access to Your Point of Sales System or other accounting or CRM systems designated by Us;

(j) Not establish or use any Internet or website for Your Outlet or otherwise using the Marks without Our prior written consent;

(k) Diligently participate in all promotional campaigns, special offers, and other programs, which are prescribed from time to time by Us;

(l) Maintain a competent, conscientious, trained staff and take any and all steps necessary to ensure that Your employees preserve good customer relations and comply with any dress code as may be established from time by Us, as stated in the Manual or other written communications from Us;

(m) Keep current in all monetary obligations owed Us, Our affiliated companies and Approved Suppliers;

(n) Consistently maintain Your Restaurant and conduct Your Outlet operations in compliance with all applicable laws, regulations, codes, insurance requirements and ordinances. You must secure and maintain in force all required licenses, permits and certificates relating to Your Outlet;

(o) Diligently comply with Our standards, protocols and restrictions regarding social media outlets, including without limitation Facebook, Twitter, Instagram, Pinterest or other similar outlets, that may exist in the future; and

(p) Never sell any food or beverage product at Outlet that contains any ingredients which were not purchased from a supplier approved by Us and does not meet Our specifications.

4.4 Confidential Manual

(a) We will loan You for Your Outlet one copy of Our Confidential Manual (the "**Manual**"). You agree to comply strictly with and perform all things required by the Manual, such as those dealing site selection, lease requirements, Outlet design and construction, the selection, purchase, storage, preparation, packaging, service and sale (including menu content and presentation) of all food and beverage products, maintenance and repair of Your Outlet's buildings, grounds, furnishings, fixtures and equipment, operating hours and days, employee uniforms and dress, accounting, bookkeeping, record retention and other business systems, procedures and operations. You must at all times treat the Manual, and the information it contains, as secret and confidential, and must use all reasonable efforts to maintain such information as secret and confidential.

(b) The Manual, as presently written and as We may in the future amend and supplement them from time to time, is incorporated into and made part of this Agreement by reference. All references to the Manual in this Agreement are to the Manual as most recently revised as of the relevant date and may be in the form of several manuals. The Manual may be in paper form or available in electronic form or a combination of both media.

(c) You agree that the purpose of the Manual is to provide a means of communicating to all Franchisees specific details of Our System which will enhance uniformity and conformity among all Outlets. You specifically agree that the Manual is an integral, necessary and material element of the System and that it will be necessary for Us, in order to maintain the high quality of the System and maximize its competitive position, to revise and update the Manual from time to time. We have the right at any time and from time to time, in the good faith exercise of Our reasonable business judgment, to revise, delete from and add to the materials contained in the Manual. You expressly agree to comply promptly with all obligations and changes to the Manual.

4.5 Confidentiality; Our Property

(a) You agree that We own all rights in and to the System, including the information and materials described or contained in the Manual, and that the System and Manual contain trade secrets and themselves constitute Our trade secrets which have been or will be revealed to You in confidence. You agree not to disclose, duplicate, license, sell or reveal any portion thereof to any other person, except an employee of Yours required by his or her work to be familiar with such information. You agree to promptly disclose to Us all innovations whether or not protectable and whether created by or for You or Your owners or employees. All such innovations will be deemed our sole and exclusive property and works made-for-hire for Us. We have the right to incorporate such innovations into the System. You agree to keep and respect all confidential information received from Us, to obtain from each of Your Outlet's managers and other employees an agreement to keep and respect all such confidences and to be responsible for Your employees' keeping this information confidential. A copy of the employee confidentiality agreement is attached hereto as **Attachment 3.** You agree to timely provide Us with copies of Your employee's executed confidentiality agreements.

(b) The Manual and all other confidential materials furnished to You are on loan only, will remain Our property, and You will return all copies of such documents to Us immediately upon the expiration or termination of this Agreement. The Manual may be in hard copy or electronic form and may include more than one volume.

4.6 Uniformity and Conformity

You agree that strict conformity by You with this Agreement, the System and the Manual, is vitally important to the collective success of all UBATUBA AÇAI Outlets, including Your Outlet, because of the benefits You and other UBATUBA AÇAI operators will derive from uniformity in menu items, identity, quality, appearance, facilities and service among all UBATUBA AÇAI Outlets. Any material failure to adhere to the requirements contained in this Agreement or in the Manual will be considered a material breach of this Agreement.

4.7 Products and Services

(a) You specifically agree that You will never sell any food or beverage product at Your Outlet that contains ingredients which were not purchased from a supplier approved by Us and which does not meet Our specifications. You agree that designated proprietary products and mixes may only be available for purchase from Us, in which case We will sell it to You at reasonable markup.

(b) You further agree to offer for sale from Your Outlet, at all times when Your Outlet is open for business, all of the food, beverages and other products expressly described in the Manual, unless You have received Our prior written consent to any exception. We have the right to make modifications to these items from time to time, and You agree to comply with any modification.

(c) No other product, brand or service other than those identified in the Manual will be offered or sold at or from Your Outlet without Our prior written consent in each case. You agree to submit to Us in writing any additional product, brand or service proposed by You for Our consideration and final determination before You implement any such change. We may approve it initially for testing only. You understand and agree that at Our discretion any such proposal may be utilized on a test basis only, subject to the terms of a written test agreement. All proposals approved by Us will become Our property upon submission.

4.8 Approved Suppliers: Proprietary Ingredients

(a) In order to assure uniformity and conformity among Outlets in the System, You agree to purchase all equipment, supplies and products for sale at Your Outlet only from suppliers who are at that time approved in writing by Us as an approved supplier (“**Approved Supplier**”), which may include Us or one of Our Affiliates. You acknowledge and agree that an Approved Supplier may be the only source for certain items. We and Our Affiliates have and reserve the right to retain 100% of all revenues received through license fees, promotional fees, advertising allowances, rebates or services paid by suppliers and to use them for whatever purposes elected.

(b) If You want to purchase items from a supplier who is not an Approved Supplier, You will notify Us of such supplier, pay an approval fee and instruct the proposed supplier to contact Us and follow Our procedures for becoming an Approved Supplier. We may charge a reasonable fee for the costs involved in these approval procedures. You understand and agree that at Our discretion any such proposals may be utilized on a test basis only subject to the terms of a written test agreement. You may not sell or offer for sale any products or services of the proposed supplier until Our written approval of the proposed supplier is received.

(c) You agree to buy to the extent required by the Manual any designated proprietary products, ingredients or equipment from Us or a designated supplier (which may be an Affiliate). You agree that such ingredients are prepared pursuant to secret, proprietary recipes and/or procedures belonging to Us.

4.9 Your Covenants

(a) You agree that UBATUBA AÇAI Outlets, including Your Outlet, must compete against similar businesses (as defined below) which may have far greater financial resources and may be better established in the food service industry. For purposes hereof, a "**Similar Business**" is any food service outlet or similar business which primarily offers for sale the same products as offered and sold by UBATUBA AÇAI Outlets at that time.

(b) Therefore, You agree on behalf of Yourself and each and every person with an ownership interest in Your Outlet ("**Owner**") to take all necessary action to assure compliance throughout the term of this Agreement with the requirements of this Section 4.9 and the other Sections in this ARTICLE 4, including obtaining and delivering to Us a written agreement from each such person that he or she agrees to each of the covenants set forth in this Section 4.9.

(c) Neither You nor any Owner will, directly or indirectly, engage in or have any interest whatsoever in any Similar Business without Our prior express written consent.

(d) Neither You nor any Owner will perform any services for or become a landlord of any Similar Business without Our prior express written consent.

(e) Neither You nor any Owner will divert or attempt to divert any business or customer of Your Outlet, or of any other UBATUBA AÇAI Outlet, to any Similar Business by direct or indirect inducement, advertising or otherwise do or perform, directly or indirectly, any other act which is injurious or prejudicial to the goodwill associated with the System or the value of the Marks.

(f) For a period of two (2) years following the expiration or termination of this Agreement, or after the expiration of any Interim Period, neither You nor any Owner will, directly or indirectly, engage in or have any interest whatsoever in any Similar Business which is located within ten (10) miles of any UBATUBA AÇAI Outlet or the premises of the former Outlet, without Our prior express written consent. You agree that this length of time will be tolled for any period during which You are in breach of this covenant or any other period during which We seek to enforce this Agreement.

(g) You agree that any violation of this Section 4.9 would result in irreparable injury to Us and the System, and that We would be without an adequate remedy at law. You agree that in the event of a breach or threatened breach of any such covenant, We will not be required to prove actual or threatened damage from such breach in order to obtain a temporary and/or permanent injunction and a decree for specific performance of the terms of this Section 4.9. In addition to injunctive relief, We shall be entitled to any other remedies which We may have under this Agreement, at law or in equity.

(h) The parties agree that each of these covenants will be construed as independent of each other and of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 4.9 is held unenforceable by a court having valid jurisdiction in a final decision between the parties hereto and from which no appeal has or may be taken, You expressly agree to be bound by the remaining portion of such covenant.

4.10 Employees

You acknowledge that You are an independent business and responsible for control and management of Your Outlet, including but not limited to, employment decisions and related matters. You and You alone will be solely responsible for all hiring and employment decisions and functions relating to Your Outlet, including those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision and discipline of employees, regardless of whether you have received advice from Us on these subjects or not. Any guidance We may give You regarding employment policies should be considered merely examples. You acknowledge that We have no power, responsibility, or liability in respect to the hiring, discharging employees, setting work schedules, maintaining all employment records, and setting and paying of wages or related matters. You will be responsible for establishing and implementing your own employment policies and should do so in consultation with local legal counsel experienced in employment law.

4.11 Software

(a) You agree to use in Your Outlet the software designated by Us in the Manual for Franchisees to use for franchise management, online ordering system, making estimates, preparing invoices, keeping accounting records and other aspects of the Business. We may in Our sole discretion consent to use of alternative software in Your Outlet and such agreement will be communicated in writing.

(b) The software will be available to You on the same terms available to other Franchisees and as specified in the Manual. The computer software package developed for use in Your Outlet may include proprietary software. You may be required to license the proprietary software from Us or a third party and You also may be required to pay a software licensing or user fee in connection with Your use of the proprietary software.

4.12 Online Management and Communication System; Website

(a) We may establish an online management and communication system for UBATUBA AÇAI Outlet Operations and You agree to participate and perform all things necessary to set up and connect to the online communication system and comply strictly with its requirements.

(b) We may require You, at Your expense, to participate in Our website, Our intranet system or extranet system or other online communications. We have the right to determine the content and use of Our website and intranet or extranet system and will establish the rules under which franchisees may or must participate.

(c) You may not separately register any domain name containing any of the Marks, participate in any website or social media platform that markets goods and services similar to an UBATUBA AÇAI Outlet, or operate a website for Your Outlet that does not link to Our website. We retain all rights relating to Our website and intranet system and may alter or terminate Our website, extranet system, or intranet system. You acknowledge that certain information related to Your participation in Our website or intranet system may be considered Confidential Information, including access codes and identification codes.

4.13 Data Security

You acknowledge and agree that protection of customer privacy and credit card information is necessary to protect the goodwill of businesses operating under the Marks and System. You agree that Your Outlet will comply at all times, with all applicable security standards developed by the Payment Card Industry Data Security Standards ("**PCI DSS**") council, or its successor, and other regulations and industry standards applicable to the protection of customer privacy and credit card information, including but not limited to the Fair and Accurate Credit Transaction Act ("**FACTA**") and all other successor or additional laws, and all other data security requirements We prescribe. You will be responsible for any costs and expenses related to compliance with such standards and/or related audits. You must provide Us with evidence of such compliance at Our request. You also must provide notice to Us of any potential or actual data security breach relating to cardholder data.

4.14 Crisis Management.

(a) "**Crisis Management Event**" means any event that occurs at or about Your Outlet premises or in connection with the operation of Your Outlet that has or may cause harm or injury to customers or employees, such as food contamination, food spoilage/poisoning, food tampering/sabotage, contagious diseases, natural disasters, terrorist acts, shootings or other acts of violence, data breaches, real or threatened, or any other circumstance which may materially and adversely affect the System or the goodwill symbolized by the Marks.

(b) Upon the occurrence of a Crisis Management Event, You agree to immediately inform Us of such event and to cooperate fully with Us, Our designated representatives, and the appropriate authorities with respect to the investigation and resolution of the Crisis Management Event. In an effort to mitigate possible damages to the Marks and System, You must cooperate fully with Us with respect to management statements and other responses to the Crisis Management Event.

4.15 Pricing

To the fullest extent permitted by applicable law at such time, We reserve the right to establish maximum, minimum or other pricing requirements with respect to the prices You may charge for products or services, and You agree to comply with any such requirements.

ARTICLE 5: TRAINING

5.1 Initial Training

We will provide without charge at a place or places designated by Us Our UBATUBA AÇAI Initial Training Program for Your Designated Operator (as identified in this Agreement), Your General Manager (if different persons) and any Assistant Manager(s) designated by Us.

5.2 Training Required

You, Your Designated Operator (if different) and General Manager must each attend and complete Our Initial Training Program to Our reasonable satisfaction and prior to opening Your Outlet. All Managers of Your Outlet must attend and successfully complete Our training or otherwise become certified as required by the Manual. You must always have a properly certified Manager on duty at Your Outlet whenever it is open to the public. In Our sole discretion, We may also provide training for successor and replacement personnel. You must pay for the expenses of attendance, such as lodging, meals, transportation, and wages of attendees.

5.3 Training Employees

You will be responsible for full compliance at Your Outlet with the training requirements specified in Our Manual and taught at Our Initial Training and You will cause Your Outlet's employees to be trained in those requirements which are relevant to the performance of their respective duties. We may require Your employees to be trained and certified in the performance of their duties, and with Our consent You may have employees approved as certified trainers for the other employees. No employee of Yours will be deemed to be an employee of Ours for any purpose whatsoever.

5.4 Pre-Opening Parties; Assistance

(a) Prior to opening Your Outlet Premises for business, You agree at your own expense to conduct mock service and pre-opening operations following the requirements of the Manual ("**Pre-Opening Parties**").

(b) We will advise and assist You in operating Your Outlet, including periodic visits by Our representative(s), to the extent We deem necessary.

5.5 Continuing Training

You and such employees as We may designate will, from time to time, personally attend and complete refresher courses in Outlet operations and food and drink preparation and any training sessions held for the purpose of introducing new products or procedures.

5.6 Fees; Expenses

We reserve the right to charge a reasonable fee for training successor or replacement personnel, and for any additional training programs and course materials, at Our discretion. Current fees are designated in the Manual..

ARTICLE 6: MAINTENANCE; LEASE PROVISIONS

6.1 Repairs and Maintenance

(a) You agree to maintain Your Outlet (interior and exterior), and its grounds and parking area in a "like new" condition and in conformity with the requirements set forth in the Manual or other writings issued by Us. Furthermore, You agree to replace Outlet equipment, fixtures, furnishings, trade dress and signage as necessary or required by Us and to obtain any new or additional equipment as may be reasonably required by Us for new products or procedures. You agree to promptly take all such action as requested by Us promptly within a reasonable time period after receipt of such request. If You have failed to take any action within fifteen (15) days after Our notice, We may, in addition to all other remedies, enter Your Outlet and effect the corrective action contained in the notice, and You shall immediately pay the costs incurred by Us in taking such action.

(b) Except as may be expressly provided in the Manual, no changes of any kind in design, signs, equipment, or decor will be made in, on or about Your Outlet premises without prior written approval of in each instance. You will obtain, repair, maintain and replace all equipment, signs, and other Outlet items at Your sole cost.

6.2 Modernization

In order to compete effectively and to assure the continued success of Your Outlet, You agree, from time to time, as reasonably required by Us in writing (taking into consideration the cost and then remaining term of this Agreement), to modernize Your Outlet premises, parking area and equipment to Our then current standards and specifications. You understand and agree that this obligation is in addition to other obligations under this Agreement, such as repair, maintenance, and purchase of new equipment. No such modernization will be required by Us unless and until the Company has at that time implemented such standards and specifications in at least twenty-five percent (25%) of its Outlets located in the continental United States. You acknowledge and agree that the requirements of Article 6 are reasonable and necessary to ensure continued public acceptance and patronage of UBATUBA AÇAI Outlets and to avoid deterioration or obsolescence in connection with the operation of Your Outlet. If You fail to make the repairs, maintenance or modernization as required by this Article 6, We may, in addition to Our other rights in this Agreement, effect such repairs, maintenance or modernization and You must reimburse Us for the costs We incur.

