FRANCHISE DISCLOSURE DOCUMENT

WANNA PLAY PLAYCARE FRANCHISING, LLC
(A Texas Limited Liability Company)
14010 North Hwy 183, Suite 535
Austin, TX 78717
(512) 971-6970
franchise@wannaplayplaycare.com
www.wannaplayplaycare.com

The franchise described is known as "Wanna Play Playcare". Wanna Play Playcare is involved in the business of providing flexible childcare solutions for children ages 6 weeks to 12 years. Wanna Play Playcare Centers provide parents with hourly drop-in child care, and optional fulltime, preschool, after school programs, as well as camps, private parties and planned events. The Centers offer extended hours on weekdays and weekends with a schedule that includes a blend of teacher guided activities as well as child led open-ended play.

The total investment necessary to begin operation of a Wanna Play Playcare Single Unit franchised business is $256,750 to $458,200. This includes $30,500 that must be paid to us or an approved supplier. The total investment necessary to begin operation of two to five locations under a Wanna Play Playcare Area Development Agreement is $271,500 to $517,200. This includes $45,250 to $89,500 that must be paid to the franchisor or affiliate. There is no minimum number of Wanna Play Playcare units that you are required to develop under an Area Development Agreement.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Adrian Maguire at 14010 North Hwy 183, Suite 535, Austin, TX 78717, or email at franchise@wannaplayplaycare.com or telephone her at 512-971-6970.

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

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

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

Issuance Date: May 10, 2023

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchises. You can find their names and contact information in Item 20 or Exhibit E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Wanna Play Playcare business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Wanna Play Playcare franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

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

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

(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 373 7117

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EXHIBITS

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

To simplify the language in this Disclosure Document, the words "we," "our" and "us", "WPPF" and "Wanna-Play" refer to Wanna Play Playcare Franchising, LLC, the franchisor of this business. "You" and "your" refer to the person who buys the franchise, whether you are an individual, a Corporation, Limited Liability Company or other business entity. If you are a Corporation, Limited Liability Company or other business entity, certain provisions of this Disclosure Document also apply to your owners and will be noted. Our agent for service of process is disclosed in Exhibit A.

The Franchisor

We were organized as a Limited Liability Company in Texas on March 12, 2013. We have no parents or predecessors. Our principal business address is 14010 North Hwy 183, Suite 535, Austin, TX 78717. We do business under our company name and the names "Wanna Play Playcare" and "Wanna Play". We have offered franchises since January 1, 2014.

We grant franchises to qualified persons or business entities in connection with the service mark "Wanna Play Playcare" and other related logos (collectively referred to as the "Marks"). We refer to these businesses as "Wanna Play Businesses." We refer to the Wanna Play Businesses you will operate as the "Franchised Business." In addition to granting franchises for individual Wanna Play Businesses, we also allow certain Franchisees who fit our criteria to become Multi-unit franchise owners, also called Area Developers. Multi-unit franchise owners open and operate multiple additional Wanna Play Businesses in a specified Territory. You must operate the Franchised Business in accordance with our standards, methods, procedures and specifications, which we refer to as our "System" and which are more particularly described in our Franchise Agreement.

Wanna Play Playcare Franchising, LLC has never operated a Wanna Play Business. We are not engaged in any other line of business, nor have we ever offered franchises in another line of business.

Our Affiliates

We have two affiliates. Our Affiliates operate Wanna Play Playcare locations and provide training and other products and services to our franchisees. Our Affiliates include:

Wanna Play, LLC which is located at 14010 U.S. 183, #535, Austin, TX 78717. Wanna Play, LLC is the owner and holder of our Trademarks. Wanna Play, LLC has operated a Wanna Play Playcare since 2008. Wanna Play, LLC does not offer nor has it previously offered a franchise in this or any other line of business. Our President, Adrian Maguire owns 100% of Wanna Play, LLC.

WPNE, LLC which is located at 4500 E. Palm Valley Blvd., #100, Round Rock, TX 78665. WPNE, LLC has operated a Wanna Play Playcare since 2011. WPNE, LLC does not offer nor has it previously offered a franchise in this or any other line of business. Our President, Adrian Maguire owns 100% of WPNE, LLC.

General Description of the Franchise

Single Unit Offering

You will develop and operate one or more Wanna Play Playcare franchised businesses with the right to use our marks and our system, including operational guidelines, opening guidelines, our specifications for business design and proprietary information, our initial and ongoing training programs and marketing and promotional assistance. Our standards, guidelines, and specifications are outlined in our confidential manual (the "Manual") and otherwise in writing from time to time. You will own the underlying assets of the business; those assets will be operated by you, as our franchisee, under a license from us. The Franchise is a licensed childcare center focused on providing quality, flexible care for children ages 6 weeks to 12 years. The centers provide an environment in which children learn and play, and parents do not have to compromise quality over convenience. You will own a child care business specializing in drop-in care, and optional fulltime, preschool, after school programs, camps, and private parties.

You may enter into a Franchise Agreement that lays out your rights and obligations in the operation of each franchised business (the “Franchise Agreement”). A copy of our current Franchise Agreement is attached as Exhibit B. If you enter into a Franchise Agreement, as a franchisee, you will be required to develop, establish and operate a Wanna Play Playcare business in accordance with the requirements of our System. Your rights under the Franchise Agreement will be limited to the establishment and operation of one Wanna Play Playcare business, providing only our approved services and products in conformity with our System and within your designated Territory. Each Franchise Agreement will be between you and us, and each of your owners will guarantee your obligations to us.

Area Development Offering

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

You will be required to enter into our then-current form of franchise agreement for each of the locations you are required to open under the Area Development Agreement, and you must execute the Franchise Agreement for your initial location contemporaneously with the execution of your Area Development Agreement. You must then ensure that you open and commence operations of each additional location in the Development Area in accordance with a development schedule set forth in your Area Development Agreement (the “Development Schedule”).

Market and Competition

The marketplace for childcare is well established and highly competitive. However, the marketplace for drop-in and flexible child care is a younger and more emerging market for child care and has not yet been widely developed. You will compete against various providers of both drop-in and general child care which may include individually owned and operated locations, franchised locations, babysitters and sitter services, and in-home child care providers as well as traditional family member requests.

Regulations

The child care industry as with any business is regulated. Many of the laws, rules and regulations that apply to business generally, such as the Americans with Disabilities Act, Federal wage and hour laws and the Occupational Safety and Health Act, also apply to child care businesses. You will be required to comply with all Federal, State, and local laws, rules and regulations, including the Federal Communications Commission (FCC) and will timely obtain, maintain and renew when required all permits, certificates, and licenses necessary for the proper operation of your Wanna Play Franchise, including qualification to do business, fictitious trade or assumed name registration.

There is a wide variation in legal requirements among various state and local laws and regulations. All states require background checks and screening of proposed employees. States also can regulate a school’s curriculum and typically require submission of the School’s program plans, discipline policy, emergency and evacuation plans, specific equipment, maintenance of records, CPR and first aid requirements. Proof and documentation for all of the above topics is required to be maintained and present at your Wanna Play Franchise. State agencies may conduct scheduled and unscheduled inspections of your

Wanna Play Franchise. Failure by a Wanna Play franchise to comply with applicable laws and regulations can result in state sanctions; which could include fines, corrective orders, probation or, in serious cases, suspension or revocation of your Wanna Play Franchise's license.

Additionally, you must comply with all rules, laws and regulations relating to child care, including but not limited to, regulations by the U.S. General Services Administration, and those laws issued and enforced by state and local health departments.

You should consider these and other applicable laws and regulations when evaluating your purchase of a franchise. Under the Franchise Agreement, you alone are responsible for complying with all applicable laws and regulations despite any advice or information we may give you.

ITEM 2 - BUSINESS EXPERIENCE

Adrian Maguire: President

Adrian Maguire is the founder and President of Wanna Play Playcare Franchising, LLC. Concurrently, Ms. Maguire has served as the Managing Member of our Affiliate, Wanna Play, LLC since its inception in 2008 and our Affiliate, WPNE, LLC since its inception in 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 for a single Wanna Play Playcare Center is $29,500 (the "Initial Franchise Fee"). You must pay us the Initial Franchise Fee in a lump sum when you sign the Franchise Agreement. The Initial Franchise Fee is not refundable in whole or in part under any circumstances.

Multi-Center Discount. If you purchase additional franchise units concurrently with the first franchise, you will receive a 10% discount off the additional franchise unit's Franchise Fee. The balance of the Franchise Fee is due to us in a lump sum when you sign the Franchise Agreement, unless otherwise stated in the State Addendum attached.

Area Development Agreement. If you have chosen to enter into, and have been approved for, an Area Development Agreement, you must sign the Area Development Agreement simultaneous with the Franchise Agreement for your first Wanna Play franchise. When signing an Area Development Agreement, you must pay the Franchise Fee for the first franchise plus 50% of the Franchise Fee for each additional Wanna Play business to be developed. When you open each additional franchise under the Area Development Agreement, you will pay the balance of the Franchise Fee and execute the additional Franchise Agreement at that time.

Discounts. The Franchise Fee above is not uniform for all franchisees. We offer a 25% discount to the Franchise Fee for U.S. Military Veterans.

ITEM 6 - OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee[1]	6% of Gross Sales beginning in the third full month from the date you commence operations	Weekly on Thursday, ACH Auto Deposited for the previous week	See definition of Gross Sales.[3] This is the amount due Us.
National Marketing Fund Fee[1]	2% of Gross Sales	Weekly on Thursday of each week, ACH Auto Deposited for the previous week	Contributions must be paid weekly. We do not require marketing funds to be used in cooperative advertising however, a cooperative may determine its members' required contributions, if one is created by its members. We reserve the right to raise the National Marketing Fund fee if needed. You will have at minimum thirty (30) days' notice of the change.
Local Marketing Fee[7]	2.5% of Gross Sales	Monthly	You will submit to us the proof that you have made these contributions from the previous month towards your local marketing.
Technology Fee	Currently, $75 per month	Monthly	This fee is for use of software and other computer systems that we require. We can increase the Technology Fee in our reasonable discretion.
Movie Copyright Fee	Will vary under the circumstances	Annually	You will be required to pay or to reimburse us a pro-rata portion of any copyright fees for any movies and music used in your Center.
Additional Training[5]	Rates as published in the Manual; currently, $500 per day, plus (i) our travel expenses or (ii) your expenses as well as your employees' expenses in attending	Time of service	You pay for additional training for additional trainees at our facility at a rate of $500 per day.