6.3 Lease Provisions

If You are or become a lessee of Your Outlet premises, You will provide Us for Our review and comment with a copy of the proposed lease at least 15 days prior to its being finalized and executed. You must after execution furnish Us with a true, correct, complete and executed copy of the lease. Such lease must contain the option required by Section 15.5 below and a provision which precludes any other food or beverage service vendor selling predominantly products similar to UBATUBA AÇAI Outlets from operating in the same business center or five (5) miles from Your Outlet for any property under landlord control, and the alteration and de-identification rights required by this Agreement where the premises will no longer be operated as a UBATUBA AÇAI Outlet. Such lease will also require the lessor (a) to give Us reasonable notice of any lease termination and a reasonable time in which to take and make the above actions and alterations and (b) provide that You have the unrestricted right to assign such lease to Us. These lease provisions may be subject to the reasonable consent of the lessor.

ARTICLE 7: MARKETING AND ADVERTISING

7.1 Marketing, Promotion and Advertising Programs

The parties recognize the value of marketing, advertising, and promotions to enhance the goodwill and public image of the System. We agree that We will develop marketing, promotion and advertising programs designed to promote and enhance the collective success of all UBATUBA AÇAI Outlets. It is expressly agreed that in all respects of such marketing, promotion, and advertising (such as type, quantity, timing, placement and choice of media, market areas and advertising agencies), Our decisions made in good faith will be final and binding. Your participation in all such advertising and sales promotion programs must be in full and complete accordance with any terms and conditions as We may have established. You must use and honor only system-wide gift cards, certificates, and checks that We designate, and You must obtain all certificates, cards or checks from an Approved Supplier.

7.2 Local Advertising

(a) You agree that during the term of this Agreement, you will spend monthly $1,000 or 3% of Your Outlet's Gross Revenues, whichever is the lesser amount, for conducting advertising and sales promotion programs for Your Outlet ("**Local Marketing**"). We may require You to provide proof of all such marketing, promotion, and advertising expenditures. You acknowledge and agree that You must obtain Our prior written approval for all of Your local programs in order for them to qualify for required spending. This obligation is in addition to Your obligation for grand opening promotion. Payments to an approved Advertising Cooperative ("**Ad Co-op**") will be applied to this Local Advertising obligation.

(b) You will not make any contributions or donations of items, services or money to any individual or entity, or provide any type of other benefit to any charitable, religious, political, social, civic or other type of organization (or to any individual on behalf of any such organization) in the name of Your Outlet or otherwise associate with the Marks, without our prior express written consent.

(c) You will not establish Your own "eclub" or marketing campaigns, Gift Card programs, Loyal Customer programs, any website, social media accounts, or other such programs as designated in the Manual without Our prior written approval. You agree to diligently participate in all promotional campaigns, customer loyalty programs, special offers, and other programs, which are prescribed from time to time by Us.

(d) You will not issue any press release without Our prior express written approval.

7.3 Marketing Fund

(a) In order to maximize the general public recognition and acceptance of UBATUBA AÇAI Outlets, We may at such time as We believe is appropriate for the System establish a Marketing Fund. You agree that We may require that You contribute up to two percent (2%) of Your Outlet's Gross Revenues to this Fund. We will also set the initial contribution rate at that time, which may be less than the maximum rate.

(b) We will use monies from the Marketing Fund to pay for the production and development costs of materials to be used in the marketing of all Outlets and for advertising, marketing and promotion of UBATUBA AÇAI Outlets generally, including without limitation, costs and expenses related to the employment of advertising agencies, payment of talent and residuals, research and development, design and development of trademarks and logos, promotions, public relations market research, reimbursement to Us, Our Affiliates or the Company of general and administrative expenses and allowances directly related to marketing of UBATUBA AÇAI Outlets and clearance of marketing, advertising and promotional programs.

(c) You agree that We may reimburse Ourselves for administrative expenses with respect to the Marketing Fund (i) the direct costs and expenses incurred by Us or Our Affiliates in administering the Marketing Fund and (ii) up to fifteen (15%) of Marketing Fund contributions for each of Our fiscal years to cover (A) Our administrative costs and overhead incurred by Us in connection with activities related to the administration of the Marketing Fund and its programs and (B) a pro rata portion of the compensation paid by Us or Our Affiliates to persons for their work on Marketing Fund related matters.

(d) The Company will also contribute to the Marketing Fund the same percentages of the Gross Revenues from its operation of UBATUBA AÇAI Outlets in the continental United States.

(e) We will deposit the Marketing Fund Fees in separate accounts, which will not be considered one of Our assets. You agree that We shall not be a "trustee" of the Marketing Fund or such Fees.

(f) We agree to cause an annual accounting of the Marketing Fund and to make the results of such accounting available to You upon request. If such accounting is made by an independent accounting firm, the expenses thereof shall be paid from the Marketing Fund.

(g) We and Our Affiliates reserve the right to receive advertising promotional allowances and/or advertising rebates from suppliers or distributors which relate directly to purchases by UBATUBA AÇAI Outlets operated by franchisees. We will cause such monies to be paid into the Marketing Fund, with the understanding that You and We may retain all such payments paid directly to You or Us, respectively.

(h) You agree that We have no obligation in administering the Marketing Fund to make expenditures for You or others which are equivalent or proportionate to the contribution(s) made or to ensure that any particular franchisee benefits directly or pro rata from any marketing program or advertising.

7.4 Marketing Fund Policy

(a) We will develop and modify from time to time as necessary an Marketing Fund Policy which will include procedures and guidelines for disbursements and expenditures from the Marketing Fund.

(b) All monies in the Marketing Fund, including any interest or other income earned from the investment of such monies, must be spent and disbursed only in accordance with this Agreement and the Marketing Fund Policy, which may be modified from time to time at Our discretion so long as all monies are used to pay for marketing, promotion and advertising programs for UBATUBA AÇAI Outlets in the continental United States of America.

7.5 Temporary Investment

We may temporarily invest any or all of the monies held in the Marketing Fund from time to time at Our sole discretion in accordance with the Marketing Fund Policies. We will use any interest or other income received from such investments to pay for the expenses of administering the Marketing Fund pursuant to the Marketing Fund Policy. Interest or income received from temporary investments that exceed the reasonable expenses of administering the fund will be considered part of the Marketing Fund.

7.6 Ad Co-ops

(a) We may at Our discretion designate any geographical area as a basis for an Ad Co-op for the purpose of marketing, advertising and promoting UBATUBA AÇAI

Outlets in that area, including the Company Outlets. The Ad Co-op will also serve as means of exchanging ideas, sharing information and problem solving.

(b) You agree to become a member of an Ad Co-op at any time the Outlet is located within the designated area for such Ad Co-op.

(c) You agree to execute and deliver any such Ad Co-op agreements or undertakings required by such Ad Co-op, to make contributions as required of its members, and to maintain Your status as a member in good standing of such Ad Co-op at all times.

(d) We may establish and revise the requirements for approval of Ad Co-ops, the amount of contribution by members to each such Ad Co-op, and exemptions from membership or temporary suspensions of contributions.

(e) The mandatory contribution to an Ad Co-op may exceed Your Local Marketing spend if the Ad Co-op members agree to additional funding in accordance with established Bylaws. All such contributions will be credited toward Your Local Advertising Spend.

7.7 Approval of Advertising

(a) You must use only advertising copy and other materials which are in strict compliance with Our requirements, as set forth in the Manual or otherwise. All of Your advertising, promotion and marketing must be completely clear and factual, not misleading, and conform to the highest standards of ethical marketing and the promotion policies.

(b) If You wish to use other or modified materials, You must submit to Us, in each instance and at least thirty (30) days prior to first use, the proposed advertising copy and materials for approval in advance of publication. You may use only advertising materials which have been approved in writing by Us.

(c) In no event will Your advertising contain any statement or material which may be considered (i) in bad taste or offensive to the public or to any group of persons or (ii) defamatory of any person or an attack on any competitor, (iii) will not be misleading and (iv) will conform to the highest standards of ethical marketing and the promotion policies that We prescribe from time to time.

7.8 Grand Opening

You agree to conduct an approved grand opening promotion for Your Outlet shortly after its opening, and to spend at least $2,000.00 to $6,000.00 in approved expenditures in regard to such promotion. We will assist You in planning for Your grand opening. All advertising, methods, and media You use in connection with such Grand Opening must have Our prior approval. At Our request, You must submit to Us expenditure reports accurately reflecting Your Grand Opening expenditures. Grand Opening expenditures will not be credited toward any of Your other obligations under this Section 7.

7.9 Websites and Internet Advertising

You shall not, indirectly, or directly, register, establish or operate any website, Internet directory listing, domain name, social networking site, or other digital presence in any media or platform as defined in the Manual, relating in any way to Your Outlet, or which uses the Marks without Our prior written consent. Except email communications, You may not conduct any aspect of Your Outlet business through the Internet without Our prior consent. You will adhere to any social media policies that We establish from time to time and will require all of Your employees to do so as well. We will include information about Your Outlet on Our website.

7.10 Social Media

We have sole discretion and control over any profiles using or relating to the Marks, or that display the Marks, that are maintained on social media outlets, including without limitation Facebook, Twitter, Instagram, Pinterest, or other similar outlets that may exist in the future. We may use part of the Marketing Fund monies We collect under this Agreement to pay or reimburse the costs associated with the development, maintenance, and update of such profiles. We may (but need not) establish a social media policy and guidelines pursuant to which You may establish profiles or otherwise establish a presence on such social media outlets. In that event, You shall comply with the standards, protocols, and restrictions that We impose from time to time on such use.

7.11 Promotional Programs

We or Our Affiliate may, from time to time, in Our sole discretion, develop and administer national or regional advertising and sales promotion programs, loyalty programs (including, without limitation, gift card, gift certificate and other customer loyalty or retention programs) and test programs. You must participate in all such programs, at Your expense and sign the forms and take the actions that We require to participate in such programs. You acknowledge that such participation may require You to purchase reasonable point of sale advertising material, posters, flyers, product displays and other promotional materials.

ARTICLE 8: ACCOUNTING AND RECORD KEEPING

8.1 Point of Sales System/Accounting System

(a) Before the opening of Your Outlet and at Your own expense, You agree to procure and install the computer hardware, software, Internet connections and service, required dedicated telephone and other computer-related accessories, peripherals and equipment that are required in the Manual or otherwise in writing (the **"POS System"**). You must record all transactions on a computer-base system that is fully compatible with Our computer system, or the computer system of Our designated POS supplier and/or other third-party vendors. The computer software package developed for use in the Outlet may include proprietary software. You may be required to license the proprietary software from Us or a third party, and You also may be required to pay a software licensing or user fee in connection with Your use of the proprietary software.

(b) You agree to accurately, consistently, and completely record and provide through the POS System or other systems designated by Us, all information concerning the operation of Your Outlet that We require, in the form and at the intervals that We require, as set forth in the Manual.

(c) You acknowledge and agree that We will have full and complete independent access to Your POS System, and We may retrieve from Your POS System all information that We consider necessary, desirable, or appropriate.

8.2 Accounting Information

You understand and agree that We may under Section 8.1 require You to use software which will generate accounting information which will be accessible to Us electronically. You also agree that We may require You, following written notice or as part of the Manual, to send to Us in the form and within the time schedules set forth in the Manual, hard copy or other form of reports and information. These may include Profit and Loss Statements, Balance Sheets and Statements of Cash Flow, sales tax returns, and income tax returns.

8.3 Accounting Records

You agree to maintain and preserve for a minimum of seven (7) years from the date of preparation full, complete, and accurate books, records and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by the Manual.

8.4 Sales Tax Returns; Other Reports

You agree to deliver to Us on or before the dates specified in the Manual a copy of all sales tax returns, occupation tax reports, and other similar returns or reports prepared by or on behalf of the Outlet according to the form and timing that We prescribe.

ARTICLE 9: AUDITS AND INSPECTIONS

9.1 Audit Rights

You agree that We will at all times have the following audit rights:

(a) Our representatives may on a reasonable basis review, inspect and copy any and all accounting records, income and sales tax records and other such documents, as they determine, in their sole discretion as being necessary to audit Your compliance with this Agreement.

(b) If any inspection or audit reveals that the Gross Revenues reported in any report or statement are less than the actual Gross Revenues calculated during such inspection, and/or fees owing are otherwise miscalculated, then You will immediately pay Us the additional amount of fees owing by reason of the understatement of Gross Revenues previously reported and/or other miscalculation, together with interest as provided in Section 2.3. In the event that any report or statement by You understated Gross Revenues and/or fees owing by more than two percent (2%) as calculated during Our inspection, You will, in addition to paying for the additional fees and interest, pay and reimburse Us for any and all expenses incurred in connection with its inspection, including, but not limited to, reasonable accounting and legal fees. Such payments will be without prejudice to any other rights or remedies We may have under this Agreement or otherwise. In addition, We may at Our sole discretion require a complete and full audit in accordance with generally accepted accounting principles and by a certified public accountant acceptable to Us, at Your expense.

9.2 Inspection

(a) You agree to, at Your expense, participate in Our surveys regarding guest satisfaction, Outlet inspections, and other on-site or remote reviews of Your operations. In addition, You will cause the reports of all such inspections or surveys to be sent to Us.

(b) We will make periodic calls or visits to Your Outlet as We deem advisable. You agree that Our representatives will have the right at any time, and from time to time, without notice to enter Your Outlet for the purpose of inspecting its condition and its operations for compliance with Our requirements contained in this Agreement and in the Manual, and for any other reasonable purpose connected with the operation of Your Outlet.

(c) You agree to incorporate into Your Outlet any reasonable corrections and modifications We require to maintain Our standards of quality and uniformity, as quickly as is reasonably possible and using all resources at Your disposal.

9.3 Books and Records

Without limiting the generality of Section 9.2, Our representatives will have the right at all times during normal business hours to confer with Your Outlet's employees and customers, and to inspect Your books, records and tax returns, or such portions thereof as pertain to the operation of Your Outlet. All of Your books, records and tax returns will be kept and maintained at Your Outlet, at Your primary office or such other place as may be agreed to from time to time in writing by the parties.

9.4 Ownership Records

You must maintain an accurate ownership register or other list of names, addresses and interests of all Your record and beneficial owners. Upon ten days written notice from Us, You will deliver to Us a copy of such register and/or list of owners, certified by Your chief executive officer or LLC manager to be correct. During any audit or other inspection under this Section 9, You will allow Our representatives to inspect and copy such register and/or list.

ARTICLE 10: RELATIONSHIP OF PARTIES AND INDEMNIFICATION

10.1 Relationship

You acknowledge that You are an independent business and solely responsible for control and management of Your Outlet. You are not and will not represent or hold Yourself out as being an agent, legal representative, joint venture, partner, employee or servant of Us for any purpose whatsoever and, where permitted by law to do so, will file a business certificate to such effect with the proper recording authorities. You are an independent contractor and are not authorized to make any statement or commitment on behalf of Us, or to create any obligation, express or implied, on behalf of Us. You agree that We are not in any way a "fiduciary" in regard to You. You will not use the name UBATUBA AÇAI, UBATUBA or any similar words or symbols as part of the name of a corporation or other business entity directly or indirectly associated with You, unless otherwise authorized by Us in writing.

10.2 Indemnification

(a) You must immediately notify Us in writing of any claim; litigation or proceeding that arises from or affects the operation or financial condition of Your UBATUBA AÇAI business or Outlet.

(b) You will indemnify, defend, and hold harmless Us, the Company, Our Affiliates, and their officers, directors, members, managers, stockholders, employees, agents, affiliates, successors, and assigns (each, an “Indemnitee”) against all liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses (including interest, penalties, attorney fees, accounting fees, expert witness fees, and costs of investigation) incurred by such Indemnitee, known or unknown, contingent or otherwise, directly or indirectly arising from, based on, or related to (i) the operation or condition of any part of Your Outlet or Outlet premises, the conduct of Your Outlet's business (including, without limitation, any failure to comply with employment-related laws, rules, or regulations, including, without limitation, wage, hour, and anti-discrimination laws), the ownership or possession of real or personal property, any negligent act, misfeasance or nonfeasance by You or any of Your agents, contractors, servants, employees or licensees, and/or (ii) Your failure to perform any of Your obligations under this Agreement. We reserve the right to select Our own legal counsel to represent Our interests.