Additional Operations Assistance[6]	Rates as published in the Manual; currently, $500 per day plus our expenses	Time of assistance	We provide you with assistance around the beginning of operations at no charge to you. You pay for additional assistance if you request it or if We provide assistance to your clients for up to five days.
Ongoing Training Programs[6]	You are required to pay your expenses as well as your employees' expenses for attending	Time of program	We provide Update Training. No tuition or training fees are assessed; attendance will not be required more than 1 time per year and collectively will not exceed 4 days in any calendar year.
Temporary Management Assistance[1]	Rates as published in the Manual; currently, $500 per day plus our expenses	Each day that it applies	Following the death or incapacity of an owner of the Franchised Business, we may assume operation of the Franchised Business until the deceased or incapacitated owner's interest is transferred to a third party approved by Us. We charge this temporary management fee during the time we are operating your Franchised Business and we will also be entitled to reimbursement of any expenses we incur that are not paid out of the operating cash flow of the Franchised Business.
National / Regional Meetings	$1,500 for two attendees (Non-attendance incurs an additional penalty of $1,500)	First Thursday in September	We provide Annual Training at our Annual Convention. We will provide all convention entrance fees, hotel and airfare costs for up to two people to attend the training session. Additional attendees will be billed at $500 each.
Indemnification/ Legal Fees	All costs including attorneys' fees	Upon demand	You must defend lawsuits at your cost and hold us harmless against lawsuits arising from your operation of the Franchised Business.
Renewal Fees	$5,000	270-90 days prior to termination	You must notify us in writing at least 9 months prior to the end of your Franchise Agreement with us that you wish to Renew your Franchise. You must also sign a General Waiver and Execute the then-current Franchise Agreement.

Replacement Operations Manuals	$1,000 each	Upon request	You are loaned one copy of the Operations Manuals. If you require a replacement copy this fee will be due upon ordering it.
Liquidated Damages	Within 15 days, pay the amount due based upon the formula noted in the Remarks section	Upon termination	An amount equal to the average monthly Royalty Fees Franchisee paid to us during the 3 months of operation preceding the effective date of termination multiplied by (a) 24 (being the number of months in two full years), or (b) the number of months remaining in this Agreement had it not been terminated, whichever is higher, or until the Protected Territory, as defined under Section 2.5 is granted to a third party, without the necessity of holding a full trial, and without the necessity of posting security or bond. The liquidated damages provision only covers our damages from the loss of cash flow from the loss of continuing Royalty Fees.
Prospective Supplier Sample Tests	$150	At time of request	If you wish to have us test out a new supplier there will be a $150 fee. The new supplier will go through a 90-day approval timeframe and a 3- month test market.

No other fees or payments are to be paid to Us, nor do we impose or collect any other fees or payments for any other third party. All fees are generally nonrefundable.

NOTES

1 These fees are imposed by us and deducted from your ACH Account from your Gross Sales and are payable to us as listed in due date column of the above chart. Franchisor owned units do not have voting power in cooperatives established. The Royalty Fee's, the Service Fee and the Capital Access Charge fee, plus any other amounts you owe us will be deducted from payments that your Customers submit to you under the Order Processing System, or as a separate ACH withdrawal if warranted. (see Item 8) We may pass through to you any additional fees we incur if you pay us any amounts by credit card.

2 The daily additional fee begins the day after underpayment.

3 “Gross Sales” means the aggregate of all income and monthly fees Franchisee receives from Customers for the purchase or provision of any goods or services, including enrollment fees, or any other person or business entity for the Franchised Business in connection with the Franchised Business (whether or not in accordance with the terms of the Franchise Agreement) and whether for check, cash, credit or otherwise, from the sale of products and services (including service charges in lieu of gratuity) regardless of the dollar amount Franchisee sells each product or service for, including,

without limitation, all proceeds from any business interruption insurance, but excluding (a) all insurance payments, check, cash, credit or debit card refunds made in good faith provided, prior to granting the refunds, the revenue related to the refunds was included in Gross Sales, (b) any sales and equivalent taxes that Franchisee collects for or on behalf of and pay to any governmental taxing authority, and (c) any rebate Franchisee receives from a manufacturer or supplier.

4 You must maintain certain types of insurance coverage as disclosed in Item 9 or in the Manual. If you do not, we may immediately obtain or reinstate the required coverage on your behalf, and you must promptly reimburse us for the costs of obtaining insurance and any additional costs incurred by us in obtaining your coverage or reinstatement.

5 These amounts are estimates and approximate the average charge to you for services. Charges may vary based upon the actual time spent by our staff and the duration of the training or assistance provided.

ITEM 7 - ESTIMATED INITIAL INVESTMENT

A. Franchise Agreement

YOUR ESTIMATED INITIAL INVESTMENT [1]				
EXPENDITURE	**AMOUNT**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Initial Franchise Fee	$29,500	Lump Sum	When Signing the Franchise Agreement	Us
Utility and Miscellaneous Security Deposits[2]	$500 to $2,000	As Arranged	Before Opening	Landlord and Utility Companies
Lease Deposit[2]	$15,000 to $22,500	As Incurred	As Incurred	Third Party
Leasehold Improvements[3]	$120,000 to $240,000	As Arranged	Before Opening	Approved Suppliers and Vendors
Furniture, Fixtures, and Equipment[4]	$35,000 to $75,000	As Arranged	Before Opening	Approved Suppliers and Vendors
Company Uniform/Gear[5]	$1,000	Lump Sum	At Training	Approved Suppliers and Vendors
Insurance[6]	$750 to $1,200	As Arranged	Monthly/As Arranged, A Deposit Before Opening	Insurance Company
Travel and Living Expenses While Training[7]	$1,500 to $4,500	As Incurred	During Training/ Before Opening	Airlines, Hotels, Businesses, Car Rental Companies, etc.

Vinyl and Signage	$15,000 to $20,000	As Arranged	Before Opening	Third Party
Licensing and Permits	$500 to $1,500	As Incurred	During Training/ Before Opening	Third Party Vendors
Professional Fees	$10,000 to $15,000	As Incurred	Before Opening	Attorney, Accountant, Architect and/or Business Advisor
Opening Advertising Program	$5,000 to $10,000	As Incurred	Before and After Opening	Us and/or Advertising Vendors
Website Creation	$1,000	Lump Sum	When Signing the Franchise Agreement	Us
Miscellaneous	$2,000 to $5,000	As Incurred	As Incurred	Third Party Vendors
Additional Funds[8] (Three Months)	$20,000 to $30,000	As Incurred	As Incurred	Operating Capital
TOTAL[9]	$256,750 to $458,200			

Explanatory Notes:

1. These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Wanna Play Playcare Franchise. We do not offer direct or indirect financing for these items. All expenditures paid to us or our affiliates are uniform and nonrefundable under any circumstances once paid. All expenses payable to third parties are nonrefundable, except as you may arrange for utility deposits and other payments.

2 Lease, Utility and Miscellaneous Security Deposits. You will be required to pay a lease deposit (typically the last month's rent) before you can enter the premises. Utility companies may require you to place a deposit and/or pay an installation fee before occupying the premises or installing telephone, gas, electricity and related utility services. These deposits may be refundable under agreements made with the Landlord and utility companies.

3 Leasehold Improvements. The cost of construction and leasehold improvements depends upon the size and condition of the premises, the local cost of contract work and the location of the Franchise Business. In some cases, a "vanilla shell" is available which can be used without requiring extensive demolition or renovation. In other cases, the space may require extensive renovation, construction of ceilings, walls, plumbing, flooring and lighting, before finishes can be installed. The range of figures for a Franchise Business is for the cost of reasonable renovation or leasehold improvements. This figure does not include all signage necessary for the franchise location. You must have interior and exterior signage bearing the Marks as prescribed by Us. The cost of signage will vary based upon the supplier of the signage, size, number of signs, and requirements of the office location and may also be affected by applicable municipal code and zoning restrictions. You must use at least those signs shown on the standard list of internal signs we require for every Franchised Business.

4 Furniture, Fixtures and Equipment. The equipment estimate does not include import fees, shipping or freight. The equipment necessary for the operation of a Wanna Play Business is listed in the Confidential Operations Manual (the "Manual"). You must purchase approved brands and models from

approved suppliers. The cost of the equipment will depend on financing terms available, the size of the Franchised Business, brands purchased, and other such relevant factors. Fixtures may include desks, signs, wall coverings, and decorations. The cost of fixtures will vary, depending on the layout of the Franchise Business, whether the Franchise Business is open to the public and other relevant factors. However, all equipment, fixtures, construction, leasehold improvements and interior decor (if applicable) must meet our standards and specifications and must be approved by Us. Local ordinances may result in variances in the type of required furniture, fixtures or equipment, which may affect the total price.

5 Opening Retail Inventory. The Opening Company Uniform and Gear inventory needed.

6 Insurance. You must obtain and maintain the required insurance coverage as described by us in Item 8 of this Disclosure Document and in the Franchise Agreement. The cost of insurance will vary based on types and limits of insurance purchased, location of the Franchise Business, terms available and other related factors. The estimate provided is for your insurance deposit.

7 Training. You and your Director must participate in our initial training as stated in Item 11 of this Disclosure Document. The fee for the Initial Training Program is included in the Franchise Fee. The included fee is for attendance of two people. You may participate in our additional training programs. All Franchise Fees are used to defray our costs for providing training, promotional assistance and materials and other services to be provided by Us. Additional information regarding training is available in Item 11 of this Disclosure Document.