(c) We will indemnify and hold You harmless from all direct expenses and liabilities arising solely from any third-party claim that Your use of Our Marks or Our intellectual property in connection with Your operation of Your Outlet, so long as You were operating the Outlet in strict compliance with this Agreement, infringes upon the trademarks or intellectual property of such third-party claimant. We will not indemnify You against such third-party claims unless Your use of the Marks complies with the requirements of this Agreement and the System. If You are made a party to a legal proceeding solely pursuant to a claim of Your alleged infringement upon the trademarks or intellectual property of a third party, and provided You cooperate with Us fully and timely (which may include You signing a waiver of conflict of interest for any counsel representing both You and Us), We will hire counsel to protect Our interests and will defend You at Our own expense. Any settlement We negotiate will bind You, but We will reimburse You for Your direct cost of compliance with the settlement agreement. We reserve the right to control all aspects of any such legal proceeding.

(d) Notwithstanding the foregoing provisions in Section 10.2(c), if We determine in Our sole discretion that it is necessary or appropriate to add, delete or modify any of Our Marks or other intellectual property, whether Our determination is made in connection with a dispute, or otherwise, You will be solely responsible for all expenses associated with adding, deleting, or modifying all signs and other materials that display Our Marks.

ARTICLE 11: INSURANCE

11.1 Insurance

You will obtain before beginning construction or remodeling of Your Outlet, or as provided in the Manual, and will maintain in full force and effect during the entire term of this Agreement, at Your sole cost and expense, an insurance policy or policies protecting You and Us against any and all loss, liability, or occurrence, arising out of or in connection with the construction, condition, operation, use or occupancy of Your Outlet or Your Outlet premises. We must be named as an additional insured in all such policies, workers' compensation excepted.

11.2 Policies

In all events, the insurance policy or policies will include at least the following:

(a) Comprehensive general liability insurance, including products liability coverage with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.
(b) Liquor liability coverage (if any alcoholic beverages are offered for sale from the Outlet) with minimum coverage of $1,000,000 and $2,000,000 in the aggregate.
(c) Property insurance covering the perils of fire and extended coverage, vandalism and malicious mischief with coverage to be at replacement cost.
(d) Liability for owned, non-owned and hired vehicles with minimum coverage of $1,000,000 per occurrence and $3,000,000 in the aggregate.)
(e) Umbrella liability insurance policy providing a minimum of $5,000,000 coverage including the above limits.
(f) Course of construction insurance at replacement cost.
(g) Workers' compensation insurance as required by applicable state law.
(h) Business interruption insurance (reasonable coverage and time limit).

The insurance policies must have at least the above minimum coverage. Your own business practices and specific landlord requirements may increase such coverage. Your obligation to maintain this insurance will not be limited in any way by reason of any insurance maintained by Us.

11.3 Qualified Insurance Carrier

All insurance policies required by this Agreement must be written by a responsible insurance company or companies satisfactory to Us, and in accordance with the minimum limits set forth in Section 11.2 above, which may be changed from time to time by Us at Our discretion to reflect changed conditions. Each insurance company must be rated no less than A VII by A.M. Best and Company. You must maintain such additional insurance coverage and increased limits that We may reasonably consider advisable for an Outlet business in the area where Your Outlet is located.

11.4 Certificates

Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, You will deliver to Us for Our approval certificates of insurance showing compliance with the requirements of Section 11.1. We require You to provide full and complete copies of all insurance policies. Such certificates must state that the policy or policies will not be canceled or altered without at least thirty (30) days' prior written notice to Us. Maintenance of such insurance and the performance by You of Your obligations under this Section 11 will not relieve You under the indemnity provisions of this Agreement or limit such liability.

11.5 Changes in Insurance Requirements

You agree that to meet then current needs and situations We may in the Manual revise and add to the above requirements.

11.6 Failure to Insure

If You, for any reason, fail to obtain and maintain the insurance coverage required by this Section, We will have the right and authority to obtain immediately such insurance coverage, and to charge the cost thereof plus a ten percent (10%) processing fee to You, which charges will be paid immediately upon notice and will be subject to charges for late payments in the manner set forth in Section 2.3 hereof.

ARTICLE 12: DEBTS AND TAXES

12.1 Debts and Taxes

You will pay promptly when due all debts and other obligations incurred directly or indirectly in connection with Your Outlet and its operation; including, without limitation, all taxes and assessments that may be assessed against Your Outlet land, building and other improvements, equipment, fixtures, signs, furnishings and other property, and all liens and encumbrances of every kind and character incurred by or on behalf of You in conducting Your Outlet business. You may protest or contest any of such amounts so long as such protest or contest does not adversely affect the continued business of Your Outlet or possession of Your Outlet premises.

ARTICLE 13: PRINCIPALS, SALE AND ASSIGNMENT, RESTRICTIONS

13.1 Definition of Principals; Personal Guarantees

For purposes of this ARTICLE 13, the term **"Principals"** will include the persons signing this Agreement as Principals, any of Your future owners and the spouses, minor children or any trust for the benefit of any such Principal. If You are a legal entity, the term "**Key Management**" will include Your President, Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer. We have unrestricted right to approve all owners and any future owners, all present and future Key Management, and all present and future Corporate Directors or LLC Managing Members. Unless We have given Our written consent to the contrary, each of the Principals signing this Agreement hereby personally guarantees, jointly and severally, the full payment and performance of Your obligations under this Agreement. We have unrestricted right to approve all owners and any future owners. Future owners will be required to execute and deliver to Us a Personal Guaranty in the form attached hereto as **Attachment 2**.

13.2 Authorized Agent

You and the Principals appoint the following person with full authority (the **"Authorized Agent")** to act on behalf of You and the Principals in regard to performing, administering, or amending this Agreement: ________________________________. We may deal completely with the Authorized Agent in such regard unless and until Our actual receipt of written notice from You and the Principals of the appointment of a successor to the Authorized Agent.

13.3 Personal Contract; Consent Mandatory

You agree that a material part of the consideration for Our entering into this Agreement is the personal confidence We have in You and the Principals. No person will succeed to any of Your rights under this Agreement by virtue of any voluntary or involuntary proceeding in bankruptcy, receivership, attachment, execution, assignment for the benefit of creditors, other legal process or transfer not expressly authorized and consented to by Us. Except as expressly provided for in this Agreement, any attempt by You to transfer any of Your rights or interest under this Agreement will constitute a material breach of this Agreement, and in such event We will have the right to terminate this Agreement upon written notice to You. We will not be bound by any attempted transfer in any manner whatsoever, by law or otherwise, of any of Your rights or interests under this Agreement except as permitted by this ARTICLE 13.

13.4 Form of Legal Entity

(a) If You are organized under applicable law as a legal entity such as a corporation, partnership or limited liability company (hereinafter referred to as a "**Legal Entity**") or if Your interests in this Agreement are to be transferred to a Legal Entity, such Legal Entity must be expressly approved in advance and in writing by Us and You must comply with this Section 13.4 and any other condition which We may require, including a limitation on the number of owners of the Legal Entity. The organization documents must be promptly submitted for Our review. We will not charge a transfer fee for forming or transferring ownership to such a Legal Entity.

(b) We have the unrestricted right to approve all owners and any future owners, all present and future Key Management, and all present and future Corporate Directors or LLC Managing Members.

(c) Unless We provide Our prior written consent to the contrary, each Legal Entity must satisfy the following conditions and such other conditions as We may require under the circumstances:

(i) The Legal Entity must be closely held with the single purpose of operating UBATUBA AÇAI Outlets.

(ii) The Principals will own and control not less than fifty and one-tenth percent (51%) of the voting rights of the Legal Entity or otherwise satisfy Us that the Principals have operational control of the Legal Entity.

(iii) There will not be more than ten (10) owners of the Legal Entity in addition to the Principals.

(iv) You have provided Us with such documentation as We have requested to evidence the foregoing.

(d) You must notify Us of any proposed issuance or transfer of an ownership interest in the Legal Entity, and We will have thirty (30) days after its receipt of such notice to disapprove such intended issuance or transfer. Such disapproval must be reasonable and based on the transferee's being involved with other parties in competition with UBATUBA AÇAI Outlets or having a known history, reputation or character which is adverse to the interests of UBATUBA AÇAI Outlets. Each such notice from You must identify the proposed transferor and transferee and provide a complete and accurate description of the proposed transferee sufficiently detailed to allow Us to make a reasoned decision of approval or disapproval.

(e) Notwithstanding anything to the contrary contained in this Section 13.4, a transfer of ownership interest in the Legal Entity which involves only a transfer between or among the Principals, entities wholly owned and controlled by the Principals or any of them or entities controlled by any Principal for the benefit of members of his or her immediate family shall not require Our prior written approval so long as the other requirements of this Section 13.4 are satisfied and We receive prior written notice of such transfer together with complete details regarding the ownership and legal structure of the transferee(s). We will not unreasonably withhold Our approval of any transfer so long as the Principals maintain operational control over You.

(f) The organizational documents of the Legal Entity must contain the restrictions set forth in Subsections 13.4(b) and (c) above and this Subsection 13.4(f). You will cause to be printed on each certificate or other document of ownership of the Legal Entity a legend referencing the restrictions contained herein, which will read substantially as follows:

"The transfer of ownership in this company is subject to the terms and conditions of a UBATUBA AÇAI Franchise Agreement. Reference is made to such Franchise Agreement and to the restrictive provisions contained in the organization documents of this company."

13.5 Written Consent

(a) Except as otherwise expressly set forth in this ARTICLE 13, neither Your rights and interests under this Agreement nor any ownership interests in You (if You are a Legal Entity) may be sold, assigned, encumbered, or otherwise transferred (all of which are hereinafter included within the term "**transfer**") in whole or in part in any manner whatsoever without Our prior express written consent.

(b) We will not unreasonably withhold Our consent to a transfer. In considering a request for transfer, We will consider, among other things, the qualifications, apparent ability, and credit standing of the proposed transferee as if he or she were a prospective direct purchaser of a franchise from Us. In addition, but without limitation, We will require as conditions to the granting of Our consent all of the following:

(i) There must be no existing default in the performance or observance of any of Your obligations under this Agreement or any other agreement with Us, and Your Outlet will be in condition and appearance satisfactory to Us and in accordance with Our System standards at that time;
(ii) You must settle all outstanding accounts with Us and our Affiliate(s);
(iii) You must pay Us Our then current Transfer Fee. The amount of the Transfer Fee will be twenty-five 25% of our then current Initial Franchise Fee to compensate Us for Our expenses incurred in connection with investigating the qualifications of the proposed transferee, training the proposed transferee and the direct administrative costs of effectuating the transfer;
(iv) The proposed transferee and other person(s) designated by Us must appoint a Designated Operator acceptable to Us; Designated Operator and the proposed transferee (at its option, if different) must, prior to the transfer, personally attend and satisfactorily complete Our initial training program;
(v) The owners of the proposed transferee (with 10% or more of the outstanding voting interests) who have not attended Our initial training program, must attend and satisfactorily complete initial training to Our reasonable satisfaction;
(vi) The proposed transferee and other person(s) designated by Us must execute Our then current form of Franchise Agreement for the remaining term of this franchise.
(vii) The transfer documents must contain a non-competition agreement by You similar to that set forth in this Agreement at subsection 4.9(f);
(viii) If You and/or Your Principals finance any part of the sale price of the transferred interest, You and Your Principals must agree that all of the proposed transferee's obligations are subordinate to the transferee's obligations to pay amounts due to Us and Our Affiliate(s); and
(ix) Such other requirements as We may in Our discretion deem reasonably necessary, including a general release of any claims against Us.

(c) Neither this Agreement, any of the rights conferred on You hereunder nor any ownership interests in the purchasing franchisee may be retained by You as the transferring franchisee as security for the payment of any obligation that may arise by reason of any such transfer.

13.6 Death and Disability

(a) Except as provided for herein to the contrary, the death or disability of an owner of a Legal Entity shall have the legal results of applicable law. In the event of the death or legal incapacity of one of the Principals, the decedent's estate or You must immediately notify Us of such death, and within thirty (30) days after such notice further notify Us of a proposed successor to the decedent's interests (the "**Successor**"). If We approve the Successor, he or she will replace the decedent as a Principal hereunder.

(b) In the event We do not approve the Successor, We will so notify You, and You or the decedent's estate will use Your best efforts within the six (6) months from the date of such written notice from Us to sell the interests in this Agreement and Your Outlet to a bona fide purchaser in accordance with and subject to all of the provisions of this ARTICLE 13. If by the end of such six-month period, You have not consummated a transfer of such interest or stock in a transaction which meets the requirements of this ARTICLE 13, We will have the option to purchase all of such interest in Your Outlet and franchise or in the ownership of the Legal Entity at the fair market value thereof as determined in good faith by an independent appraiser selected as set forth in subsection (c) below.

(c) The procedure for determining the fair market value or other terms of purchase shall be that We and You shall each select one appraiser and such two appraisers shall select a third appraiser, and the third appraiser shall make the necessary determination, with the costs of appraisal to be borne equally by You and Us.

(d) If We in Our discretion decide that the death or disability of an individual, a Principal or a Successor will result in unsatisfactory operation of Your Outlet, We may take over operation of Your Outlet temporarily, and You will reimburse Us for all of Our costs and compensate Us for Our efforts at an amount equal to 5% of Gross Revenues during such time.

13.7 Right of First Refusal

(a) You must give written notice to Us of any planned, attempted transfer or offer to transfer by You in any manner whatsoever of any interest in or under this Agreement or of any transfer of the controlling ownership interest in You if You are a Legal Entity.

(b) Excepting a transfer described in Section 13.4(e), You grant Us the right of first refusal in regard to any such offer or transfer to purchase such interest on the same terms and conditions (or on terms and conditions determined by Us which will result in the same net financial benefits to You as transferor). In exercising Our right of first refusal, We may pay the transferor cash at closing in the same amount as the principal amount of any promissory note(s) otherwise required by the transferee or in the amount of the fair market value of any other non-cash purchase price, and if stock is provided for, may substitute stock of Ours or an affiliated corporation in an equivalent value to the stock contained in the offer of first refusal. Any determination of fair market value, equivalent value or net financial benefits made by Us in good faith shall be deemed an acceptance of the offer. Until We have accepted or rejected the offer of first refusal from You, You will neither consider nor accept any other offer and will keep confidential all of the terms of such transfer.

(c) The first refusal offer to Us must be in writing and must include complete details of all of the terms, conditions, and provisions of the proposed transfer, including copies of all agreements which may be assumed by or assigned to the transferee. After receipt of all of such information, We will have thirty (30) days after actual receipt of all of such documents within which to accept or reject it. Our failure to accept within such thirty (30) days will constitute a rejection. If rejected, You may consummate the transfer to a third party if all other provisions of this Agreement are satisfied, but the transfer must be consummated within six (6) months and only upon the terms, conditions and provisions previously offered to Us.

(d) After any rejection by Us, You must in all events submit a fully executed copy of all final transfer documents to Us at least three (3) days in advance of any proposed consummation or closing date for Our review and comparison with the first refusal offer previously submitted to it. Any variation will require an offer of first refusal to Us on the varying terms following the same procedures set forth above. Our right of first refusal will be unrestricted and absolute, and We will in all cases have at least thirty (30) days to consider and act on each offer or any change in the terms and conditions of offer.

(e) Nothing contained in this Section 13.7 will in any way be deemed to limit Our discretion in considering, approving or disapproving any request to transfer any interest under this Agreement.

13.8 Assumption

This Agreement and Our rights, interests and obligations hereunder may be transferred to the benefit of any entity in whole or part which succeeds to Our business and assumes Our obligations hereunder.

ARTICLE 14: TRADEMARKS

14.1 Ownership

You agree that We have the sole and exclusive right (except for rights granted under existing and future franchise agreements) to use the Marks in connection with the products and services to which they are or may be applied by Us. You represent, warrant and agree that neither during the term of this Agreement nor after its expiration or other termination will You directly or indirectly contest or aid in contesting the validity, ownership or use of the Marks by Us or take any action whatsoever in derogation of the rights claimed therein by Us.

14.2 Nonexclusive License

The license granted under this Agreement to use the Marks is nonexclusive except to the extent otherwise specified herein, and We, in Our sole and absolute discretion, may grant other licenses in, to and under the Marks in addition to those licensees already granted, both within and outside Your Outlet's trading area, and to develop and license other names and marks on any such terms and conditions as We deem appropriate.

14.3 Other Uses

You expressly agree that We have the exclusive, unrestricted right to engage directly and indirectly, at wholesale, retail, catering and otherwise, within Your Outlet trading area and elsewhere, in (a) the production, distribution and sale of food products and beverages under the Marks licensed hereunder or other marks; and (b) the use, in connection with such production, distribution and sale, of any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by Us. The license granted to You under this Agreement does not include any right or authority of any kind whatsoever to pre-package or sell prepackaged food or drink products under the Marks. We have the sole and exclusive right to such rights at all times and at all locations.

14.4 Goodwill

Nothing contained in this Agreement will be construed to vest in You any right, title or interest in or to the Marks, the goodwill now or hereafter associated therewith or any right in the design or any Outlet building, other than the rights and license expressly granted herein of the term hereof. Any and all goodwill associated with or identified by the Marks will inure directly and exclusively to Our benefit, including without limitation any goodwill resulting from operation and promotion of Your Outlet.

14.5 Use of Marks

You may use the Marks only in association with products and services approved by Us and that meet Our standards and requirements. You may not use any Mark as part of any domain name, homepage, electronic address, or otherwise in connection with a Web site. You must follow Our rules when You use the Marks, including giving proper notices of trademark registration and obtaining fictitious or assumed name registrations required by law, and may not make any changes or substitutions to the Marks unless We direct in writing. You will not use the Marks in connection with any statement or material which may, in Our judgment, be in bad taste or inconsistent with the UBATUBA AÇAI public image, or tend to bring disparagement, ridicule or scorn upon Us, the Marks or the goodwill associated therewith. You, whether doing business as a proprietorship or Legal Entity, will not adopt, use or register (by filing a certificate or articles of incorporation, a fictitious business name statement, or otherwise) any trade name or business name, style or design which includes, or is similar to, any of UBATUBA AÇAI identifying characteristics. Your UBATUBA AÇAI Outlet must prominently display a sign identifying the Outlet as a franchised location in a format We deem acceptable.

14.6 Changes in Marks; Protection

We will have the right at any time and from time to time upon notice to You to make additions to, deletions from, and changes in the Marks, or any of them, all of which additions, deletions and changes will be as effective as if they were incorporated in this Agreement. All such additions, deletions and changes will be made in good faith, on a reasonable basis and with a view toward the overall best interest of UBATUBA AÇAI Outlets generally. You must promptly comply with any required changes, revisions and/or substitutions, and You will pay all the costs of modifying Your signs, advertising materials, interior graphics and any other items which bear the Marks. We will protect and preserve the integrity and validity of the Marks by taking the actions deemed by Us in Our discretion to be appropriate in the event of any apparent infringement of the Marks.

14.7 Infringements

You must notify Us promptly of any claims or charges of trademark infringement against Us or You, as well as any information You may have of any suspected infringement of the Marks. You will take no action with regard to any such matters without Our prior written approval and will cooperate fully with Us in dealing with any infringement or claim of infringement. We will defend You (using legal counsel chosen by Us) and indemnify You from any claims of infringement regarding use by You of the Marks so long as You were using the Marks properly and as authorized by this Agreement.

ARTICLE 15: EXPIRATION AND TERMINATION

15.1 Events of Default; Liquidated Damages

(a) We will have the right to terminate this Agreement immediately upon written notice to You if any of the following events occur:

(i) In the event of any breach or default under Sections 1.4 (opening date), 4.3 (failure to comply with applicable laws), 5.2 (mandatory training), 9.2 (inspection), 13.3 and 13.5 (unauthorized transfer) or 13.7 (right of first refusal);
(ii) If a petition in bankruptcy, an arrangement for the benefit of creditors or a petition for reorganization is filed by or against You, or if You make any assignment for the benefit of creditors, or if a receiver or trustee is appointed for Your Outlet, unless remedied to Our satisfaction within twenty (20) days;
(iii) If You for any reason lose Your right to possession of Your Outlet premises;

(iv) If We discover that You have made any material misrepresentation or omitted any material fact in the information furnished by You in connection with the grant of this franchise;

(v) If You (or any Principal) are convicted of any felony or other criminal conduct which is relevant to operation of Your Outlet or if You engage in conduct which reflects materially and unfavorably upon the operation and reputation of the UBATUBA AÇAI business or System.

(vi) If You abandon Your Outlet by failing to operate it for five consecutive days or lesser period if the facts and circumstances indicate that You do not intend to continue to operate Your Outlet (except as a result of fire, flood, earthquake, or similar causes beyond Your control);

(vii) If You repeatedly fail to comply with one or more requirements of this Agreement, whether or not corrected after notice; or

(viii) If We make a reasonable determination that continued operation of Your Outlet by You will result in an imminent danger to any of its customers or to public health or safety.

(b) If You default in any other requirement of this Agreement, We will have the right to terminate this Agreement immediately following thirty (30) days written notice to You (except in the case of a default in payment to Us, in which case only five (5) days written notice is required). If a non-monetary default cannot by its nature reasonably be cured within such thirty-day period, and so long as You are diligently taking all action reasonably necessary to effect such cure, the cure period will be extended to a reasonable amount of time to effect such cure. A default in any other UBATUBA AÇAI franchise agreement in which You or anyone holding an interest in You also has an interest will be considered a default under this Agreement, which if not cured will result in termination of this Agreement.

(c) We may terminate this Agreement upon written notice to You without any curative period if a default is repeated within any 12-month time period.

(d) The provisions of this Section 15.1 are subject to the provisions of any local statutes or regulations which may prohibit Us from terminating this Agreement without good cause or without giving You additional prior written notice of termination and opportunity to cure any default.

(e) Liquidated Damages

(i) Upon termination of this Agreement due to Your action or failure to take action according to its terms and conditions, You agree to pay Us within fifteen (15) days after termination, in addition to any amounts owed Us or Our Affiliates, liquidated damages equal to the average monthly Royalty Fees owed or paid during the 12 full calendar months of operation preceding the effective date of termination multiplied by (A) 24 (being the number of months in two (2) full years), or (B) the number of months remaining in the Agreement had it not been terminated, whichever is less.

(ii) The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages We would incur from this Agreement's termination and the loss of cash flow from Royalty Fees due to, among other things, the complications of determining what costs, if any, We might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's current remaining term. The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

15.2 Termination by You

You may terminate this Agreement following ninety (90) days written notice to Us if We materially breach this Agreement and fail to cure such breach within such ninety-day period.

15.3 Requirements Upon Termination

Upon the expiration or earlier termination of this Agreement for any reason, You must:

(a) immediately discontinue the use of the Marks and the System, including all UBATUBA AÇAI recipes and proprietary procedures;

(b) unless We consent to the contrary, remove the Marks from Your Outlet building and its signs, fixtures, and furnishings, eliminate entirely UBATUBA AÇAI trade dress and alter and paint Your Outlet building and other improvements a design and color which is basically different from the UBATUBA AÇAI image and design so that there will no longer be any indication to the public that Your Outlet was a UBATUBA AÇAI Outlet. If You fail to make or cause to be made any such change within thirty (30) days after written notice, We will have the right to enter upon Your Outlet premises, without being deemed guilty of trespass or any other tort, and make or cause to be made such changes and You will reimburse Us for all of Our reasonable expenses immediately following demand;

(c) not thereafter use any identifying characteristic that is in any way associated with Us or similar to those associated with Us, or operate or do business under any name or in any manner that might tend to give the public the impression that You are or were a franchisee or otherwise associated with Us;

(d) immediately deliver to Us all copies of the Manual and any items bearing the Marks or which are confidential; and

(e) pay all sums due Us or to become due to Us pursuant to this Agreement.

15.4 Trademark Infringement

If You refuse to comply with a written notice of termination sent by Us and a court later upholds such termination of this Agreement, any operation of Your Outlet by You from and after the date of termination stated in such notice will constitute trademark infringement by You and You will be liable to Us for damages resulting from such infringement in addition to any royalties paid or payable hereunder, including, without limitation, Your profits.

15.5 Option

If Your Outlet premises are leased by You from a third party, You will have included in such lease and any subsequent lease of the premises the right by You to assign such lease to Us without further consent by the lessor. We may elect to have the lease automatically assigned to Us under such provision if this Agreement is terminated, whether it is terminated by Us or by You. If We so elect, You will immediately vacate the premises, and We will be entitled to take possession of said premises, including all fixtures and leasehold improvements, and We will pay to You the fair market value of the interests owned by You in Your Outlet's furnishings and equipment. Fair market value will be determined by mutual agreement, or an appraiser selected by Us or the American Arbitration Association if We cannot agree.

ARTICLE 16: MISCELLANEOUS

16.1 No Effect

The waiver by Us of any breach or default, or series of breaches or defaults, of any term, covenant, or condition herein or of any same or similar term, covenant or condition in any other agreement between Us and any franchisee will not be deemed a waiver of any subsequent or continuing breach or default of the same or any other terms, covenants or conditions contained in this Agreement, or in any other agreement between Us and any franchisee.

16.2 Right and Remedies

All of Our rights and remedies will be cumulative and not alternative, in addition to and not exclusive of any other rights or remedies provided for herein or which may be available at law or in equity in case of any breach, failure or default or threatened breach, failure or default of any term, provision or condition of this Agreement. Our rights and remedies will be continuing and not exhausted by any one or more uses thereof and may be exercised at any time or from time to time as often as may be expedient; and any option or election to enforce any such right or remedy may be exercised or taken at any time and from time to time. The expiration or earlier termination of this Agreement will not discharge or release You from any liability or obligation then accrued or any liability or obligation continuing beyond or arising out of the expiration or earlier termination of this Agreement.

16.3 Consents

Whenever the consent of a party is sought or required hereunder, such consent will not be unreasonably withheld.

16.4 Partial Invalidity

If any part of this Agreement will for any reason be declared invalid, unenforceable, or impaired in any way, the validity of the remaining portions will not be affected thereby, and such remaining portions will remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated. It is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including therein any such portions which might be declared invalid; provided, however, that in the event any part hereof relating to the payment of fees to Us, or the preservation of the Marks, trade secrets or secret formulae licensed or disclosed hereunder is for any reason declared invalid or unenforceable, then We will have the option of terminating this Agreement upon written notice to You.

16.5 Arbitration; Jurisdiction

(a) Except as set forth in Subsection 16.5(b), any unresolved dispute between the parties arising out of or in connection with this Agreement shall be submitted to binding arbitration pursuant to the rules of the American Arbitration Association applicable to commercial arbitrations and the Federal Arbitration Act. Such arbitration shall be held within the county in which Our corporate headquarters are located (the "**Home County**") (currently Los Angeles County, California).

(b) At the conclusion of the arbitration, the arbitrator must deliver to the parties a written statement of conclusions of fact and conclusions of law supporting the final award of the arbitrator. Any party may move for judicial confirmation, modification, or correction of the final award of the arbitrator within 60 days after receipt thereof. Alternatively, judgment upon such decision may be entered in any court having jurisdiction over the matter. Arbitrators shall apply the law of the state where Your Outlet is located (without giving effect to any conflict of law principles) as set forth in section 16.7 below.

(c) 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 other proceeding involving third 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.

(d) Notwithstanding the foregoing, any action by Us which involves Your continued usage of any of the Marks or the System or an issue involving injunctive relief, may be submitted to a court in the Home County having jurisdiction over the issue involved. You and We expressly consent to personal jurisdiction in the Home County and agree that such court(s) shall have exclusive jurisdiction over any issues not subject to arbitration.

16.6 Attorney Fees

If either party initiates any legal proceeding which involves issues arising out of this Agreement, the prevailing party in such action will be paid its reasonable attorneys' fees and costs by the other party.

16.7 Governing Law

Subject to Our rights under federal trademark laws and the parties' rights under the Federal Arbitration Act in accordance with Section 16.5, the parties agree that the law of the State where the Outlet is located (without giving effect to any conflict of laws principles) will apply to the construction and enforcement of this Agreement and govern all questions which arise with reference hereto.

16.8 Our Rights

Whenever this Agreement provides that We have a certain right, that right is absolute, and the parties intend that Our exercise of that right will not be subject to any limitation or review. We have the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

16.9 Adaptations and Variances

Complete and detailed uniformity under many varying conditions may not always be possible, practical, or in the best interest of the System. Accordingly, We have the right to vary the Menu Items and other standards, specifications, and requirements for any franchised Outlet or franchisee based upon the customs or circumstances of a particular franchise or operating agreement, site or location, population density, business potential, trade area population, existing business practice, competitive circumstance or any other condition that We deem to be of importance to the operation of such Outlet, franchisee's business or the System. We are not required to grant to You such variation as a result of any variation from standard menus, specifications or requirements granted to any other franchisee. You acknowledge that You are aware that Our other franchisees operate under a number of different forms of agreement that were entered into at different times and that, consequently, the obligations and rights of the parties to other agreements may differ materially in certain instances from Your rights and obligations under this Agreement.

16.10 Notices

All notices and other communications required or permitted to be given hereunder will be deemed given when delivered in person, sent by telefax to such person's telefax number with copy by regular mail, sent by an established overnight delivery service or mailed by certified mail addressed to the recipient at the address set forth below, unless that party will have given such written notice of change of address to the sending party, in which event the new address so specified will be used. If mailed, such notice shall be deemed to have been received three days after mailing, and if sent by overnight delivery, such notice shall be deemed to have been received the day following sending.

Us: Ubatuba Açai Expansion, LLC FAX: ____________________
7128 Geyser Avenue
Reseda, CA 91335

Attn: The President

You: _____________________________ FAX:_____________________
____
____

16.11 Terms and Headings

All terms used in this Agreement regardless of the number and gender in which they are used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. The headings inserted in this Agreement are for reference purposes only and will not affect the construction of this Agreement or limit the generality of any of its provisions. Definitions are presented in boldface solely for ease of reference.

16.12 Compliance with Laws

You will at Your own cost and expense promptly comply with all laws, ordinances, orders, rules, regulations, and requirements of all federal, state and municipal governments and appropriate departments, commissions, boards and offices thereof. Without limiting the generality of the foregoing, You will abide by all applicable rules and regulations of any Public Health Department.

16.13 Entire Agreement

This Agreement and the documents referred to herein constitute the entire agreement between the parties and supersede and cancels any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof.

Nothing in this Agreement or any related agreement is intended to disclaim the representations We have made in Our Franchise Disclosure Document.

16.14 Amendment or Modification

Except as expressly authorized herein, no amendment or modification of this Agreement will be binding unless executed in writing by both Us and You.

* * * * * * * * * * *

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

You:

____

____

Us:

UBATUBA AÇAI EXPANSION, LLC

By: ________________________________
Daniela Demetrio, LLC Manager

Principals:

Printed Name: __________________________ %Ownership: _____

Signature: ______________________________

Printed Name: __________________________ %Ownership: _____

Signature: ______________________________

Printed Name: __________________________ %Ownership: _____

Signature: ______________________________

Printed Name: __________________________ %Ownership: _____

Signature: ______________________________

Attachment 1

PROTECTED TERRITORY
(*HIGH DENSITY AREA*)

The geographic area described below is the **Territory** referred to in Section 1.2(b) of the Franchise Agreement because the Outlet has been determined by Us to be located within a "**high density area**":

You: ______________________________

By: ______________________________

Title: ______________________________

Us: UBATUBA AÇAI EXPANSION, LLC

By: ______________________________
Daniela Demetrio, LLC Manager

Attachment 2

PERSONAL GUARANTY

For good and valuable consideration, the receipt of which is hereby acknowledged, each of the undersigned (the "**Guarantors**") hereby personally guarantees, jointly and severally, the due, punctual and full payment and performance of each and all of the obligations of the franchisee ("**Franchisee**") under the foregoing UBATUBA AÇAI Franchise Agreement dated _____________, 202__ by and between the Franchisee and Ubatuba Açai Expansion, LLC, the franchisor ("**Franchisor**") and hereby individually undertakes to be bound by all of the terms of such Franchise Agreement.