8 Additional Funds. An amount of working capital is projected as sufficient to cover operating expenses for three months, including Software, employee salaries and overhead, but excluding salary for an owner-operator. However, Wanna Play cannot guarantee that this amount will be sufficient or that you will not have additional expenses starting the business. Your costs will depend on factors such as: how much you follow Wanna Play's methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our product; the prevailing wage rate; competition; and the sales level reached during the initial period.

9 Total. We relied upon our business experience to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We cannot guarantee that this amount will be sufficient or that you will not have additional expenses starting the business. Your costs will depend on factors such as: how much You follow our methods and procedures; your management skill, experience and business acumen; local economic conditions; the local market for our product; the prevailing wage rate; competition; and the sales level reached during the initial period. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan.

B. Area Development Agreement

YOUR ESTIMATED INITIAL INVESTMENT [1]				
EXPENDITURE	**AMOUNT**	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Development Fee[2]	$44,250 to $88,500 (2 Units) to (5 Units)	Lump Sum	Upon execution of Area Development Agreement	Us
Initial Investment to Open Initial Wanna Play Playcare Business [3]	$227,250 to $428,700	See Chart A of this Item 7.		

TOTALS	$271,500 to $517,200			

In general, all fees and payments are non-refundable, unless otherwise stated or permitted by the payee. We do not finance any portion of your initial investment.

Explanatory Notes:

1. This chart details the estimated initial investment associated with executing an Area Development Agreement for the right to own and operate 2 to 5 Wanna Play Playcare Businesses, as well as the initial investment to open your first Wanna Play Playcare Business under your Development Schedule.
2. Development Fee. The Development Fee is described in greater detail in Item 5 of this Disclosure Document, and this Development Fee is for the right to open and operate between 2 and 5 Wanna Play Playcare Businesses.
3. Initial Investment to Open Initial Wanna Play Playcare Business. This figure represents the total estimated initial investment required to open the initial Wanna Play Playcare Business you agreed to open and operate under the Area Development Agreement. You will be required to enter into our then-current form of franchise agreement for the initial Wanna Play Playcare Business you open under your Area Development Agreement. The range includes all the items outlined in Table A of this Item 7, except for the Initial Franchise Fee because it is accounted for in the Development Fee. It does not include any of the costs you will incur in opening any additional Wanna Play Playcare Businesses that you are granted the right to open and operate under your Area Development Agreement.

ITEM 8 - RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Services, Equipment; Fixtures; Furniture and Signs

You must contract, purchase, lease, or license any services, equipment, furniture, fixtures, supplies, or other materials to be used in the operation of the Franchise Business, for your Business only from suppliers that we designate or approve (which might include or be limited to us or our affiliates), if stated in the Manual or previously approved in writing by Us. You may purchase items and services for which we have not identified approved suppliers from any source, if the items and services meet our specifications.

You must comply with our specifications for brands and types of equipment used in your Franchised Business. If you propose to purchase any items for use in your Franchised Business from an unapproved source for which we have identified, designated, or approved supplier(s), you must request our approval first. We may require, as a condition of granting approval, that our representative(s) be permitted to inspect the supplier's facilities, and that information, specifications, and samples as we reasonably request be delivered to us for testing. We will notify you within 90 days of your request as to whether we approve the supplier or product. If no approval is received within 90 days, it is deemed denied. Upon written acceptance and approval by us of services or products and suppliers submitted for inclusion on the Approved Suppliers List and Approved Supplies List, you will be free to purchase such service or product from such approved supplier. We may revise our Approved Supplier and Approved Supplies Lists.

We apply the following general criteria in designating a proposed supplier as an approved source:

1. Ability to provide the service or product to our quality specifications;
2. Production and delivery capability;
3. Minimum standards for safety;

4. Integrity of the supplier; and
5. Legality of the product or company.

Currently, we are not a designated or approved supplier for any products or service nor do we receive benefits from any approved suppliers. However, our Affiliate, Wanna Play Playcare, LLC is. Wanna Play Playcare, LLC is an approved supplier for all products, furniture, fixtures and equipment, uniforms, promotional items, and other miscellaneous items. Except as stated in this Item, neither we nor any persons affiliated with us is or are an approved supplier of any required goods or services, and neither you nor any person affiliated with us will or may derive revenues as a result of required purchases or leases by you.

We estimate that the cost of required equipment and supplies purchased in accordance with our specifications will represent (a) 90-95% of your total purchases and leases in establishing the business and (b) 45-55% of your total purchases and leases during operation of the business.

Revenue Received from Purchases or Leases

We have the right to collect and retain any and all allowances, rebates, credits, incentives, or benefits ("Allowances") offered by manufacturers, suppliers, and distributors to you, to us, or to our affiliates, based upon your purchases of products and services from manufacturers, suppliers, and distributors. We or our affiliates will have all of your right, title, and interest in and to any and all of these Allowances. We or our affiliates may collect and retain any or all of these Allowances without restriction (unless otherwise instructed by the manufacturer, supplier, or distributor).

During our fiscal year ending December 31, 2022, neither we nor our affiliate, Wanna Play Playcare, LLC, received any amounts from franchisee purchases.

Insurance

You must obtain and maintain insurance, at your expense, with policy limits as required by Us, applicable law, your landlord, and lender or otherwise. The policies must be written by an insurance company reasonably satisfactory to us with a Best rating of "A-" or better and include the risks, amount of coverage and deductibles as stated below. We reserve the right to increase the minimum insurance requirements. Currently, we require the following types of minimum coverage: "all risk" property insurance, including business interruption insurance, customarily obtained by similar businesses in your general area to cover, at a minimum, all assets including inventory, furniture, fixtures, equipment, supplies and other property used in the operation of your Wanna Play Business; general commercial liability insurance in an amount of not less than $2,000,000 per occurrence with a $2,000,000 general aggregate; comprehensive general liability insurance, including products and contractual, in an amount of not less than $2,000,000 per occurrence with a $2,000,000 general aggregate; workers' compensation insurance for statutory limits and employer's liability insurance in an amount not less than $1,000,000; sexual/ physical abuse insurance of not less than $100,000 per occurrence with a $300,000 general aggregate; professional liability insurance in an amount of not less than $2,000,000 per occurrence with a $2,000,000 general aggregate; an umbrella policy in an amount of not less than $2,000,000; and if necessary, automobile liability coverage, including coverage of owned, non-owned and hired vehicles with coverage in amounts not less than $1,000,000 combined single limit.

Bookkeeping and Records

You will establish and maintain a bookkeeping, accounting and record keeping system conforming to our requirements, as may be periodically revised. You will submit periodic reports, forms and records as specified in the Franchise Agreement or the Manual or otherwise.

ITEM 9 - FRANCHISEE'S OBLIGATIONS

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

Obligation		Section In the Franchise Agreement (FA) and Development Agreement (DA)	ITEM In the Disclosure Document
a.	Site selection and acquisition/lease	FA: Article 5 DA: Article 2 and 4	ITEMS 11 and 12
b.	Pre-opening purchases/leases	FA: Articles 5, 12 and 15 DA: None	ITEMS 7, 8 and 11
c.	Site development and other pre-opening requirements	FA: Articles 5 and 8 DA: Article 4	ITEMS 7, 8 and 11
d.	Initial and ongoing training	FA: Article 8 DA: None	ITEMS 6, 7 and 11
e.	Opening	FA: Articles 5 and 8 DA: None	ITEM 11
f.	Fees	FA: Articles 3, 5, 8, 10, 11, 12, 13, 15, 18 and 21 DA: Article 3	ITEMS 5, 6, 7 and 11
g.	Compliance with standards and policies/Operating Manual	FA: Articles 6, 7, 9, 10, 11, 12 13 and 15 DA: Article 4 and 6	ITEMS 8 and 16
h.	Trademarks and proprietary information	FA: Articles 6, 7 and 9 DA: Article 6	ITEMS 13 and 14
i.	Restrictions on products/services offered	FA: Articles 5, 6, 7, 10 and 13 DA: None	ITEMS 8 and 16
j.	Warranty and customer service requirements	FA: Article 13 DA: None	ITEM 16
k.	Territorial development and sales quotas	FA: Article 2 DA: Article 4	ITEM 12
l.	Ongoing product/service purchases	FA: Article 13 DA: None	ITEMS 8 and 11
m.	Maintenance, appearance and remodeling requirements	FA: Articles 5, 10 and 13 DA: None	ITEM 6
n.	Insurance	FA: Article 15 DA: None	ITEMS 6, 7 and 8
o.	Advertising	FA: Articles 3 and 11 DA: None	ITEMS 6, 7 and 11
p.	Indemnification	FA: Article 21 DA: Article 11	ITEM 6
q.	Owner's participation/ management/ staffing	FA: Articles 8 and 13 DA: Article 4	ITEM 15
r.	Records and reports	FA: Articles 5 and 12 DA: None	ITEM 11
s.	Inspections and audits	FA: Articles 6, 12 and 16 DA: None	ITEMS 6, 11 and 13

t.	Transfer	FA: Articles 16 and 18 DA: Article 7	ITEM 17
u.	Renewal	FA: Articles 4 and 16 DA: Article 5	ITEM 17
v.	Post-termination obligations	FA: Article 17 DA: Article 9	ITEM 17
w.	Non-competition covenants	FA: Articles 7, 17 and Exhibit 1 DA: Article 9	ITEM 17
x.	Dispute resolution	FA: Article 23 DA: Article 13	ITEM 17

ITEM 10 - FINANCING

We do not offer direct or indirect financing. We do not guarantee your promissory notes, mortgages, leases or other obligations.

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

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

A. Our Pre-Opening Obligations

Before you open your Wanna Play Playcare Business, we will:

1. designate your Protected Territory, as further described in Item 12; (Franchise Agreement, Section 2.5)

2. if we have not already approved a site that you have selected before signing the Franchise Agreement, then we must approve a site for you prior to opening based on the following criteria: the condition of the premises; demographics of the surrounding area; proximity to other Wanna Play Businesses; proximity to other businesses involved in the childcare industry; lease requirements; available utility, Wi-Fi, and installation providers; proximity to major roads; and overall professional business location suitability. We will provide you with written notice of our approval of any proposed site within 15 days after receiving all requested information. If you do not receive a denial from us within 20 days, the site is deemed approved. If you receive a denial you must submit an alternate site until approved. You are solely responsible for locating and obtaining a site that meets our standards and criteria and that is acceptable to us, we will assist you in finding a suitable site. In the event an approved location cannot be determined, either party may terminate the Franchise Agreement; (Franchise Agreement, Sections 2.2, 2.3 and 5.1)

Note: Neither we nor any of our employees have special expertise in selecting sites; we make no representations that your Franchised Business will be profitable or successful by being located at the Approved Location. Any approval is intended only to indicate that the proposed site meets our minimum criteria based upon our general business experience;

3. review and approve your lease or purchase agreement for the site for the Approved Location, if applicable; (Franchise Agreement, Section 5.2)

Note: Our review of your lease or purchase agreement and any advice or recommendations we may offer is not a representation or guarantee by us that you will succeed at the leased or purchased premises;

5. provide you with a standard overview for the build-out of the Franchised Business, if necessary, along with a list of suggested equipment that you might choose to purchase or lease and install; (Franchise Agreement, Section 5.3)

Note: Neither we nor any of our employees have special expertise in conforming the plans and specifications to your local territory. You will be solely responsible for ensuring that all local ordinances and building codes are followed and that you obtain all required permits if you choose to build-out;

6. provide an initial training program. This training is described in detail later in this Item; (Franchise Agreement, Section 8.1)

7. provide to you on-site assistance in presentations to qualified customers within the Franchised Business Territory; (Franchise Agreement, Section 8.2);

8. provide to You, on loan, one copy of the Wanna Play Business Operations Manual, either in electronic or paper form. The Table of Contents of the Operations Manual, along with the number of pages devoted to each section, is described in detail later in this ITEM; (Franchise Agreement, Section 9.1)

B. <u>Typical Length of Time Between the Signing of the Franchise Agreement and Beginning Operation</u>

We estimate that the typical length of time between the signing of the Franchise Agreement and the opening of a Wanna Play Business to be between 6 and 9 months. Factors that may affect your beginning operations include your completion of the pre-training package requirements, ability to secure travel arrangements to training, financing, compliance with local ordinances, available training seats when signing, weather conditions and delays in setup or installation of computers, software, equipment and fixtures. You are required to open your Franchised Business and be operational within 10 months after signing the Franchise Agreement. (Franchise Agreement, Section 5.6 and Section 16.2)

C. <u>Other Assistance During the Operation of The Franchised Business</u>

After the opening of the Franchised Business, we will:

1. periodically, advise and offer general guidance to you by telephone, e-mail, webinars, facsimile, intranet, newsletters or other methods. Any guidance provided will be based on our, our Affiliates' and our other franchisees' experience in operating Wanna Play Businesses. Such advice and guidance may consist of knowledge and experience relating to the authorized services or products, assistance in obtaining residential consumers, communication of new developments, improvements in software, equipment and supplies, as well as operational methods, accounting procedures, and marketing and sales strategies; (Franchise Agreement, Section 14.1)

2. make periodic visits to the Franchised Business to assist and guide you in various aspects of the operation and management of the Franchised Business, as we see fit. We may prepare written reports outlining any suggested changes or improvements in the operations of the Franchised Business and detail any deficiencies that become evident as a result of any such visit. If we prepare a report, you will be provided with a copy; (Franchise Agreement, Section 14.2)

3. communicate directly with the consumer, marketing or installation contractor(s), or other person or entity not the franchisee, to provide assistance before, during, or after the initial sale at the rate of $500 per day pro-rated, payable monthly by ACH Deposit, by the 10th day of the month following the support; (Franchise Agreement, Sections 8.5 and 14.1)

4. make available to you changes and additions to the System as generally made available to all franchisees; (Franchise Agreement, Section 10.2 and 14.3)

5. periodically, provide advertising and promotional materials including ad-slicks, brochures, fliers, and other materials for your use or purchase; (Franchise Agreement, Section 14.4)

6. approve forms of advertising materials you will use for Local Advertising, Opening Advertising and any optional Advertising; (Franchise Agreement, Sections 11.1, 11.2 and 11.4)

7. maintain our websites located at www.wannaplayplaycare.com and continue to promote Wanna Play Businesses through the Internet. We will prepare and maintain an interior page to our site with up to 5 pages promoting or giving information about your Franchised Business, whose leads will be directed solely to You; (Franchise Agreement, Section 11.4)

8. maintain our Social Media sites and applications such as: Twitter, Facebook, LinkedIn and other sites and applications that we may establish. We do not allow you to establish or utilize Social Media sites or applications for business purposes. Further, any representations from You, or your employees regarding your profits or earnings made on any Social Media site or application, even if made from a personal Social Media account, is deemed a breach of Confidential Information under the Franchise Agreement, and you will be responsible for all costs including legal costs for any required fines or legal actions as a result of your postings; (Franchise Agreement, Section 11.4)

9. provide you with modifications to the Manual as they are made available to franchisees; (Franchise Agreement, Section 9.2)

10. provide you administrative bookkeeping and accounting control procedures as needed; (Franchise Agreement, Sections 12.3 and 12.4) and

11. will treat all franchisees equal. All services and support will be on a first come first served basis. You will enjoy a "favorite franchisee" provision with Us. Large or multi-unit owners will not receive any special treatment by us over single unit franchisee. If we create or roll out new system programs, services or benefits, they will be immediately applicable to you and all other franchisees in the Wanna Play System, after completion of a beta test market program, if applicable. All Franchise Agreements will contain this same provision. (Franchise Agreement, Sections 10.1)

D. Local Advertising

All advertising and promotions must be approved in writing by us in advance. During every one (1) month period after the Franchised Business opens, you must spend at least enough to maintain the minimum enrollment requirements. You may choose to spend whatever amount you determine best; however, at no time may you spend less than 2.5% of the previous months Gross Sales towards your local advertising budget. ("Local Advertising"). Within ten (10) days after the end of each month after the Franchised Business opens, you will furnish to us an accurate accounting of the expenditures on Local Advertising for the preceding one month period. (Franchise Agreement, Section 11.1 and 11.2)

E. National Advertising Fund

We have developed a Marketing Fund that you will be required to contribute to ("Marketing Fund"). We have set the exact percentage that you must contribute to at two percent (2%) of the previous weeks Gross Sales. We may adjust the percentage with 30 days advance notice to You; but it can never be raised more than 1% per year. (Franchise Agreement, Section 11.2) We will administer the Marketing Fund as follows:

1. We will control the creative concepts and the materials and media to be used, and we

will determine the placement and allocation of advertisements. We may use print, television, radio, Internet or other media for advertisements and promotions. We do not guarantee that any particular franchisee will benefit directly or in proportion to their contribution from the placement of advertising by the Marketing Fund;

2. We may use your contributions to meet or reimburse us for any cost of producing, maintaining, administering (including costs of personnel), directing and conducting research and advertising (including the cost of preparing and conducting television, radio, billboard, Internet, video, video-streaming, digital signage, audio, magazine, newspaper and direct mail advertising campaigns, conventions and other public relations activities; developing and/or hosting an Internet web page of similar activities; employing advertising agencies to assist therein; and providing promotional brochures and other marketing materials to franchisees). We initially plan to conduct all advertising in-house, or we may use a national or regional marketing agency. We will maintain your contributions in a separate account from our other funds and we will not use them for any of our general operating expenses, except for our reasonable administrative costs and overhead related to the administration of the Marketing Fund;

3. We expect to use all contributions in the fiscal year they are made. We will use any interest or other earnings of the Marketing Fund before we use current contributions. We intend for the Marketing Fund to be perpetual, but we have the right to terminate it if necessary. We will not terminate the Marketing Fund until all contributions and earnings have been used for advertising and promotional purposes or have been returned to our franchisees on a *pro rata* basis. Any funds not used in a particular fiscal year will rollover to the next fiscal year for use;

4. All Wanna Play Businesses owned by us will make similar contributions to the Marketing Fund as required of franchisees;

5. We will have an accounting of the Marketing Fund prepared each year and we will provide you with a copy if you request it. It is our intention to provide a copy each year at the annual convention and training seminar, discussed later in this Item. We may require that the annual accounting be audited by an independent certified public accountant at the Marketing Fund's expense;

6. The Marketing Fund is not a trust and we assume no fiduciary duty in administering the Marketing Fund; and

7. We anticipate that the percentages of use for the marketing fund will be 5% spent toward media and advertising production, 94% media placement on a national or regional basis, and around 1% of the Marketing Fund for administrative expenses and follow-through.

8. We did not collect any national marketing fund contributions during the 2022 fiscal year.

F. <u>Local Advertising Cooperative</u>

Although we are not obligated to do so, upon certain conditions as listed in the Franchise Agreement, we allow you to create a Cooperative Advertising program for the benefit of all Wanna Play Businesses located in a particular region, including non-voting Franchisor owned unit(s) once there are 5 franchisees or more in the region. You may participate in any Cooperative Advertising program established in your region. If Cooperative Advertising is implemented in a particular region, you must participate in the Cooperative until your renewal period, at which time you may choose to opt out. You may establish an advertising council for franchisees in that region to self-administer the program. We do not have the power to require Cooperative Advertising programs to be created, dissolved or merged. We will require each Cooperative Advertising program to prepare periodic financial statements which are available for your review which will delineate the amount each franchisee will be required to contribute. (Franchise Agreement, Section 11.3)

If an advertising council is created by the franchisees, which is their right, the Council must advise Wanna Play how to utilize the national marketing funds collected from all franchisees. The council must elect or appoint a board or leader that will be the individual(s) to communicate at minimum quarterly with the Franchisor.