It is the intention of the undersigned that this Personal Guaranty shall be full and absolute. Accordingly, each of the Guarantors hereby waives and agrees not to assert or take advantage of any right or defense based on the absence of any presentment, demand (including demands for performance), notice and protest of each and every kind and of any right to require Franchisor or its assignee to proceed against Franchisee or any other person or to pursue any other remedy before proceeding against a Guarantor.

This Personal Guaranty applies to, binds and inures to the benefit of the Guarantors and their heirs, devisees, legatees, executors, administrators, representatives, successors and assigns. Franchisor may assign its rights hereunder without reducing or modifying the liability of any Guarantor hereunder.

In connection with any litigation or arbitration to determine Guarantors liability under this Personal Guaranty, Guarantors expressly waive Guarantors' right to trial by jury, if any, and agree to pay costs and reasonable attorney's fees as fixed by the court or arbitrator.

IN WITNESS WHEREOF, each of the Guarantors has executed this Personal Guaranty on _______________ [date].

"Guarantors"

Print Name: _________________________	Print Name:__________________________
Signature: ___________________________	Signature: ___________________________
Print Name: _________________________	Print Name:__________________________
Signature: ___________________________	Signature: ___________________________

Attachment 3

CONFIDENTIALITY AGREEMENT

The undersigned Employee of_____________________ ("**Employer**"), which has applied for an UBATUBA AÇAI franchise from Ubatuba Açai Expansion, LLC ("**Franchisor**") or is an UBATUBA AÇAI franchisee, hereby agrees that he or she shall not, while employed by Employer or following such employment, communicate to, or use for the benefit of, any other person, persons, partnership, or corporation any confidential information, knowledge, or know-how concerning the methods of operation of an UBATUBA AÇAI Outlet, including the UBATUBA AÇAI Manual; provided, however, that the foregoing does not include information which the Employee can demonstrate came to his or her attention prior to being employed by Employer or which has become a part of the public domain through publication or communication by others. Nothing in this agreement prevents Employee from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employ has reason to believe is unlawful.

The Employee acknowledges and agrees that Employer alone will be solely responsible for all hiring and employment decisions and functions relating to Employer's UBATUBA AÇAI Outlet, including those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision, and discipline of employees, regardless of whether Employer has received advice from Franchisor on these subjects or not. Employee is not employed by Franchisor.

The Employee agrees to promptly disclose to Employer, any and all ideas, improvements, processes, names, menu items, and enhancements to the franchised business which Employee alone or with others invents, discovers makes or conceives ("Innovations") at any time during, and for a period of one year after employment in a UBATUBA AÇAI Outlet. All such Innovations will be deemed the sole and exclusive property of the Franchisor. The Franchisor has the right to incorporate such Innovations into the System without compensation to the Employee.

The Employee acknowledges that any failure to comply with the requirements of this Confidentiality Agreement will cause Employer and the Franchisor irreparable injury, and Employee agrees that in addition to any other right or remedy provided by law, Employer and/or the Franchisor shall be entitled to specific performance of, or an injunction against violation of, the requirements of this Confidentiality Agreement.

The Employee agrees that upon termination of his or her employment with Employer for any reason, he or she will return all copies of documents containing confidential information or trade secrets to Employer, including without limitation the UBATUBA AÇAI Confidential Manual(s).

IN WITNESS WHEREOF, the undersigned has executed this document in consideration of his or her employment by the Employer.

DATED: ______________________

Print Name: _______________________________

Signature: _______________________________

("**Employee**")

Attachment 4

California State Addenda

CALIFORNIA STATE LAW ADDENDA TO

FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

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 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.

FRANCHISEE MUST SIGN A PERSONAL GUARANTY, WHICH IN THE STATE OF CALIFORNIA MAY EXPOSE ANY COMMUNITY PROPERTY ASSETS TO PERSONAL RISK IF YOUR FRANCHISEE FAILS.

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 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. The Agreements require application of the laws of the state where Your Outlet is located. This provision may not be enforceable under California law.

7. 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.

8. Re: Website: www.ubatubaacai.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 CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

9. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. Any statements or representations signed by a franchisee purporting to understand any fact or its legal effect shall be deemed made only based upon the franchisee's understanding of the law and facts as of the time of the franchisee's investment decision. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

UBATUBA ACAI EXPANSION, LLC

Exhibit
C

UBATUBA AÇAI BOWLS®

AREA DEVELOPMENT
AGREEMENT

UBATUBA AÇAI
AREA DEVELOPMENT AGREEMENT
TABLE OF CONTENTS

UBATUBA AÇAI®
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT dated ________________, 202__, is between Ubatuba Açai Expansion, LLC, a California limited liability company ("**We**", "**Us**" or "**Our**", on the one hand, and __________ __________________________, a ______________ organized under the laws of the State of __________________ ("**You**" or "**Your**"), and the person(s) executing this Agreement as "**PRINCIPAL**S" (the "**Principals**"), on the other hand.

RECITALS

A. We own the exclusive rights to offer and sell franchises for the operation of approved food service Outlets offering boba tea and other food and beverage products using the name and trademark UBATUBA AÇAI and other approved trademarks and following a system of operation which was developed and used by Us and Our commonly owned companies which operate and market their Outlets (collectively, the "**Company**").

B. You represent that (i) You have the expertise, financial resources, local marketing knowledge and know-how to open and operate multiple UBATUBA AÇAI Outlets at the same time in the territory identified in this Agreement and (ii) You are willing to invest the necessary capital, time, and skill to meet the development commitments in this Agreement.

In consideration of the mutual promises set forth herein, the parties agree as follows:

ARTICLE 1. GRANT OF DEVELOPMENT RIGHTS

1.1 Development of Territory. We hereby grant to You the right to open and operate UBATUBA AÇAI franchise Outlets ("**Outlets**") in the geographic area which is specified in **Exhibit A** attached hereto and incorporated herein by reference (the "**Territory**").

1.2 Your Territorial Rights. (a) During the term and any extension of this Agreement, We will not (i) license or allow any other party to operate an Outlet within the Territory except one or more "**Non-traditional Venue"** Outlets defined in subsection 2.1(c) below, or (ii) open or operate, directly or indirectly, any Outlets within the Territory (except pursuant to any first refusal rights contained in any Franchise Agreement between You and Us, or as otherwise provided in Article 5 below).

(b) Notwithstanding the foregoing, if You have opened the minimum number of Outlets referred to in Section 2.1 below and We determine in Our discretion that one or more additional Outlets should be developed within the Territory, We will notify You in writing of such determination and offer You the right of first refusal to develop such Outlet(s). If after 30 days following mailing of such notice, We have not received Your written acceptance of such right of first refusal, We may develop such Outlets within the Territory or authorize other(s) to do so.

1.3 Termination. If this Agreement is terminated as a result of a material breach by You, We will have the full and absolute right to operate or franchise or license other parties to operate UBATUBA AÇAI Outlets within the Territory.

1.4 Other Products and Services. You agree that We retain the unrestricted right within the Territory and elsewhere to produce, license, distribute and market products and services using the Marks or other marks through any established distribution channel, at wholesale or retail, including by means of the Internet (or any other existing or future form of electronic commerce), mail order catalogs, direct mail advertising and other distribution methods. Other distribution channels or methods include, without limitation, grocery stores, club stores, convenience stores, military installations, or industry locations (e.g. manufacturing site, office building). We are not required to pay You for soliciting or accepting orders from inside Your Territory.

1.5 Not Transferable. This Agreement is a personal, non-transferable commitment by You to Us based on the personal confidence reposed by Us in the Principals. Accordingly, both parties agree that any attempt without the prior express written consent of Us to transfer, encumber or assign this Agreement by You or by the Principals in any manner whatsoever will cause the immediate and automatic termination of this Agreement, and We will have no further liability or obligation to You or the Principals pursuant to this Agreement.

ARTICLE 2. DEVELOPMENT OF TERRITORY

2.1 Development Schedule. (a) You agree to develop at least a total of __________ (______) UBATUBA AÇAI Outlets (the "**Required Outlets**") within the Territory during the term of this Agreement in strict accordance with the Development Schedule set forth in **Exhibit B** attached hereto and incorporated herein by reference (the "**Development Schedule**").

(b) The Development Schedule contains a specific number of Required Outlets to be opened and operated by You within the Territory during certain time periods. If any Outlets within the Territory are closed for business (except for authorized holidays or temporarily for major repairs or otherwise with Our prior written consent), such Outlets will not be included in computing the number of open and operating Required Outlets and in satisfying the deadlines set forth in the Development Schedule.

(c) The number of Required Outlets for purposes of the Development Schedule will not without Our prior written consent include an Outlet located at a "**Non-Traditional Venue",** which means a site or location within another primary business or at institutional settings such as schools, colleges and universities, military and other governmental facilities, hospitals or other health care facilities, hotels, limited access highways, shopping malls, airports, toll roads, office or in-plant food facilities, sports arenas and stadiums, supermarkets, grocery stores or convenience stores.

2.2 Deadlines. The parties acknowledge and agree that the deadlines set forth in the Development Schedule are of the essence of this Agreement. No modification or amendment to the Development Schedule or any consent to or waiver of any deadline or other obligation of this Agreement will either (a) create any obligation to grant additional modifications, amendments, consents or waivers or (b) be effective unless made by written mutual agreement of the parties.

ARTICLE 3. DEVELOPMENT FEE

3.1 Development Fee. In consideration of Our grant to You of the right to develop UBATUBA AÇAI Outlets in the Territory as provided for herein, You agree to pay to Us upon execution of this Agreement the Initial Franchise Fee for the first Required Outlet plus $10,000 for each additional Required Outlet (the "**Development Fee**"). The Development Fee is non-refundable and is fully earned by Us upon Our execution hereof as a result of the grant of rights to You and Our forbearance from developing the Territory Ourselves or through other parties. You will not be entitled to a refund of such fee under any circumstances.

3.2 Amount of Fee. The total Development Fee to be paid by You upon execution of this Agreement is $_______________.

ARTICLE 4. DEVELOPMENT PROCEDURES

4.1 Mandatory Compliance. You must at all times remain in compliance with this Agreement and all Franchise Agreements issued for Outlets developed hereunder. We will not approve any pending franchise application or site approval request by You for additional Outlet(s) if You are in material breach of any Franchise Agreement.

4.2 Site Approval. You will utilize Your own financial, real estate, construction and any other resources required to develop Outlets. You agree to comply with the requirements of the Franchise Agreement and any additional requirements provided for in the Manual.

4.3 Franchise Agreements and Fees. You will receive $10,000.00 credit from the Development Fee toward the Initial Franchise Fee for each Required Outlet, except that the total Initial Franchise Fee for the first Required Outlet will be included in the

Development Fee. You must pay the balance of the Initial Franchise Fee and execute Our then-current form of UBATUBA AÇAI Franchise Agreement for each other Required Outlet. For the second and each of the other Required Outlets opened pursuant to Your Development Schedule, the Outlet's Initial Franchise Fee and Royalties will be the same as those contained in Your first Required Outlet.

4.4 Confidentiality Agreements. You agree to obtain from each of the Principals and any other or Your representatives a Confidentiality Agreement in the form attached hereto as **Exhibit C** and incorporated herein by reference. You further to comply fully with the terms of such Confidentiality Agreement. A copy of all such signed agreements shall be delivered to Us within one week of their execution.

4.5 Designated Operator. The individual named in this Section must be an experienced professional with multi-unit Outlet supervisory experience who, will devote his or her full time, best efforts and constant personal attention to the operation and development of the Required Outlets, with full authority to act on Your behalf and on behalf of the Principals with regard to the operation of Your Required Outlets:____ (the "**Designated Operator**"), who must be at all times approved by Us and certified by Us as fully trained for development and Outlet operations. Certification and approval of the Designated Operator includes both satisfactory completion of Our Initial Training Program, and also working sufficient additional time in a company-operated Outlet, as we deem necessary in our sole discretion, to successfully develop and operate a UBATUBA AÇAI Outlet. Failure of the Designated Operator to successfully complete this training and the additional in-store assignments to Our satisfaction constitutes a material breach of this Agreement. Any change in the identity of Your Designated Operator must be approved by Us in writing.

ARTICLE 5. EXISTING OUTLETS; ACQUISITIONS

5.1 Company Outlets. If We or another entity under common control with Us ("**Affiliate**") currently operate UBATUBA AÇAI Outlets within the Territory, such Outlets are specified on **Exhibit A** attached hereto and incorporated herein by reference ("**Company Outlets**") and any present or proposed franchised Outlets in the Territory are specified on **Exhibit A** as ("**Franchised Outlets**"). Unless You are purchasing the Company Outlets or Franchised Outlets pursuant to separate agreement, You agree that Company Outlets and Franchise Outlets may continue to be operated as UBATUBA AÇAI Outlets notwithstanding their location in the Territory. In any event, such Outlets will not be included under any circumstances toward meeting Your development obligations hereunder.

5.2 Acquisitions; First Right of Refusal.

(a) We may during the term hereof acquire a chain of outlets from a third party with the intention of converting some or all of such outlets to UBATUBA AÇAI

Outlets, in which event You agree that We may so convert any of such outlets located within the Territory so long as We satisfy the following conditions:

(i) We will first send You a written offer to purchase all such outlets within the Territory at Our total acquisition cost (including without limitation "soft" costs as defined below) for such outlets.

(ii) You will have thirty days from the date such offer is sent to accept such offer, and until You have either rejected such offer or such thirty-day period has lapsed, no conversion or other offer to third parties will be made by Us.

(iii) Your failure to accept such offer within such thirty-day period will constitute a rejection.

(b) If You have accepted the above offer and converted such outlet(s) to Our satisfaction, such outlets(s) will apply toward meeting Your development obligations under the Development Schedule. If We convert or franchise another party to convert such outlets, such outlets will not have any effect on Your obligations under the Development Schedule.

(c) For purposes herein, "**soft costs**" will mean all internal and external costs incurred by Us in connection with the acquisition. These will include, without limitation, cost of funds, personnel time (e.g., in analyzing, negotiating, approving and permitting the acquisition, etc.), and out-of-pocket expenses (e.g., travel, lodging, meals, professional fees to attorneys, architects, engineers, etc.) in connection with the acquisition as applied pro rata to each Outlet being offered to You.

ARTICLE 6. TERM; RENEWAL

6.1 Term. (a) The initial term of this Agreement ends five (5) years from the date set forth above **or if initialed**, until the following date:

________________, 202__. ____________ _____________

(b) Notwithstanding the foregoing, the term of this Agreement immediately expires when all Required Outlets under the Development Schedule are open and operating in compliance with this Agreement.

6.2 No Right to Renew. You do not have the right to renew this Agreement. However, at least six (6) months and not more than twelve (12) months before the term of this Agreement expires, You may apply for a new Area Development Agreement for the same Development Territory or another development territory. After the term of this Agreement, if We do not decide, in Our sole discretion, to sign a new area development agreement with You, then We, a new area developer, or any franchisee franchised by Us may develop and operate additional Outlets in the Development Territory, subject to the rights of first refusal set forth in this Agreement. If granted, the new area development agreement, which may vary substantially from this Agreement, will include a new development schedule.

ARTICLE 7. DEFAULT

7.1 Default by You. We will have the right to terminate this Agreement upon thirty (30) days written notice to You if You fail to perform any of Your material obligations contained in this Agreement and fail to cure such failure within thirty (30) days of Your receipt of such notice.

7.2 Deadlines Missed by You. TIME IS OF THE ESSENCE of this Agreement. Your failure to meet any deadline set forth in the Development Schedule will constitute a material default under this Agreement without any opportunity to cure such default or notice under Section 7.1 hereof. If You fail to meet such a deadline, We may at any time thereafter immediately terminate this Agreement effective upon written notice from Us. The termination of this Agreement will have no effect on any franchises previously issued to You or on franchises to be issued for sites where We have already approved the site and the franchise.

7.3 Other Defaults. A default by You under any UBATUBA AÇAI Franchise Agreement developed under this Agreement will constitute a material default under this Agreement, in which event We may terminate this Agreement unless such default is timely cured in accordance with the term of the pertinent Franchise Agreement or applicable law.

ARTICLE 8. PRINCIPALS; LEGAL ENTITY; COVENANTS

8.1 Definition of Principals. For purposes of this Article 8, the term "**Principals**" will include the persons executing this Agreement as Principals, their spouses, minor children or any trust for the benefit of such persons. We have an unrestricted right to approve all owners and any future owners.

8.2 Personal Guarantees. Unless We have given Our written consent to the contrary, each of the Principals signing this Agreement hereby personally guarantees, jointly and severally, the full payment and performance of Your obligations under this Agreement and under each and every Franchise Agreement to be entered into pursuant hereto.

8.3 Conflicts of Interest. During the term of this Agreement, neither You nor any Principal will, without Our prior express written consent of, directly or indirectly, engage in, or acquire any financial or beneficial interest in, any food service outlet which is similar to or competitive with the business of UBATUBA AÇAI Outlets ("**Similar Busines**s")

8.4 Authorized Agent. You and the Principals appoint the following person with full authority (the "**Authorized Agent**") to act on Your behalf and on behalf of the Principals in regard to performing, administering or amending this Agreement and any and all Franchise Agreements related to it: ______________________________
We may deal completely with the Authorized Agent in such regard unless and until Our actual receipt of written notice from You of the appointment of a successor to the Authorized Agent;

YOUR INITIALS: __________

8.5 Form of Legal Entity. (a) If You are organized under applicable law as a legal entity such as a corporation, partnership or limited liability company (hereinafter referred to as a "**Legal Entity**"), the Principals must notify Us of the form of such Legal Entity and have received Our written approval and You must comply with this Subsection 8.5 and any other condition which We may require. We have an unrestricted right to approve all equity owners and any future owners. We will not charge a transfer fee for forming such a Legal Entity. The organization documents must be promptly submitted for Our review.

(b) Unless We provide prior written consent to the contrary, the Legal Entity must satisfy the following conditions and such other conditions as We may require under the circumstances:

(i) The Legal Entity must be closely held with the single purpose of developing and operating UBATUBA AÇAI Outlets.

(ii) The Principal(s) (as defined in Section 8.1 above) will collectively own and control not less than fifty-one percent (51%) of the voting rights of the Legal Entity or otherwise satisfy Us that the Principals have operational control of the Legal Entity.

(iii) Not more than twenty percent (20%) in the aggregate of the voting rights of the Legal Entity will be owned beneficially or of record by institutional firms or publicly held corporations.

(iv) There will be no public offerings of debt or equity ownership by or in the Legal Entity without Our prior written consent and approval.

(v) Prior to the end of ___ days after the date of this Agreement, at least $100,000 times the number of Required Outlets ($___________) cash will be invested in Your Legal Entity, which will be its minimum start up capitalization. You agree to furnish Us with written evidence of such investment on or before the above date.

(vi) You must at all times maintain in the Legal Entity (A) positive working capital and (B) a net worth of at least $100,000 multiplied by the number of Required Outlets developed hereunder.

vii) All owners with a 10% or greater interest in You must execute this Agreement and the Personal Guaranty in the form attached hereto as **Exhibit D**.

(viii) You have provided Us with such documentation as We have requested to evidence the foregoing.

(c) Throughout the term of this Agreement, the Legal Entity will not make any transfer of value to any of its beneficial or record owners or any affiliate of such owner ("**Owner")** which would create negative working capital or would cause the net worth of the Legal Entity to be less than $100,000.00 multiplied by the number of Required Outlets to be developed hereunder. Similarly, there will at no time be any transfer of value to any Owner unless You are fully current in all payments to Us and Our Affiliates and all Advertising Cooperatives in the Territory. For purposes herein, "**transfer of value**" will include but not be limited to gifts, bonuses, salaries, benefits or other compensation, dividends of any nature, loans, cancellation of debt, purchases or sales, or similar transfers.

(d) You must notify Us of any proposed issuance or transfer of an ownership interest in the Legal Entity, and We will have thirty (30) days after receipt of such notice to disapprove such intended issuance or transfer. Such disapproval must be reasonable and based on the transferee's being involved with other parties in competition with UBATUBA AÇAI Outlets, or having a known history, reputation or character which is adverse to the interests of UBATUBA AÇAI Outlets. Each such notice from You must identify the proposed transferor and transferee and provide a complete and accurate description of the proposed transferee sufficiently detailed to allow Us to make a reasoned decision of approval or disapproval.

(e) Notwithstanding anything to the contrary contained in this Section 8.5, a transfer of ownership interest in the Legal Entity which involves only a transfer between or among the Principals, entities wholly owned and controlled by the Principals or any of them or entities controlled by any Principal for the benefit of members of his or her immediate family shall not require Our prior written approval so long as the other requirements of this Section 8.5 are satisfied and We receive prior written notice of such transfer together with complete details regarding the ownership and legal structure of the transferee(s). We will not unreasonably withhold approval of any transfer so long as the Principals maintain operational control of Your Legal Entity.

(f) The organization documents of the Legal Entity will contain the restrictions set forth in this Section 8.5. You will cause to be printed on each certificate or other document of ownership of the Legal Entity a legend referencing the restrictions contained herein, which will read substantially as follows:

"Transfer of ownership in this company is subject to the
terms and conditions of a UBATUBA AÇAI
Area Development Agreement and Franchise Agreement(s).
Reference is made to such Agreements and to the restrictive provisions
contained in this company's organization documents."

8.6 Financial Statements. You and the Principals agree that each will furnish Us every year during the term hereof a certified copy of the same form of annual financial statements required of the Franchisee in the Franchise Agreements provided for herein. Such financial statements must be received by Us not later than one hundred twenty (120) days after the last day of each fiscal year. Any amendments to such information will be sent to us promptly. TIME IS OF THE ESSENCE with respect to completion and submission of each such document.

8.7 Security Interest. You may not grant a security interest in this Agreement or in any BOBA PUB Franchise Agreement to any third party.

ARTICLE 9. MISCELLANEOUS

9.1 Miscellaneous. (a) Each of the parties hereto agrees that the terms and conditions of this Agreement are confidential and restricted to the knowledge of the parties and their respective attorneys, accountants, advisors and only other persons whose knowledge of this Agreement are necessary for the implementation of the transaction contemplated hereby.

(b) The terms hereof are intended only to benefit the parties to this Agreement, and no one else is entitled to any benefits as a result of this Agreement or its terms and conditions.

(c) If any part of this Agreement will for any reason be declared invalid, unenforceable or impaired in any way, the validity of the remaining portions will not be affected thereby, and such remaining portions will remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated. It is hereby declared the intention of the parties that they would have executed the remaining portion of this Agreement without including therein any such portions which might be declared invalid.

(d) The parties agree that except for conflict of laws issues, the law of the State where most of the Territory is located will apply to the construction and enforcement of this Agreement and govern all questions which arise with reference hereto with the following exceptions: (a) the arbitration clause will be exclusively governed by and construed according to the Federal Arbitration Act; and (b) trademark rights will be governed by and construed according to the Lanham Act. You and We expressly consent to personal jurisdiction in the county in which Our corporate headquarters are located (the "**Home County**") and agree that such court(s) shall have exclusive jurisdiction over any issues not subject to arbitration. As of the date of this Agreement, the Home County is Los Angeles County, California.

(e) Except as set forth in Section 8.1(f), any unresolved dispute between the parties arising out of or in connection with this Agreement shall be submitted to binding arbitration pursuant to the rules of the American Arbitration Association applicable to commercial arbitrations and the Federal Arbitration Act. Such arbitration shall be held within the Home County. At the conclusion of the arbitration, the arbitrator must deliver to the parties a written statement of conclusions of fact and conclusions of law supporting the final award of the arbitrator. Any party may move for judicial confirmation, modification or correction of the final award of the arbitrator within 60 days after receipt thereof. Alternatively, judgment upon such decision may be entered in any court having jurisdiction over the matter. As of the date of this Agreement, the Home County is Los Angeles County, California.

(f) Notwithstanding the foregoing, any action by Us which involves Your continued usage of any of the Marks or the System or an issue involving injunctive relief, may be submitted to a court in the Home County having jurisdiction over the issues involved. You and We expressly consent to personal jurisdiction in the Home County and agree that such court(s) shall have exclusive jurisdiction over any issues not subject to arbitration.

(g) If either party initiates any legal proceeding which involves issues arising out of this Agreement, the prevailing party in such action will be paid its reasonable attorneys' fees and costs by the other party.

(h) All notices and other communications required or permitted to be given hereunder will be deemed given when delivered in person, sent by telefax to such person's telefax number, sent by an established overnight delivery service or mailed by registered or certified mail addressed to the recipient at the address set forth below, unless that party will have given such written notice of change of address to the sending party, in which event the new address so specified will be used. If mailed, such notice shall be deemed to have been received three days after mailing, and if sent by overnight delivery, such notice shall be deemed to have been received the day following sending.

Us: Ubatuba Açai Expansion, LLC FAX: ____________________
7128 Geyser Avenue
Reseda, CA 91335

Attn: The President

You: ______________________________ FAX: ____________________
____
____

(i) All terms used in this Agreement regardless of the number and gender in which they are used, will be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement may require, the same as if such words had been written in this Agreement themselves. All terms used herein shall have their customary meanings unless specified to the contrary. The headings inserted in this Agreement are for reference purposes only and will not affect the construction of this Agreement or limit the generality of any of its provisions. Words in boldface are done so for ease of reference only.

(j) Nothing in this Agreement or any related agreement is intended to disclaim the representations We have made in Our Franchise Disclosure Document. This Agreement and the documents referred to herein constitute the entire agreement between the parties and supersede and cancels any and all prior and contemporaneous agreements, understandings, representations, inducements and statements, oral or written, of the parties in connection with the subject matter hereof. Except as may be expressly authorized herein, no amendment or modification of this Agreement will be binding unless executed in writing by both parties.

9.2 Acknowledgment. BY INITIALING WHERE INDICATED, YOU EXPRESSLY ACKNOWLEDGE THAT:

(a) YOU HAVE ENTERED INTO THIS AGREEMENT AS A RESULT OF YOUR OWN INDEPENDENT INVESTIGATION, AFTER CONSULTATION WITH AN ATTORNEY OR OTHER ADVISOR(S) OF YOUR CHOICE.

YOUR INITIALS:______

(b) THE SUCCESS OF THE FRANCHISED OUTLETS WILL BE LARGELY DEPENDENT UPON THE ABILITIES AND EFFORTS OF YOU AND THE PRINCIPALS, AND WE HAVE MADE NO WARRANTY OR GUARANTEE TO YOU THAT THE FRANCHISED OUTLETS WILL BE SUCCESSFUL OR PROFITABLE.

YOUR INITIALS:______

(c) A COMPLETE COPY OF THIS AGREEMENT AS SIGNED BY YOU WAS RECEIVED BY YOU AT LEAST 7 CALENDAR DAYS PRIOR TO ITS EXECUTION BY YOU, AND A COMPLETE COPY OF OUR FRANCHISE DISCLOSURE DOCUMENT WAS RECEIVED AT LEAST 14 CALENDAR DAYS PRIOR TO YOUR EXECUTION OF THIS AGREEMENT.

YOUR INITIALS:______

* * * * * * * * * * *

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties have executed the Agreement as of the day, month and year first above written.

Sign here if the Area Developer is/are individual(s):

"You"

Print Name: ___________________________ Print Name:____________________________

Signature: _____________________________ Signature: _____________________________

Print Name: ___________________________ Print Name:____________________________

Signature: _____________________________ Signature: _____________________________

Sign here is the Area Developer is a company and/or legal entity:

You: ________________________________

By: _________________________________

Title: ________________________________

Principals:

Printed Name: ___________________________ %Ownership: _____

Signature: ______________________________

Printed Name: ___________________________ %Ownership: _____

Signature: ______________________________

Printed Name: ___________________________ %Ownership: _____

Signature: ______________________________

UBATUBA AÇAI EXPANSION, LLC

By:_______________________________________
Daniela Demetrio, LLC Manager

EXHIBIT A

TERRITORY

Your Name:

Description of Territory:

Existing Outlets (if any):

APPROVED:

YOU ________________________________

UBATUBA ACAI EXPANSION, LLC: _______________________

EXHIBIT B

DEVELOPMENT SCHEDULE

1. UBATUBA AÇAI Outlets Development. We have granted to you the right to develop and operate and you agree to develop and operate a minimum number of ________ (__) UBATUBA AÇAI franchise Outlets in accordance with the terms of the Agreement.

2. Development Obligations. You agree to have the minimum number of UBATUBA AÇAI Outlets ("**Outlets**") open in the Development Area during the Development Periods and in operation at the end of each of the Development Periods listed below:

DEVELOPMENT PERIOD	**DEVELOPMENT REQUIREMENTS**	
ENDING ON:	TO BE OPENED DURING DEVELOPMENT PERIOD	CUMULATIVE NUMBER OF OUTLETS OPEN AND IN OPERATION AT END OF DEVELOPMENT PERIOD

APPROVED:

YOU: ___________________________

UBATUBA ACAI EXPANSION, LLC: _______________________

EXHIBIT C

CONFIDENTIALITY AGREEMENT

In consideration of receiving information regarding the operation of UBATUBA AÇAI Outlets (the "**Outlets**") the undersigned ("**Recipient**") agrees that:

1. Recipient will not (a) make unauthorized copies of, (b) disclose to any unauthorized person or (c) use for Recipient's benefit or a UBATUBA AÇAI competitor's benefit any trade secrets or confidential information, knowledge or know-how about the methods of operating the Outlets ("**Confidential Information**") except only for information which Recipient can show was known by him or her before receiving such information from Ubatuba Açai Expansion, LLC or information which has become a part of the public domain through publication or communication by others.

2. Recipient agrees that any breach of this Confidentiality Agreement will cause UBATUBA AÇAI operators irreparable injury and agrees that in addition to any other right or remedy provided for by law or equity, Ubatuba Açai Expansion, LLC shall be entitled to specific performance of, or an injunction against violation of, this Confidentiality Agreement.

3. Recipient agrees that upon request he or she will return immediately all copies of any UBATUBA AÇAI Manuals and other documents containing Confidential Information to Ubatuba Açai Expansion, LLC.

IN WITNESS WHEREOF, the undersigned has executed this document as of the date set forth below.

DATED: ____________________

Print Name:_______________________________

Signature: _______________________________

EXHIBIT D

PERSONAL GUARANTY

This Personal Guaranty is given to induce Ubatuba Acai Expansion, LLC (the "**Franchisor**") to enter into that certain UBATUBA AÇAI Area Development Agreement, dated _________, 202___ with __________________("**Area Developer**").

For good and valuable consideration, the receipt of which is hereby acknowledged, each of the undersigned (the "**Guarantors**") hereby personally guarantees, jointly and severally, the due, punctual and full payment and performance of each and all of the obligations of Area Developer, including, without limitation, all obligations arising out of the Area Development Agreement and any other agreement; including, without limitation, all UBATUBA AÇAI Franchise Agreements entered into under this Area Development Agreement, and hereby individually undertakes to be bound by all of the terms of such agreements.

It is the intention of the undersigned that this Personal Guaranty shall be full and absolute. Accordingly, each of the Guarantors hereby waives and agrees not to assert or take advantage of any right or defense based on the absence of any presentment, demand (including demands for performance), notice and protest of each and every kind and of any right to require Franchisor or its assignee to proceed against Area Developer or any other person or to pursue any other remedy before proceeding against a Guarantor.

This Personal Guaranty applies to, binds and inures to the benefit of the Guarantors and their heirs, devisees, legatees, executors, administrators, representatives, successors and assigns. The Franchisor may assign its rights hereunder without reducing or modifying the liability of any Guarantor hereunder.

In connection with any litigation or arbitration to determine Guarantors' liability under this Personal Guaranty, Guarantors expressly waive Guarantors' right to trial by jury, if any, and agree to pay costs and reasonable attorney's fees as fixed by the court or arbitrator.

IN WITNESS WHEREOF, each of the Guarantors has executed this Personal Guaranty on _______________ [date].

"Guarantors"

Print Name: _________________________	Print Name:__________________________
Signature: ___________________________	Signature: ___________________________
Print Name: _________________________	Print Name:__________________________
Signature: ___________________________	Signature: ________________________

Exhibit D

EXHIBIT D

CONFIDENTIALITY AGREEMENT (OPERATIONS MANUAL)

This Confidentiality Agreement dated as of ______________________, 202__ by and between the undersigned ("You" and "Your") and Ubatuba Açai Expansion, LLC ("Franchisor"), with respect to Your request to review its Operations Manual ("Manual") prior to purchasing a franchise.