G. Franchisee Advisory Council

We do not have a franchisee advisory council that advises us on advertising policies, though we may establish such a council in the future.

H. Initial Opening Advertising

During your Opening, you must spend at least $10,000 on Opening Advertising, including print or news media or direct mail advertising, dues for business organizations, event dues or other solicitation and promotional efforts. We will provide you with guidance for conducting Opening Advertising, and we will review and approve the materials you use in your Opening Advertising. "Opening" includes 30 days prior to opening your Franchise Business through 60 days after opening your Franchised Business to the public. (Franchise Agreement, Sections 8.2)

I. Computer/Software/Phone System

You must purchase, for use in your Franchised Business our specified point of sale and computer systems and equipment. We may require that you add additional, new or substitute software, replace or upgrade your computer systems and equipment, and enter into maintenance agreements with third parties. You must acquire, install, and maintain all required anti-virus and anti-spyware software as designated by us in addition to any email or internet usage policies that we require within 30 days of written notice. You are solely responsible for updating the manufacturer's software on each device and ensuring that each device is not older than three versions past. (Franchise Agreement, Section 12.6)

There is currently only one approved point of sale system that you can purchase to satisfy our requirements. You may purchase the approved system through Procare Software. We reserve the right to act as collection agent for ProCare, and collect fees you owe to them. You must purchase and install Procare v10 which will include the software and hardware required to operate your Franchised Business. We estimate that the Procare v10 system will cost approximately $4,000 - $5,000. You must also pay us a monthly technology fee (currently $290 per month) which includes all ongoing fees associated with ProCare, email addresses, accounting software and our approved client communications system.

We have the right to independently access all information collected or compiled by or in accordance with your use of the software at any time without first notifying you. You must update or upgrade computer hardware or software as we deem necessary. (Franchise Agreement, Section 12.6)

J. Website/Intranet/Social Media

Websites (as defined below) are considered as "advertising" under the Franchise Agreement, and are subject (among other things) to our review and prior written approval before they may be used (as described above). As used in the Franchise Agreement, the term "Website" means an interactive electronic document contained in a network of computers linked by communications software that you operate or authorize others to operate and that refers to the Franchised Business, Proprietary Marks, us, or the System. The term Website includes Internet and World Wide Web home pages. In connection with any Website, the Franchise Agreement provides that you may not establish a Website, nor may you offer, promote, or sell any products or services, or make any use of the Proprietary Mark, through the

Internet without our prior written approval. As a condition to granting any consent, we will have the right to establish any requirement that we deem appropriate, including a requirement that your only presence on the Internet will be through one or more web pages that we establish on our Website.

We will also have the right to establish a website or other electronic system providing private and secure communications (such as an intranet) between us, our franchisees, and other persons and entities that we determine appropriate. If we require, you must establish and maintain access to the intranet in the manner we designate. Additionally, we may periodically prepare agreements and policies concerning the use of the intranet that you must acknowledge and/or sign.

Any websites or other modes of electric commerce that we establish or maintain, including but not limited to any apps that we may introduce, may, in addition to advertising and promoting the products, programs or services available at Wanna Play businesses, also be devoted in part to offering Wanna Play franchises for sale and be used by us to exploit the electronic commerce rights which we alone reserve.

You are not permitted to promote your Franchised Business or use any of the Proprietary Marks in any manner on any social or networking websites, such as Facebook, LinkedIn or Twitter, without our prior written consent. We alone may establish, maintain, modify or discontinue all internet activities pertaining to the System, including through the use of a page or profile on a social media website such as Facebook, Instagram, TikTok, Twitter or Snapchat. You must comply with our System standards regarding the use of social media in your Franchised Business's operation, including prohibitions on your and the Franchised Business's employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us ("social media" includes personal blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). We will provide access to branded social media pages/handles/assets, and you must update these regularly. We reserve the right to conduct collective/national campaigns via local social media on your behalf. In addition, only we may respond to reviews of Wanna Play businesses that are posted on Yelp, TripAdvisor and similar Websites. (Franchise Agreement, Section 11.4)

K. Operations Manual

We will loan to You, during the term of the Franchise Agreement, one copy of the Set of Manuals containing reasonable and mandatory specifications, standards, operating procedures and rules prescribed by us for Wanna Play Businesses and information relative to your other obligations and the operation of a Wanna Play Business. You must maintain a current, updated copy of the Set of Manuals. If there are any disputes over the contents of the Manual, the terms of the master copy maintained at our headquarters will control. Our interpretations of the provisions of the Manuals are controlling, and you must abide by our interpretations. We will have the right to periodically add to and otherwise modify the Manuals to reflect changes in the specifications, standards, operating procedures and rules required by us for Wanna Play Businesses, provided no addition or modification will materially change your fundamental status and rights under the Franchise Agreement or require you to spend unreasonable additional capital investment. (Franchise Agreement, Article 9)

The Table of Contents for the Manuals, as of the date of this Disclosure Document are as follows:

TRAINING MANUAL	
SECTION	**NUMBER PAGES**
Pre-opening	3
Creating Office & Child Care Space	3
Introduction to Space Usage	1
Staffing Needs & Hiring Recommendations	2

Scheduling	2
Front Desk Operations	3
Safety & Security	1
Operating Standards	2
Daily Floor Operations	3
Parent Operating Policies and Procedures	25
Meal Service	2
Interpreting Licensing Standards & Dealing with Inspections	2
Emergency Response Plan	3
Elopement Avoidance	2
Food Allergy Action Plan	2
Sanitation	2
Inventory	2
TOTAL PAGES	60

OPERATIONS MANUAL	
SECTION	**NUMBER OF PAGES**
1. Introduction to the Manual	3
2. Introduction to the Franchise System 2.1. Welcome Letter 2.2. History of Wanna Play Playcare 2.3. Who to Call 2.4. Overview of Services Provided to Franchisees 2.5. Overview of your Responsibilities 2.6. Periodic Visits	5
3. Pre-Opening Procedures 3.1. Introduction 3.2. Establishment of Business Form 3.3. Site Selection Process 3.4. Licenses, Permits and Taxes 3.5. Training 3.6. Building-Out your Facility 3.7. Initial Inventory and Supplies 3.8. Utilities/ Services 3.9. Uniforms 3.10. Bank Accounts 3.11. Insurance Coverage 3.12. Child Care Licensing 3.13. Grand Opening	25

TOTAL PAGES	104

We have a compilation of manuals and materials that total 164 pages. Failure to follow the mandatory specifications, standards or operating procedures in the Manuals, as amended from time to time, may constitute a material breach of the Franchise Agreement. If such a material breach is not cured within thirty (30) days of receipt of the written notice from us of default, we may terminate the Franchise Agreement. (Franchise Agreement, Section 16.2)

L. Training

You will complete three levels of training, 1) Pre-Training (which you become eligible for after you complete and pass a drug test, an online personality test and supply us with a current photo for all managers, and directors), 2) the initial training program, and 3) the on-site follow-up training. We will conduct an Initial Training program, either online or in person at our option, of approximately 1 week, that the Franchisee (which is You, if you are not a corporation or other business entity), and all directors must attend and complete to our satisfaction. Although Initial Training is mandatory, you may bring up to 1 additional person free of charge. Each additional trainee will be charged $500 per day. Training will take place on an as-needed basis at our Austin, TX Lakeline location, online, or at another location or locations we designate. The Initial Training program covers all material aspects of the operation of a Wanna Play Business, including such topics as: Wanna Play Playcare mission and principles, establishment of your business structure; legal filings; business licenses; banking and checking accounts; insurance; accounting and legal support; computer system and software installation; set up accounting systems; market research; marketing plan; optional establishment of office lease; employment suggestions; office administration; administrative management training; trademark usage guidelines; maintenance of quality standards; customer service techniques; record keeping and reporting procedures; other operational issues; resale, transfer, renewals an assignment training; and on-the-job training. All Directors must complete initial training to our satisfaction. We expect franchisees will advance through the training program at different rates depending on a variety of factors such as background and experience. Accordingly, the time frames provided in the following chart are an estimate of the time it will take to complete training. If you replace your Director your new Director must attend our training program. We do not charge for Initial Training, however, you must pay for all travel costs and living expenses for your Director and any of your attendees. We reserve the right to charge you for the training of a new Director at the then daily rate. You are responsible for training your own employees and other management personnel. This Initial Training is in addition to the on- the-job assistance we provide to you. (Franchise Agreement, Article 8)

TRAINING PROGRAM

Subject[1]	Hrs. of Training[1]	Hours of On- the-job Training	Location/ Instructor(s)[3]
Pre-Training	20+	0	Self-Study or online
Orientation	0	2	Offsite
Shift Scheduling	2	0	Offsite
Safety and Security	0	2	Lakeline
Front Desk Operations	0	16	Lakeline/Round Rock
Inventory	0	2	Lakeline
Facility Maintenance	0	1	Lakeline
Daily Floor Operations	0	24	Lakeline/Round Rock
Meal Service	2	0	Lakeline
Sanitation	0	1	Lakeline
Training	2	4	Lakeline

Client and Licensing Relations	1	1	Offsite/Lakeline
Parent Operating Policies and Procedures	2	0	Offsite
Promotion, Advertising, Online Reputation	2	0	Offsite
Review and Testing	2	2	Offsite/Lakeline
Site Selection, Center Design, Child Care Licensing/ Permitting, Pre-Opening Marketing	0	10	Offsite/Phone
Total Training Hours	**33+**	**65**	

1 Length of time spent on a subject and nature of subjects taught may vary depending upon an individual's experience and ability.

2 Training may not be necessary for the full-time frame. The numbers of hours listed in this section also include hours spent training on site at the Franchisee's Business.

3 Training may be provided by Adrian Maguire, as well as other members of Franchisor's or an Affiliates current staff. Adrian Maguire has served as Managing Member of our Affiliate, Wanna Play, LLC since 2008 where she has owned and operated a business substantially similar to a Franchised Business.