1. Franchisor agrees to allow You to review the Manual in consideration of Your execution of this Agreement.

2. You agree that the Franchisor considers the Manual to be confidential and proprietary information which may not be disclosed to other parties. Accordingly, You agree that You will not disclose its contents in whole or part to any other person without the prior written consent of the Franchisor. You will not make retain any copies or reproductions of any nature of the Manual.

3. You acknowledge that the restrictions contained in this Agreement are reasonable and necessary to protect Franchisor's legitimate interests in the Manual and that any breach by You of this Agreement will result in irreparable injury to Franchisor for which a remedy at law would be inadequate. Accordingly, You agree that Franchisor shall be entitled to temporary, preliminary and permanent injunctive relief against You, without the necessity of posting bond, in the event of any breach or threatened breach by You of this Agreement, in addition to any other remedy that may be available to Franchisor whether at law or in equity.

AGREED:

____________________________ Printed Name:__________________________

Ubatuba Açai Expansion, LLC

By: _______________________________

Title: _____________________________

Exhibit E

NAMES AND ADDRESSES OF AGENTS FOR SERVICE OF PROCESS AND STATE REGULATORY AUTHORITIES

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
CALIFORNIA	Daniela Demetrio 18641 Ventura Blvd. Tarzana, CA 91356 (805) 284-7555	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013-2344 (213) 576-7505 or (866) 275-2677
HAWAII	Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Securities Compliance Branch Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722
ILLINOIS	Illinois Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Chief, Franchise Bureau Illinois Attorney General 500 South Second Street Springfield, IL 62706 (312) 814-3892
INDIANA	Secretary of State Administrative Offices 201 State House Indianapolis, IN 46204	Securities Commissioner Securities Division, Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
MARYLAND	Maryland Securities Commissioner Securities Division 200 St. Paul Place Baltimore, MD 21202-2020	Maryland Attorney General Office of the Attorney General 200 St. Paul Place Baltimore, MD 21202 (410) 576-6360
MICHIGAN	Michigan Department of Commerce, Corporations and Securities Bureau 525 W. Ottowa 670 Law Building Lansing, MI 48913	Franchise Administrator Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 525 W. Ottowa P.O. Box 30213 Lansing, MI 48909

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
		(517) 373-7117
MINNESOTA	Minnesota Commissioner of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101-2198	Deputy Commissioner Minnesota Department of Commerce 85 7th Place East, Suite 500 St. Paul, MN 55101-2198 (651) 296-6328
NEW YORK	Secretary of State of the State of New York 41 State Street Albany, NY 11231	Assistant Attorney General Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23rd Floor New York, NY 10271 (212) 416-8211
NORTH DAKOTA	North Dakota Securities Commissioner Fifth Floor 600 East Boulevard Bismarck, ND 58505	Franchise Examiner Office of Securities Commissioner 600 East Boulevard, 5th Floor Bismarck, ND 58505 (701) 328-4712
RHODE ISLAND	Director of Rhode Island Department of Business Regulation Division of Securities 233 Richmond Street, Suite 232 Providence, RI 02903	Associate Director and Superintendent of Securities Division of Securities Bldg 69, 1st Floor, 1511 Pontiac Ave. Cranston, RI 02920 (401) 462-9527
SOUTH DAKOTA	Division of Securities South Dakota Department of Revenue and Regulation 445 E. Capitol Avenue Pierre, SD 57501	Franchise Administrator Division of Securities 445 E. Capitol Avenue Pierre, SD 57501 (605) 773-4013
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street Richmond, VA 23219 (804) 371-9733	Chief Examiner/Investigator State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street Richmond, VA 23219 (804) 371-9051

STATE	AGENTS FOR SERVICE OF PROCESS	REGULATORY AUTHORITIES
WASHINGTON	Director of Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, WA 98501	Administrator Dept. of Financial Institutions Securities Division P.O. Box 9033 Olympia, Washington 98501 (360) 902-8760
WISCONSIN	Wisconsin Commissioner of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703	Franchise Administrator Securities and Franchise Registration Wisconsin Securities Commission 345 W. Washington Avenue, 4th Floor Madison, WI 53703 (608) 266-3432

Exhibit F

UBATUBA ACAI EXPANSION, LLC

Financial Statements For The Years Ended December 31, 2023 & December 31, 2022
& December 31, 2021

TOGETHER WITH INDEPENDENT ACCOUNTANT AUDIT REPORT

TABLE OF CONTENTS

924 W. 75th Street
Suite 120 - 189
Naperville, IL 60565
+1 (815) 348-2421
omar@napercpa.com

INDEPENDENT ACCOUNTANT AUDIT REPORT

To the Management of UBATUBA ACAI EXPANSION, LLC

Opinion

We have audited the financial statements of UBATUBA ACAI EXPANSION, LLC (the "Company"), which comprise the Balance Sheet as of December 31, 2023 & December 31, 2022 & December 31, 2021, the related Profit & Loss Statements, the related Statements of Cashflows, the related Statements of Shareholders' Equity, and the related notes for the twelve-month periods then ended. (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 & December 31, 2022 & December 31, 2021, and the results of its operations and its cash flows for the twelve-month periods then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

NAPER
CPA GROUP

924 W. 75th Street
Suite 120 - 189
Naperville, IL 60565
+1 (815) 348-2421
omar@napercpa.com

- 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.

Omar Alnuaimi, CPA

Naperville, IL
January 18, 2024

UBATUBA ACAI EXPANSION, LLC
PROFIT & LOSS STATEMENT
FOR THE YEARS ENDED DECEMBER 31, 2023 & DECEMBER 31, 2022 & DECEMBER 31, 2021

	2023	2022	2021
Revenue			
Royalty Franchise Fees	$68,377	$62,790	$44,486
Total Revenue	68,377	62,790	44,486
Cost of Sales	-	-	-
Gross Profit	68,377	62,790	44,486
Operating Expense			
Professional Fees	4,239	11,606	5,452
Tax Expense	800	800	800
Insurance Expense	458	500	500
Total Operating Expenses	5,497	12,906	6,752
Net Income From Operations	62,880	49,884	37,734
Other Income (Expense)			
Misc. Income	-	5,000	-
Total Other Income (Expense)	-	5,000	-
Net Income Before Provision for Income Tax	62,880	54,884	37,734
Provision for Income Taxes	-	-	-
Net Income (Loss)	$62,880	$54,884	$37,734

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

UBATUBA ACAI EXPANSION, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2023 & DECEMBER 31, 2022 & DECEMBER 31, 2021

	12/31/23	12/31/22	12/31/21
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	$194,411	$135,674	$80,789
Accounts Receivable	4,143	-	-
TOTAL CURRENT ASSETS	198,554	135,674	80,789
NON-CURRENT ASSETS			
TOTAL NON-CURRENT ASSETS	-	-	-
TOTAL ASSETS	198,554	135,674	80,789
LIABILITIES AND OWNER'S EQUITY			
CURRENT LIABILITIES			
TOTAL CURRENT LIABILITIES	-	-	-
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES	-	-	-
TOTAL LIABILITIES	-	-	-
OWNER'S EQUITY			
Retained Earnings (Deficit)	135,674	80,789	43,055
Net Income (Loss)	62,880	54,884	37,734
TOTAL SHAREHOLDERS' EQUITY	198,554	135,673	80,789
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$198,554	$135,674	$80,789

See Independent Accountant’s Audit Report and accompanying notes, which are an integral part of these financial statements.

UBATUBA ACAI EXPANSION, LLC
STATEMENT OF CASHFLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 & DECEMBER 31, 2022 & DECEMBER 31, 2021

	2023	2022	2021
OPERATING ACTIVITIES			
Net Income	$ 62,880	$ 54,884	$ 37,734
Non-Cash Adjustments			
Changes in Accounts Receivable	(4,143)	-	19,450
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	58,737	54,884	57,184
INVESTING ACTIVITIES			
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-	-	-
FINANCING ACTIVITIES			
Owner's Contribution (net)	-	-	(29,451)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	-	-	(29,451)
NET INCREASE (DECREASE) IN CASH	58,737	54,884	27,733
CASH AT BEGINNING OF PERIOD	135,674	80,789	53,056
CASH AT END OF PERIOD	$ 194,411	$ 135,674	$ 80,789

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

UBATUBA ACAI EXPANSION, LLC
STATEMENT OF SHAREHOLDERS' EQUITY
AS OF DECEMBER 31, 2023 & DECEMBER 31, 2022 & DECEMBER 31, 2021

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	$ 72,506	$ -	$ 72,506
Net Income for the period ending December 31, 2021	-	37,734	37,734
Equity Contributions (Distributions)	-	(29,451)	(29,451)
Balance, December 31, 2021	**$ 72,506**	**$ 8,283**	**$ 80,789**

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	$ 80,789	$ -	$ 80,789
Net Income for the period ending December 31, 2022	-	54,884	54,884
Equity Contributions (Distributions)	-	-	-
Balance, December 31, 2022	**$ 80,789**	**$ 54,884**	**$ 135,674**

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	$ 135,674	$ -	$ 135,674
Net Income for the period ending December 31, 2023	-	62,880	62,880
Equity Contributions (Distributions)	-	-	-
Balance, December 31, 2023	**$ 135,674**	**$ 62,880**	**$ 198,554**

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES

UBATUBA ACAI EXPANSION, LLC (the “Company”) is a California Limited Liability Company, located in Tarzana, California. It was established on July 18, 2016 to offer franchise opportunities to entrepreneurs who want to own and operate their own Ubatuba Acai operation as a franchise.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation
The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”). As a result, the Company records revenue when earned and expenses when incurred. The Company has adopted the calendar year as its basis of reporting.

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 the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents
Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Franchisee Receivables
The Company’s franchisee receivables primarily result from initial franchise fees, royalty fees, brand development contributions and training fees charged to franchisees. Timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized after invoicing. The Company reports these receivables at net realizable value.

Management determines the allowance for doubtful accounts based on historical losses, current expectations, and economic conditions. On a continuing basis, management analyzes delinquent accounts receivable and, once these accounts receivable are determined to be uncollectible, they are written off through a charge against an existing allowance account. The allowance account is reviewed regularly and adjusted against earnings as appropriate. The Company determined that an allowance on outstanding franchisee receivables of $0 was necessary as of December 31, 2023, December 31, 2022, & December 31, 2021. Franchisee bad debt expense was $0 for the year ended December 31, 2023, December 31, 2022, & December 31, 2021. Franchisee amounts written off were $0 for the year ended December 31, 2023, December 31, 2022, & December 31, 2021.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Fixed Assets and Depreciation
Property and Equipment is stated at cost. Accounting principles generally accepted in the United States of America require that property and equipment be depreciated using the straight-line method. Depreciation in these financial statements reflects accelerated depreciation methods used for the tax return. The effects of these departures from accounting principles generally accepted in the United States of America on financial position, results of operations, and cash flows have not been determined. Expenditures for normal repairs and maintenance are charged to operations as incurred.

The Company reviews long-lived assets for impairment whenever events or circumstances indicate that the carrying value of such assets may not be fully recoverable. Impairment is present when the sum of the undiscounted estimated future cash flows expected to result from use of the assets is less than carrying value. If impairment is present, the carrying value of the impaired asset is reduced to its fair value. As of December 31, 2023, December 31, 2022, & December 31, 2021, no impairment loss has been recognized for long-lived assets.

Fair Value of Financial Instruments
Financial Accounting Standards Board ("FASB") guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).
- Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

As of December 31, 2023, December 31, 2022, & December 31, 2021, the carrying amounts of the Company's financial assets and liabilities reported in the balance sheets approximate their fair value.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Revenue Recognition
Revenues are primarily derived from franchise fees (one-time and recurring monthly fees). In accordance with Accounting Standards Codification (ASC) Topic 606, Revenue will be recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the seller’s price to the buyer is fixed or determinable, and collectability is reasonable assured. The determination of whether fees and fixed or determinable and collection is reasonable assured involves the use of assumptions. Arrangement terms and customer information are evaluated to ensure that these criteria are met prior to recognition of revenue.

Specifically for franchisors, The Financial Accounting Standards Board (FASB) has issued an Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient’ in 2021 which provides a new practical expedient that permits private company franchisors to account for preopening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within the guidance. The Company has elected to adopt this new standard.

Unearned Revenue
The Company's primarily performance obligation under the franchise agreement mainly includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including initial training and other such activities commonly referred to collectively as "pre-opening activities”, which are recognized as a single performance obligation. The Company expects that certain pre-opening activities provided to the franchisee will not be brand specific and will provide the franchisee with relevant general business information that is separate and distinct from the operation of a company-branded franchise unit. The portion of pre-opening activities that will be provided that is not brand specific is expected to be distinct as it will provide a benefit to the franchisee and is expected not to be highly interrelated or interdependent to the access of the Company's intellectual property, and therefore will be accounted for as a separate distinct performance obligation. All other pre-opening activities are expected to be highly interrelated and interdependent to the access of the Company's intellectual property and therefore will be accounted for as a single performance obligation, which is satisfied by granting certain rights to access the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company will first allocate the initial franchise fees and the fixed consideration, under the franchise agreement to the standalone selling price of the training services that are not brand specific and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, which are not brand specific are recognized ratably as those services are rendered. Consideration allocated to pre-opening activities included under Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient’ is recognized when the related services have been rendered.

The remaining franchisee fee not allocated to pre-opening activities are recorded as Unearned Revenue and will be recognized over the term of the franchise agreement.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Income Taxes
The Company, with the consent of its shareholders, intends to elect to be an S-Corporation (for tax purposes). In lieu of corporate income taxes, the shareholder(s) of an S-Corporation is taxed based on its proportionate share of The Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

Commitments and Contingencies
The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations. As of December 31, 2023, December 31, 2022, & December 31, 2021, the Company has not reported any lawsuit or known plans of litigation by or against the Company.

NOTE C – CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

NOTE D – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 18, 2024, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

UBATUBA ACAI EXPANSION, LLC

Financial Statements For The Years Ended December 31, 2022 & December 31, 2021

TOGETHER WITH INDEPENDENT ACCOUNTANT AUDIT REPORT

TABLE OF CONTENTS

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INDEPENDENT ACCOUNTANT AUDIT REPORT

To the Management of UBATUBA ACAI EXPANSION, LLC

We have audited the accompanying financial statements of UBATUBA ACAI EXPANSION, LLC (the "Company"), which comprise the Balance Sheet as of December 31, 2022 & December 31, 2021, the related Profit & Loss Statements, the related Statements of Cashflows, and the related Statements of Shareholders' Equity for the years then ended.

Opinion

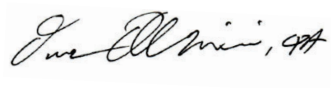
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UBATUBA ACAI EXPANSION, LLC as of December 31, 2022 & December 31, 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Omar Alnuaimi, CPA

Naperville, IL
January 20, 2023

UBATUBA ACAI EXPANSION, LLC
PROFIT & LOSS STATEMENT
FOR THE YEARS ENDED DECEMBER 31, 2022 & DECEMBER 31, 2021

	2022	2021
Revenue		
Royalty Franchise Fees	$62,790	$44,486
Total Revenue	62,790	44,486
Cost of Sales	-	-
Gross Profit	62,790	44,486
Operating Expense		
Professional Fees	11,606	5,452
Tax Expense	800	800
Insurance Expense	500	500
Total Operating Expenses	12,906	6,752
Net Income From Operations	49,884	37,734
Other Income (Expense)		
Misc. Income	5,000	-
Total Other Income (Expense)	5,000	-
Net Income Before Provision for Income Tax	54,884	37,734
Provision for Income Taxes	-	-
Net Income (Loss)	$54,884	$37,734

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

UBATUBA ACAI EXPANSION, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2022 & DECEMBER 31, 2021

	12/31/22	12/31/21
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$135,674	$80,789
TOTAL CURRENT ASSETS	135,674	80,789
NON-CURRENT ASSETS		
TOTAL NON-CURRENT ASSETS	-	-
TOTAL ASSETS	135,674	80,789
LIABILITIES AND OWNER'S EQUITY		
CURRENT LIABILITIES		
TOTAL CURRENT LIABILITIES	-	-
NON-CURRENT LIABILITIES		
TOTAL NON-CURRENT LIABILITIES	-	-
TOTAL LIABILITIES	-	-
OWNER'S EQUITY		
Retained Earnings (Deficit)	80,789	43,055
Net Income (Loss)	54,884	37,734
TOTAL SHAREHOLDERS' EQUITY	135,673	80,789
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$135,674	$80,789

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

UBATUBA ACAI EXPANSION, LLC
STATEMENT OF CASHFLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 & DECEMBER 31, 2021

	2022	2021
OPERATING ACTIVITIES		
Net Income	$ 54,884	$ 37,734
Non-Cash Adjustments		
Decrease in Accounts Receivable	-	19,450
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	54,884	57,184
INVESTING ACTIVITIES		
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-	-
FINANCING ACTIVITIES		
Owner's Contribution (net)	-	(29,451)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	-	(29,451)
NET INCREASE (DECREASE) IN CASH	54,884	27,733
CASH AT BEGINNING OF PERIOD	80,789	53,056
CASH AT END OF PERIOD	$ 135,674	$ 80,789

See Independent Accountant’s Audit Report and accompanying notes, which are an integral part of these financial statements.