4 You will receive three (3) days of on-site Sales & Marketing follow-up assistance in your Territory within the first 30-60 days after the completion of the initial training program.

If circumstances require, a substitute trainer may provide training. We also reserve the right to name additional trainers periodically. There are no limits on our right to assign a substitute to provide training.

Periodically, we may require the previously trained and experienced Designated Manager, your other managers and/or employees to attend refresher-training programs to be conducted at our headquarters or other locations we designate. Attendance at these programs will be at your expense; however, we will not require you to attend more than 1 of these programs in any calendar year and these programs will not collectively exceed 4 days during any calendar year. (Franchise Agreement, Section 8.5)

ITEM 12 - TERRITORY

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

We will grant you a Territory that will be delineated by a specific geographic boundary. The territory will be a 4-mile radius around your Wanna Play Business and will in no event exceed a population density of 75,000, but also may vary depending on population density, market considerations, and established schools as determined by us in our sole discretion (the "Territory"). Upon entering into a lease, which has been approved by us with all applicable lease rider provisions we require, for the location of your Wanna Play Business, a written description of your territory will be provided to you and will be inserted into the Franchise Agreement by an addendum.

If you are in compliance with the Franchise Agreement during its term, we will not establish more Wanna Play Businesses or any substantially similar franchised or company-owned businesses in your Territory ("Territory"). However, we have the right to: (a) establish, own or operate, or continue to own or operate, and license others to establish, own or operate, or continue to own or operate Wanna Play Businesses outside of the Territory; (b) establish, own or operate, and license others to establish, own or operate, or continue to own or operate, other businesses under other systems using other trademarks at locations inside or outside of the Territory; (c) purchase or acquire the assets or controlling ownership of one or more businesses identical or similar to the Franchised Business (and/or acquire franchise, license and/or similar agreements for such businesses), some or all of which may be located anywhere, including within the Territory; (d) be acquired by any business, even if the other business operates, franchises and/or licenses Competitive Businesses within the Territory; (e) provide the services and sell any products authorized for Wanna Play Businesses using the Marks or other trademarks and commercial symbols through alternate channels of distribution, such as joint marketing with partner companies and Internet sales and catalog sales, but we will not make any sales to Competitive Businesses inside of the Territory; and/or (f) engage in any other activities not expressly prohibited in the Franchise Agreement.

The continued right of your Territory does depend on your membership volume. You must maintain at least an average of 45 new enrollments per month. We have the right to increase the minimum enrollment requirements at any time with prior notice. If you do not maintain the minimum enrollment standards it will be grounds for a Notice of Termination with 60 days right to cure. We cannot change the Territory without your consent. (Franchise Agreement, Sections 2.5, 2.6 and 2.7)

You may not relocate the Franchised Business without our prior written consent. If the lease for the Approved Location expires or terminates through no fault of you or if the Franchised Business's premises is destroyed, condemned or otherwise rendered unusable or as otherwise may be agreed upon in writing by both you and us, we may allow you to relocate the Franchised Business. Any such relocation will be at your sole expense, and must follow the requirements of Sections 5.1 through 5.6 of the Franchise Agreement including all timeframes. There may need to be modifications by Us, to reflect the new circumstances. We have the right to charge you for any costs incurred by us in providing assistance to You, including, legal and accounting fees. Otherwise, we have no obligation to provide relocation assistance. If we do not approve of any relocation site, this Agreement shall terminate, and the Territory shall revert to Us.

ITEM 13 - TRADEMARKS

Registrations and Applications

We grant our Franchisees the right to operate Wanna Play Businesses under the name "Wanna Play Playcare" which is the principal Mark used to identify our System. You may also use any other current or future Mark to operate your Franchised Business that we designate in writing, including the logo on the front of this Disclosure Document and the trademarks listed below. By "Mark", we mean any trade name, trademark, service mark or logo used to identify Wanna Play Businesses. As of the date of this Disclosure Document, our Affiliate, Wanna Play Playcare, LLC has filed the registration, and all required Affidavits for the following Marks on the Principal Register of the U.S. Patent and Trademark Office ("USPTO"):

Mark	International Classification	Registration Number	Registration Date/ Renewal Date
Wanna Play	043	4208609	September 8, 2012 (Renewed April 9, 2018 and December 8, 2022)

	041	4562314	July 8, 2014 (Renewed April 3, 2020)

Our Affiliate, Wanna Play Playcare, LLC., has granted us a license to use and sublicense to use the above-mentioned Marks, dated January 1, 2014. The term of the license is for 99 years. The license agreement may be terminated if we take any affirmative act of insolvency, if a receiver or trustee is appointed to take possession of our properties and is not discharged within 90 days, if we wind up, sell, consolidate or merge our business, or if we breach any of our duties and obligations under the license and do not cure the breach within 60 days following written notice of the breach. Within the license agreement, the term "Marks" includes any other trade names, service marks, trademarks, designs, logos, slogans and commercial symbols now in existence or later adopted by Wanna Play Playcare, LLC that are used in connection with the System. This license agreement licensed to us any future trademarks acquired by Wanna Play Playcare, LLC as well.

Proceedings

We know of no currently effective material determinations of the USPTO, trademark trial and appeal board, the trademark administrator of this state or any court; pending infringement, opposition or cancellation; or pending material litigation involving the Marks.

Agreements

Except as stated above, there are no agreements currently in effect that significantly limit our rights to use or to license the use of the Marks in any manner material to the franchise.

Infringing Uses

We know of no infringing or prior superior uses that could materially affect the use of the Marks in this State or any other state in which the Franchised Business is to be located.

Your Rights and Obligations with Respect to the Proprietary Property Including the Proprietary Mark

All usage of the Marks by you and any goodwill established through your use will exclusively benefit us. You will not receive any rights to the Marks other than the nonexclusive right to use them in the operation of your Franchised Business. You may only use the Marks in accordance with our standards, operating procedures and specifications. Any unauthorized use of the Marks by you is a breach of the Franchise Agreement and an infringement of our rights in the Marks. You may not contest the validity or ownership of the Marks, including any Marks that we license to you after you sign the Franchise Agreement. You may not assist any other person in contesting the validity or ownership of the Marks.

We will protect you against claims of infringement or unfair competition arising from your use of any Marks provided (a) you immediately notify us of any apparent infringement of, or challenge or claim to your use of any Marks, (b) you are in complete compliance with your Franchise Agreement; (c) you allow us to take whatever action we deem appropriate in these situations. This means we have exclusive control over any settlement or proceeding concerning any Mark; and (d) you agree to be a witness in any legal or arbitration proceeding on our behalf. You must take any actions that, in the opinion of our counsel, may be advisable to protect and maintain our interests in any proceeding or to otherwise protect and maintain our interests in the Marks. You may not communicate with any person other than us and our counsel regarding any infringements, challenges or claims, however, you may communicate with your own counsel at your own expense.

You must use the Marks as the sole trade identification of the Franchised Business; however, you may not use any Mark or part of any Mark as part of your business entity name in any modified form. You may not use any Mark in connection with the sale of any unauthorized products or services, or in any other manner that we do not authorize in writing. You must obtain a fictitious or assumed name registration if required by your state or local law.

You must notify us in writing before applying for your own trademark or service mark registrations. You must not register or seek to register as a trademark or service mark, either with the USPTO or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any of our Marks.

You may not advertise on the Internet using, or establish, create or operate an Internet site or website using any domain name containing, the words ”Wanna Play” Wanna Play Playcare” “Wanna Playcare” or any variation thereof without our prior written consent.

We have the sole right to maintain Social Media sites and applications such as: Twitter, Facebook, LinkedIn and other sites and applications that we may establish. We do not allow you to establish or utilize Social Media sites or applications for business purposes. You and your employees do not have the right to utilize the Marks listed in this disclosure document, on any Social Media sites or applications, even if made from a personal Social Media account. Further, any representations from You, or your employees regarding your profits or earnings made on any Social Media site or application, even if made from a personal Social Media account, are deemed a breach of Confidential Information under the Franchise Agreement.

The Development Agreement does not grant the right to use the Marks or the right to license others to use the Marks. Use of the Marks is granted only under the Franchise Agreement.

Indemnification of You

We will reimburse you for all of your expenses reasonably incurred in any legal proceeding disputing your authorized use of any Mark, but only if you notify us of the proceeding in a timely manner and you have complied with our directions with regard to such proceeding. We have the right to control the defense and settlement of any such proceeding. We will not reimburse you for your expenses and legal fees for separate, independent legal counsel and for expenses in removing signage or discontinuing your use of any Mark. We will not reimburse you in connection with disputes where we challenge your use of a Mark.

Modification

We can require you to modify or discontinue the use of any Mark and/or to use other trademarks or service marks. If we adopt and use new or modified Marks, you may be required to add or replace supplies, signs and fixtures, and you may have to make other modifications as necessary to maintain uniformity with our current standards and specifications; however, you will not be required to spend more than your initial investment during the initial term of the Franchise Agreement. We will not be required to reimburse you for modifying or discontinuing the use of a Mark or for substituting another trademark or service mark for a discontinued Mark. We are not obligated to reimburse you for any loss of goodwill associated with a modified or discontinued Mark.

ITEM 14 - PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Under the Franchise Agreement, you agree not to contest, directly or indirectly, our ownership, title, right or interest in our common law rights, copyrights, Trade Dress, Trade Secrets, Confidential Information, the System, methods, procedures or any other intellectual property rights that are part of our System or contest our sole right to register, use or license others to use (except as limited by the Franchise Agreement) the common law rights, copyrights, Trade Dress, Trade Secrets, Confidential Information, the System, methods, procedures or any other intellectual property rights that are part of our System.

Patents

We do not possess any patents relative to this system.

Copyrights

We own copyrights in the Manual, our website, and other copyrightable items that are part of the System. While we claim copyrights in these and similar items, we have not and are not required to register these copyrights with the United States Registrar of Copyrights. You must use these items only as we specify while operating the Franchised Business and you must stop using these items if we direct you to do so. You may not duplicate or disclose any portion of the Manual in an unauthorized manner. Further, all information is proprietary and the Franchise Agreement and the Development Agreement require you to keep such information confidential.

Proceedings

We know of no currently effective determinations of the U.S. Copyright Office or any court regarding any of our copyrighted materials. Except as stated above, our right to use or license copyrighted items is not materially limited by any agreement or known infringing use.

Confidential Information

We have developed certain Trade Secrets and other Confidential Information, including methods of business management, sales and promotion techniques, and know-how, knowledge of, and experience in, operating a Wanna Play Business. We will provide our Trade Secrets and other Confidential Information to you during training, in the Manual and as a result of the assistance we furnish you during the term of the franchise. You may only use the Trade Secrets and other Confidential Information for the purpose of operating your Franchised Business [Intentional Error highlight when you find this]. You may only divulge Trade Secrets and other Confidential Information to employees who must have access to it in order to operate the Franchised Business. You are responsible for enforcing the confidentiality provisions as to your employees.

Certain individuals with access to Trade Secrets or other Confidential Information, including the owners, directors and any managers of the business (and members of their immediate families and households), are required to sign nondisclosure and non-competition agreements in a form the same as or similar to the Non-Disclosure and Non-Competition Agreement attached to the Franchise Agreement. We will be a third-party beneficiary with the independent right to enforce the agreements.

Proprietary Information

Our Affiliate Wanna Play Playcare, LLC, has granted us a license, dated April 1, 2013, to use and sublicense for the use of its domain name www.wannaplayplaycare.com. The term of the license is for 99 years; however, the license agreement may be terminated if we take any affirmative act of insolvency, if a receiver or trustee is appointed to take possession of our properties and is not discharged within 90 days, if we wind up, sell, consolidate or merge our business, or if we breach any of our duties and obligations under the license and do not cure the breach within 60 days following written notice of the breach.

We have the sole right to maintain Social Media sites and applications such as: Twitter, Facebook, LinkedIn and other sites and applications that we may establish. We do not allow you to establish or utilize Social Media sites or applications for business purposes. You and your employees do not have the right to utilize any of the Trade Secrets and Confidential Information stated above, or the common law copyrighted materials including the guidelines, books, signage, promotional materials, Manual, training materials, Franchise Agreements, and any other documents, materials and items for the general ambiance and decor used in the operation of the System and the Wanna Play Businesses on any Social Media sites or applications, even if made from a personal Social Media account. Further, any representations from You, or your employees regarding your profits or earnings made on any Social Media site or application, even if made from a personal Social Media account, is deemed a breach of Confidential Information under the Franchise Agreement, and you will be responsible for indemnifying and reimbursing us all legal, penalties, fines, and court costs associated with your unauthorized representations.

All ideas, concepts, techniques or materials concerning the Franchised Business, whether or not protectable intellectual property and whether created by or for you or your owners or employees, must be promptly disclosed to us and will be deemed our sole and exclusive property and a part of the System that we may choose to adopt and/or disclose to other Franchisees. Likewise, we will disclose to you concepts and developments of other Franchisees that we make part of the System. You must also assist us in obtaining intellectual property rights in any concept or development if requested.

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

The Franchised Business must always be under the direct supervision of a Designated Director. During your first year of operation, you, if you are an individual, or one of your shareholders or partners, must devote their personal attention to the full time, day-to-day operation of the Franchised Business. After your first year of operation, you may employ a Director responsible for running the Franchised Business on a full-time basis. The Designated Director must be the person you designate in writing (and approved by us in writing) and have primary responsibility for managing the day-to-day affairs of the Franchised Business.

Unless we otherwise agree in writing, you must be one of the Trainees. Any trainee may act as Director. You must keep us informed of the identity of your current Designated Director. The Director must devote his or her best efforts to the management and operation of your Wanna Play Franchise. After your first year of operation, you may hire any Director acceptable to us rather than be the Director but this will increase the cost of operation of your Wanna Play Franchise and may impair results. Any replacement or additional Directors that you hire must complete the Initial Training class before becoming the Director of your Wanna Play Franchise, unless we otherwise agree in writing. You are responsible for the expenses of additional Training, including tuition, travel, lodging, meals and salary. All of your employees must be legal citizens of the United States of America and be able to provide documentation of such. All Directors and lead teachers must sign a Confidentiality Agreement which prohibits them from disclosing proprietary information related to the Franchise or System, as described in Item 14, and contains covenants not to compete during and after employment for a period of two years, as described in Item 17. The Directors must not have an interest or business relationship with any of Wanna Play's competitors. Your Directors must sign our form of Non-Disclosure and Non-Competition Agreement before you grant access to the Manuals or any other Confidential Information.

If you are a business entity, anyone who owns a 5% or greater interest in the entity must personally guarantee the performance of all of your obligations under the Franchise Agreement and Development Agreement and agree to be personally liable for your breach of the Franchise Agreement and Development Agreement by signing the Guaranty and Assumption of Obligations attached to each agreement.

You are not our employee but are your own boss subject to our rights under your Franchise Agreement. We encourage you to be active in the operation of your Wanna Play Franchise but do not require any personal participation by you. We do not require any personal participation of any specific person affiliated with a corporate or partnership Franchisee. You agree that your Franchise is not a "passive" investment but requires you or your Director's day-to-day supervision of the operation of your Wanna Play Franchise.

ITEM 16 - RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer the services and products we specify periodically in strict accordance with our standards and specifications. You may not sell any services or products that we have not authorized in writing and you must discontinue offering any services or products that we may disapprove. Wanna Play may modify any of its specifications, standards, or requirements as and when it deems necessary and you must promptly modify your operation or product lines accordingly. There are no limits on our right to do so. If we modify the System, you may be required to add or replace equipment, supplies, signs and fixtures, and you may have to make improvements or modifications as necessary to maintain uniformity with our current standards and specifications. Additionally, we may require you to refurbish the Franchised Business once every 7 years.

In addition, you must keep the Franchise Business open for the hours specified by the lease where your Business is located, if applicable, and may not use the Franchised Business premises for any purpose other than the operation of a Franchised Business according to our requirements, and may only advertise through Wanna Play-approved media.

You must promote, offer, sell and dispense all products and services required by us as part of the System. You must not engage in any activity, conduct or practice that is contrary to our or your best interest, or that is reasonably anticipated to result in litigation with suppliers or residential consumers of your Franchised Business, or in public criticism of Wanna Play or your Franchised Business generally.

Periodically, we may allow certain services or products that are not otherwise authorized for general use as a part of the System to be offered locally or regionally based upon such factors as we determine, including test marketing for the purpose of customer or operational feedback or evaluation, your qualifications, and regional or local differences. Neither you nor we have any rights to charge, offer or sell any product or service above a twenty percent (20%) mark-up of the then-suggested retail pricing, as published in the Manual(s). Additionally, you will be required to honor all pricing published in national advertising for products and services.

You may recommend other suppliers than are on our approved list. We will evaluate your recommended suppliers to determine if their products meet our specifications and requirements.

ITEM 17 - RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP		
Provision	**Section In the Franchise Agreement**	**Summary**

a. Length of the term of the franchise	Section 4.1	The initial term is 10 years.
b. Renewal or extension of the term	Section 4.2	You may renew your Franchise Agreement for an additional term of 10 years, subject to (c) below. If you fail to meet any one of these conditions, we may refuse to renew or extend the terms of your Franchise Agreement. Some items in the renewal Franchise Agreement may be different.
c. Requirements for you to renew or extend	Section 4.2	You may renew the Franchise Agreement if You: have fully complied with the provisions of the Franchise Agreement and have cured any Notices of Default; have the right to maintain possession of the Approved Location or an approved substitute location for the term of the renewal; have made capital expenditures as necessary to maintain uniformity with the System; have satisfied all monetary obligations owed to us; paid the renewal fee; are not in default of any provision of the Franchise Agreement or any other agreement between you and Us; have given timely written notice of your intent to renew; are in good standing with all certifications; sign a then-current Franchise Agreement; comply with current qualifications and training requirements; complete the drug testing; complete a background screening; provide proof that all certifications are up to date; and sign a general release in a form the same as or similar to the General Release attached to the Franchise Agreement.
d. Termination by You	Section 16.1	You may terminate the Franchise Agreement if you are in compliance with it and we materially breach it and we fail to begin to cure our breach within 30 days of receiving your written notice.
e. Termination by us without cause	Not Applicable	Not Applicable
f. Termination by us with cause	Section 16.2	We may terminate the Franchise Agreement only if you default.
g. “Cause” defined- curable defaults	Section 16.2	You can avoid termination of the Franchise Agreement if you cure a default arising from deleterious conduct which you fail to cure within 24 hours, or your failure to comply with mandatory specifications in the Franchise Agreement or Manual within 30 days of receiving our notice of termination or if you cure a default arising from your failure to make payments due us within 5 days of receiving our notice of termination, or if you cure a default arising from your failure to achieve performance standards within 90 days of receiving our notice of termination. If we terminate the Franchise Agreement following a default, your interest in the franchise will terminate.

h. "Cause" defined-defaults that cannot be cured	Section 5.5, 16.2	We have the right to terminate the Franchise Agreement without giving you an opportunity to cure if You: fail to have your Designated Manager satisfactorily complete training; made a material misrepresentation or omission in the application for the Franchise or any other communication to Us; are convicted of or plead no contest to a felony or other crime or offense likely to affect the reputation of either party or the Franchised Business; use the Manual, Confidential Information or the Marks in an unauthorized manner; abandon the Franchised Business for 14 or more consecutive days; surrender or transfer of control of the Franchised Business in an unauthorized manner; is found to have stolen from any customer; fail to maintain the Franchised Business under the primary supervision of a Designated Manager if you die or become disabled; submit reports to Franchisor on 2 or more separate occasions understating any amounts due by more than 2%; are adjudicated bankrupt, insolvent or make a general assignment for the benefit of creditors; misuse or make unauthorized use of the Marks; fail on 2 or more occasions within any 12 months to submit reports or records or to pay any fees due us or any Affiliate; receive 3 or more default notices within the Franchise Term; continue to violate any health, safety or other laws or conduct the Franchised Business in a manner creating a health or safety hazard to customers, employees or the public; take any action reserved to us; fail to comply with applicable law after notice; repeatedly breach the Franchise Agreement or comply with specifications; or default under any other agreement between you and us (or an Affiliate) such that we (or the Affiliate) have the right to terminate the agreement. Termination of a Franchise Agreement will not automatically result in the termination of your other Franchise Agreements then in-effect between us unless the same material breach constitutes a breach of the other Franchise Agreement and we take separate steps to termination the Franchise Agreement.