UBATUBA ACAI EXPANSION, LLC
STATEMENT OF SHAREHOLDERS' EQUITY
AS OF DECEMBER 31, 2022 & DECEMBER 31, 2021

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	$ 72,506	$ -	$ 72,506
Net Income for the period ending December 31, 2021	-	37,734	37,734
Equity Contributions (Distributions)	-	(29,451)	(29,451)
Balance, December 31, 2021	**$ 72,506**	**$ 8,283**	**$ 80,789**

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	$ 80,789	$ -	$ 80,789
Net Income for the period ending December 31, 2022	-	54,884	54,884
Equity Contributions (Distributions)	-	-	-
Balance, December 31, 2022	**$ 80,789**	**$ 54,884**	**$ 135,674**

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES

UBATUBA ACAI EXPANSION, LLC (the "Company") is a California Limited Liability Company, located in Tarzana, California. It was established on July 18, 2016 to offer franchise opportunities to entrepreneurs who want to own and operate their own Ubatuba Acai operation as a franchise.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). As a result, the Company records revenue when earned and expenses when incurred. The Company has adopted the calendar year as its basis of reporting.

Use of Estimates

The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of income and expense during the reporting period. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, and makes adjustments when facts and circumstances dictate. These estimates are based on information available as of the date of the financial statements; therefore, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Accounts Receivable

The Company's trade receivables are recorded when billed and represent claims against third parties that will be settled in cash. The carrying value of the Company's receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value.

The Company evaluates the collectability of accounts receivable on a customer-by-customer basis. The Company records a reserve for bad debts against amounts due to reduce the net recognized receivable to an amount the Company believes will be reasonably collected. The reserve is a discretionary amount determined from the analysis of the aging of the accounts receivables, historical experience and knowledge of specific customers. As of December 31, 2022 & December 31, 2021, The Company assessed its customer receivables and determined there is no justification for an allowance for doubtful accounts.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Fair Value of Financial Instruments

Financial Accounting Standards Board ("FASB") guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).
- Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

As of December 31, 2022 & December 31, 2021, the carrying amounts of the Company's financial assets and liabilities reported in the balance sheets approximate their fair value.

Revenue Recognition

Revenues are primarily derived from franchise fees (one-time and recurring monthly fees). In accordance with Accounting Standards Codification (ASC) Topic 606, Revenue will be recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the seller's price to the buyer is fixed or determinable, and collectability is reasonable assured. The determination of whether fees and fixed or determinable and collection is reasonable assured involves the use of assumptions. Arrangement terms and customer information are evaluated to ensure that these criteria are met prior to recognition of revenue.

Specifically for franchisors, The Financial Accounting Standards Board (FASB) has issued an Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' in 2021 which provides a new practical expedient that permits private company franchisors to account for preopening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within the guidance. The Company has elected to adopt this new standard.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Deferred Revenue

The Company's primarily performance obligation under the franchise agreement mainly includes granting certain rights to access the Company's intellectual property and a variety of activities relating to opening a franchise unit, including initial training and other such activities commonly referred to collectively as "pre-opening activities", which are recognized as a single performance obligation. The Company expects that certain pre-opening activities provided to the franchisee will not be brand specific and will provide the franchisee with relevant general business information that is separate and distinct from the operation of a company-branded franchise unit. The portion of pre-opening activities that will be provided that is not brand specific is expected to be distinct as it will provide a benefit to the franchisee and is expected not to be highly interrelated or interdependent to the access of the Company's intellectual property, and therefore will be accounted for as a separate distinct performance obligation. All other pre-opening activities are expected to be highly interrelated and interdependent to the access of the Company's intellectual property and therefore will be accounted for as a single performance obligation, which is satisfied by granting certain rights to access the Company's intellectual property over the term of each franchise agreement.

The Company estimates the stand-alone selling price of pre-opening activities using an adjusted market assessment approach. The Company will first allocate the initial franchise fees and the fixed consideration, under the franchise agreement to the standalone selling price of the training services that are not brand specific and the residual, if any, to the right to access the Company's intellectual property. Consideration allocated to pre-opening activities, which are not brand specific are recognized ratably as those services are rendered. Consideration allocated to pre-opening activities included under Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' is recognized when the related services have been rendered. The remaining franchisee fee not allocated to pre-opening activities are recorded as Unearned Revenue and will be recognized over the term of the franchise agreement.

Income Taxes

The Company, with the consent of its shareholders, has elected to be an S-Corporation (for tax purposes). In lieu of corporate income taxes, the shareholder(s) of an S-Corporation is taxed based on its proportionate share of The Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

Commitments and Contingencies

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations. As of December 31, 2022 & December 31, 2021, the Company has not reported any lawsuit or known plans of litigation by or against the Company.

NOTE C – CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

NOTE D – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 20, 2023, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

UBATUBA ACAI EXPANSION, LLC

Financial Statements For The Year Ended December 31, 2021

TOGETHER WITH INDEPENDENT ACCOUNTANT AUDIT REPORT

TABLE OF CONTENTS

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INDEPENDENT ACCOUNTANT AUDIT REPORT

To the Management of UBATUBA ACAI EXPANSION, LLC

We have audited the accompanying financial statements of UBATUBA ACAI EXPANSION, LLC (the "Company"), which comprise the Balance Sheet as of December 31, 2021, the related Profit & Loss Statement, the related Statement of Cashflows, and the related Statement of Shareholders' Equity for the year then ended.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UBATUBA ACAI EXPANSION, LLC as of December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Omar Alnuaimi, CPA

Naperville, IL
January 18, 2022

UBATUBA ACAI EXPANSION, LLC
PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2021

Revenue	
Franchise Fees	$ 44,486
Total Revenue	44,486
Cost of Sales	-
Gross Profit	44,486
Operating Expense	
Professional Fees	5,452
Tax Expense	800
Insurance Expense	500
Total Operating Expenses	6,752
Net Income From Operations	37,734
Other Income (Expense)	
Total Other Income (Expense)	-
Net Income Before Provision for Income Tax	37,734
Provision for Income Taxes	-
Net Income (Loss)	$ 37,734

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

UBATUBA ACAI EXPANSION, LLC
BALANCE SHEET
AS OF DECEMBER 31, 2021

ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	$ 80,789
TOTAL CURRENT ASSETS	80,789
NON-CURRENT ASSETS	
TOTAL NON-CURRENT ASSETS	-
TOTAL ASSETS	80,789
LIABILITIES AND OWNER'S EQUITY	
CURRENT LIABILITIES	
TOTAL CURRENT LIABILITIES	-
NON-CURRENT LIABILITIES	
TOTAL NON-CURRENT LIABILITIES	-
TOTAL LIABILITIES	-
OWNER'S EQUITY	
Retained Earnings (Deficit)	43,055
Net Income (Loss)	37,734
TOTAL SHAREHOLDERS' EQUITY	80,789
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 80,789

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

UBATUBA ACAI EXPANSION, LLC
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

OPERATING ACTIVITIES	
Net Income	$ 37,734
Non-Cash Adjustments	
Decrease in Accounts Receivable	19,450
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	57,184
INVESTING ACTIVITIES	
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	-
FINANCING ACTIVITIES	
Owner's Contribution (net)	(29,451)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	(29,451)
NET INCREASE (DECREASE) IN CASH	27,733
CASH AT BEGINNING OF PERIOD	53,056
CASH AT END OF PERIOD	$ 80,789

See Independent Accountant’s Audit Report and accompanying notes, which are an integral part of these financial statements.

UBATUBA ACAI EXPANSION, LLC
STATEMENT OF SHAREHOLDERS' EQUITY
AS OF DECEMBER 31, 2021

	Opening Equity Balance	Yearly Changes	Total
Beginning Balance	$ 72,506	$ -	$ 72,506
Net Income for the period ending December 31, 2021	-	37,734	37,734
Equity Contributions (Distributions)	-	(29,451)	(29,451)
Balance, December 31, 2021	**$ 72,506**	**$ 8,283**	**$ 80,789**

See Independent Accountant's Audit Report and accompanying notes, which are an integral part of these financial statements.

NOTE A – ORGANIZATION AND NATURE OF ACTIVITIES

UBATUBA ACAI EXPANSION, LLC (the "Company") is a California Limited Liability Company, located in Tarzana, California. It was established on July 18, 2016 to offer franchise opportunities to entrepreneurs who want to own and operate their own Ubatuba Acai operation as a franchise.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). As a result, the Company records revenue when earned and expenses when incurred. The Company has adopted the calendar year as its basis of reporting.

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 the reported amounts of assets and liabilities, and the disclosures of contingent assets and liabilities and other items, as well as the reported revenues and expenses. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and any cash equivalents include all cash balances, and highly liquid investments with maturities of three months or less when purchased.

Fair Value of Financial Instruments

Financial Accounting Standards Board ("FASB") guidance specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 1 primarily consists of financial instruments whose value is based on quoted market prices such as exchange-traded instruments and listed equities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (e.g., quoted prices of similar assets or liabilities in active markets, or quoted prices for identical or similar assets or liabilities in markets that are not active).

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Fair Value of Financial Instruments (cont.)

- Level 3 - Unobservable inputs for the asset or liability. Financial instruments are considered Level 3 when their fair values are determined using pricing models, discounted cash flows or similar techniques and at least one significant model assumption or input is unobservable.

As of December 31, 2021, the carrying amounts of the Company's financial assets and liabilities reported in the balance sheets approximate their fair value.

Revenue Recognition

Revenues are primarily derived from franchise fees (one-time and recurring monthly fees). In accordance with Accounting Standards Codification (ASC) Topic 606, Revenue will be recognized when persuasive evidence of an arrangement exists, delivery has occurred, or services have been rendered, the seller's price to the buyer is fixed or determinable, and collectability is reasonable assured. The determination of whether fees and fixed or determinable and collection is reasonable assured involves the use of assumptions. Arrangement terms and customer information are evaluated to ensure that these criteria are met prior to recognition of revenue.

Specifically for franchisors, The Financial Accounting Standards Board (FASB) has issued an Accounting Standards Update (ASU) to ASC 606, Franchisors—'Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient' in 2021 which provides a new practical expedient that permits private company franchisors to account for preopening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within the guidance. The Company has elected to adopt this new standard for 2021 and onward.

Income Taxes

The Company, with the consent of its shareholders, has elected to be an S-Corporation (for tax purposes). In lieu of corporate income taxes, the shareholder(s) of an S-Corporation is taxed based on its proportionate share of The Company's taxable income. Therefore, no provision or liability for income taxes has been included in these financial statements.

Commitments and Contingencies

The Company may be subject to pending legal proceedings and regulatory actions in the ordinary course of business. The results of such proceedings cannot be predicted with certainty, but the Company does not anticipate that the final outcome, if any, arising out of any such matter will have a material adverse effect on its business, financial condition or results of operations. As of December 31, 2021, the Company has not reported any lawsuit or known plans of litigation by or against the Company.

NOTE C – CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents. The Company places its cash and any cash equivalents with a limited number of high-quality financial institutions and do not exceed the amount of insurance provided on such deposits.

NOTE D – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 18, 2022, the date on which the financial statements were available to be issued. Management has determined that none of the events occurring after the date of the balance sheet through the date of Management's review substantially affect the amounts and disclosure of the accompanying financial statements.

Exhibit G

Current Franchisee Information List
As of December 31, 2023

Ubatuba Acai Claremont
Blake and Abby Brewart
124 N. Yale
Claremont, CA 91832
(909) 294-9519

Ubatuba Acai Fullerton
Yuta Takamatsu130 E Chapman Ave Suite A
Fullerton, CA 92832
(714) 599-307

Former Franchisee Information List
As of December 31, 2023

None

Exhibit
H

California
State Addenda

CALIFORNIA STATE LAW ADDENDA TO

FRANCHISE DISCLOSURE DOCUMENT,
FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT

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 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.

FRANCHISEE MUST SIGN A PERSONAL GUARANTY, WHICH IN THE STATE OF CALIFORNIA MAY EXPOSE ANY COMMUNITY PROPERTY ASSETS TO PERSONAL RISK IF YOUR FRANCHISEE FAILS.

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 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. The Agreements require application of the laws of the state where Your Outlet is located. This provision may not be enforceable under California law.

7. 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.

8. Re: Website: www.ubatubaacai.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 CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

9. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (1) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

10. AB 1228 increases the minimum wage for fast food employees for fast food chains consisting of more than 60 establishments nationally to $20 per hour, beginning April 1, 2024. The bill authorizes the Fast-Food Council to set fast-food restaurant standards for minimum wage and develop minimum standards on working hours and other working conditions, including health and safety standards and training. The bill also authorizes the Fast-Food Council to set wages for fast food workers until January 1, 2029. The Council and its authority sunset January 1, 2029.

The following is added to Item 7 of the FDD:

Compliance with the bill law may increase your expenses and the amount of your initial investment. You may review the Department of Industrial Relations website at Fast Food Minimum Wage Frequently Asked Questions (ca.gov) further information and consult with an attorney specializing in labor law in determining any additional costs.

<u>The following is added to Item 1 of the FDD</u>:

Franchisees located in California are required to comply with all applicable California labor laws, including labor laws that may apply to certain fast food restaurant industry employees. Specifically, California franchisees operating certain fast food restaurants must comply with Part 4.5.5 (commencing with Section 1474) of Division 2 of the California Labor Code (codifying Assembly Bill No. 1228) which established the California Fast Food Council ("CFFC") which has the authority to increase the hourly minimum wage subject to certain limitations, and to set forth requirements, limitations, and procedures for adopting and reviewing fast food restaurant health, safety, and employment standards in California.

UBATUBA ACAI EXPANSION, LLC

State Effective Dates

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

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

State	Effective Date
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

ITEM 23. 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 Ubatuba Acai Expansion LLC offers you a franchise, it must provide this disclosure document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require 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 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 Ubatuba Acai Expansion LLC does not deliver this disclosure document on time or if it contains a false or misleading misstatement, 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 E.

The franchisor is Ubatuba Acai Expansion LLC, located at 7128 Geyser Avenue, Reseda, CA 91335. Its telephone number is (310) 874-0008.

Issuance Date: January 18, 2024

The franchise seller(s) for this offering are Daniela Demetrio, Joseph Swain and Sergio Mejia at 7128 Geyser Avenue, Reseda, CA 91335. Any additional individuals franchise sellers involved in offering the franchise are:

____

____

Ubatuba Acai Expansion LLC authorizes the respective state agencies identified on Exhibit E to receive service of process for it in the particular state.

I have received a disclosure document dated January 18, 2024 that included the following Exhibits:

A. Preliminary Agreement
B. Franchise Agreement and Related Materials including State Addenda
C. Area Development Agreement
D. Confidentially Agreement
E. State Agents and State Administrators
F. Financial Statements
G. Franchisee List
H. State Addenda
I. Receipts

___________ ______________________________________
Date Franchisee

Printed Name:__________________________

You may return the signed receipt either by signing, dating, and mailing it to Ubatuba Acai Expansion LLC at 7128 Geyser Avenue, Reseda, CA 91335, or by faxing a copy of the signed and dated receipt to Ubatuba Acai Expansion LLC at (310) 874-0008.

ITEM 23. RECEIPT (YOUR COPY)

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___________ ______________________________________
Date Franchisee

Printed Name:__________________________

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