i. Your obligations on termination/non-renewal	Section 17.1	If the Franchise Agreement is terminated or not renewed, you must: stop operating the Franchised Business; stop using any Confidential Information, the System and the Marks; if requested, assign your interest in the Approved Location to us; cancel or assign to us any assumed names; pay all sums owed to us including damages, liquidated damages and costs incurred in enforcing the Franchise Agreement; return the Manual and all other Confidential Information; assign your telephone and facsimile numbers for the Franchised Business to us; comply with the covenants not to compete and any other surviving provisions of the Franchise Agreement.
j. Assignment of contract by Us	Section 18.1	There are no restrictions on our right to assign our interest in the Franchise Agreement.
k. "Transfer" by You-definition	Section 18.2	"Transfer" includes transfer of an interest in the Franchise, the Franchise Agreement, the Approved Location, the Franchised Business's assets or the Franchisee entity.
l. Our approval of transfer by You	Section 18.2	Except for transfers among spouses, members, or partners, you may not transfer your interest in any of the items listed in (k) above without our prior written consent.
m. Conditions for our approval of transfer[1]	Section 18.2	We will consent to a transfer if: we have not exercised our right of first refusal; all obligations owed to us are paid; you and the Transferee have signed a general release in a form the same as or similar to the General Release attached to the Franchise Agreement; the prospective Transferee meets our business and financial standards; the Transferee and all persons owning any interest in the Transferee sign the then current Franchise Agreement; you provide us with a copy of all contracts and agreements related to the transfer; you or the Transferee pay a transfer fee 50% of the then-current Franchise Fee at the time of transfer; the Transferee or the owners of Transferee have agreed to be personally bound by all provisions of the Franchise Agreement; you have agreed to guarantee performance by the Transferee, if requested by us; the Transferee has obtained all necessary consents and approvals of third parties; you or all of your equity owners have signed a non-competition agreement in a form the same as or similar to the Non-Disclosure and Non-Competition Agreement attached to the Franchise Agreement; and the Transferee has agreed that its Designated Manager will complete the initial training program before assuming management of the Franchised Business.

n. Our right of first refusal to acquire your Franchised Business	Article 19	We may match an offer for your Franchised Business or an ownership interest you propose to sell.
o. Our option to purchase your Franchised Business	Section 17.4	Except as described in (n) above, we do not have the right to purchase your Franchised Business; however, during the 30-day period after the termination or expiration of the Franchise Agreement, we have the right to purchase any assets of the Franchised Business for fair market value.
p. Death or disability	Section 16.2 and 18.6	After a death or incapacity of one of your owners, his or her representative must transfer, subject to the terms of the Franchise Agreement, the owner's interest in the Franchised Business or in the entity owning the interest in the Franchised Business within 18 months of death or incapacity or we may terminate the Franchise Agreement. If we deem it necessary, we may take over the operation of the Franchised Business until the deceased or incapacitated owner's interest is transferred, and we may charge a fee of $500.00per day for this service and be entitled to reimbursement of expenses.
q. Non-competition covenants during the term of the franchise	Section 7.3 and 7.4	You, your owners (and members of their families and households) and your officers, directors, executives, managers, and employees are prohibited from: attempting to divert any customer, employee or other business associate of ours, the Franchised Business, our Affiliate(s) or any other franchisee to a Competitive Business, or soliciting or attempting to induce any customer, employee or other business associate of ours, the Franchised Business, our Affiliate(s) or any other franchisee to terminate or modify their business relationship with us, the Franchised Business, our Affiliate(s) or any other franchisee or causing injury or prejudice to the Marks or the System; owning or working for a Competitive Business.

r. Non-competition covenants after the franchise is terminated or expires	Section 17.2	For 2 years after the termination or expiration of the Franchise Agreement, You, your owners (and members of their families and households) and your officers, directors, executives or managers are prohibited from: owning or working for a Competitive Business operating within 10 miles of the Approved Location or within the Protected Territory (whichever is greater), and within 10 miles of any other Wanna Play Businesses; or soliciting or influencing any consumers, employees or business associates of ours, our Affiliate(s) or any other franchisee to terminate or modify their business relationship with us, our Affiliate(s) or any other franchisee.
s. Modification of the agreement	Sections 9.2 and 22.6	The Franchise Agreement can be modified only by written agreement between you and us. We may modify the Manual without your consent if the modification does not materially alter your fundamental rights.
t. Integration/merger clause	Section 22.6	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by mediation	Section 23.7	We do require mediation. Except for actions or claims for injunctive relief or specific performance or relating to the Marks, Trade Secrets or Confidential Information, all disputes must be mediated in Williamson County, Texas a minimum of 2 times before either party can file suit.
v. Choice of forum	Section 23.2	Claims for injunctive relief or specific performance may be brought by us where you are located. All litigation must be filed in Williamson County, Texas.
w. Choice of law	Section 23.1	Texas law applies, unless voided by your state (see State Addendums attached), except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.).

THE FRANCHISE RELATIONSHIP		
Provision	**Section In the Area Development Agreement**	**Summary**
a. Length of the term of the franchise	Section 5.1	Until the end of the Development Schedule.

b. Renewal or extension of the term	Not Applicable	Not Applicable
c. Requirements for you to renew or extend	Not Applicable	Not Applicable
d. Termination by You	Not Applicable	Not Applicable
e. Termination by us without cause	Not Applicable	Not Applicable
f. Termination by us with cause	Section 8.1	We can terminate only if you fail to comply with the terms of the Area Development Agreement.
g. "Cause" defined-curable defaults	Section 8.1	(i) you make or attempt to make an unauthorized sale, assignment, transfer, conveyance, gift or encumbrance of any part of its interest in the Development Agreement, your interest in the Development Rights granted, your interest in any entity that owns any interest in such rights, or any interest in Developer; (ii) you have made any material misrepresentation or omission in its application for the Development Rights conferred by the Development Agreement; (iii) you are convicted of or plead no contest to a felony or other crime or offense that may adversely affect the goodwill associated with the Marks; (iv) you make any unauthorized use of the Marks or unauthorized use or disclosure of the Confidential Information; (v) we have delivered a notice of termination for a Franchise Agreement, or you have terminated a Franchise Agreement without cause; or (vi) you fail to meet or satisfy any timing requirement or deadline contained in the Development Schedule.
h. "Cause" defined-defaults that cannot be cured	Section 8.2	30-days to cure all other defaults
i. Your obligations on termination/non-renewal	Section 9	Pay all amounts owed; cease all use of Marks; remove all signs; return to us or destroy all materials containing any Mark; cancel assumed or fictitious name registrations; cease use of all Copyrighted Works, cease use of Confidential Information, return Operating Manual, comply with post-term covenant not to compete. You may continue to operate any Restaurant opened and operating under the Area Development Agreement if you are not in default under that Franchise Agreement.
j. Assignment of contract by Us	Section 7.1	No restriction on our right to assign. However, no assignment will be made except to an assignee who, in our good faith and judgment, is willing and able to assume our obligations under the Area Development Agreement.
k. "Transfer" by You-definition	Section 7.2	Includes transfer of any interest in the Area Development Agreement and in you.
l. Our approval of transfer by You	Section 7.2	Includes transfer of any interest.
m. Conditions for our approval of transfer[1]	Section 7.2	(i) All obligations owed to us by you are fully paid and satisfied; (ii) you have executed a general release; (iii) the prospective transferee has satisfied to us that it meets our management, business and financial standards, and otherwise possesses the character and capabilities; (iv) the transferee has executed a general

		release; (v) you have provided us with a complete copy of all contracts and agreements and related documentation between you and the prospective transferee relating to the intended sale, assignment, transfer, conveyance, gift or encumbrance; (vi) you, or the transferee, has paid to us a transfer fee equal to 50% of the then-current franchise fee plus one $1,000 for each additional franchise unit transferred to the same transferee; (vii) the transferee has agreed to be personally bound jointly and severally by all provisions of the Development Agreement for the remainder of its term and all holders of a legal or beneficial interest in the transferee have agreed to personally guarantee jointly and severally the full performance thereof by transferee; (viii) transferee has agreed to be personally bound jointly and severally by all provisions of the existing franchise agreement(s), in place between you and us, and all holders of a legal or beneficial interest in the transferee have agreed to personally guarantee jointly and severally the full performance thereof by the transferee; (ix) transferee has obtained all necessary consents and approvals by third parties and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied; and (x) you have executed and delivered to us a non-competition agreement.
n. Our right of first refusal to acquire your Franchised Business	Section 7.4	We may match an offer for your Franchised Business or an ownership interest you propose to sell.
o. Our option to purchase your Franchised Business	Not Applicable	Not Applicable
p. Death or disability	Not Applicable	Not Applicable
q. Non-competition covenants during the term of the franchise	Section 9.4	You, your owners (and members of their families and households) and your officers, directors, executives, managers, and employees are prohibited from: attempting to divert any customer, employee or other business associate of ours, the Franchised Business, our Affiliate(s) or any other franchisee to a Competitive Business, or soliciting or attempting to induce any customer, employee or other business associate of ours, the Franchised Business, our Affiliate(s) or any other franchisee to terminate or modify their business relationship with us, the Franchised Business, our Affiliate(s) or any other franchisee or causing injury or prejudice to the Marks or the System; owning or working for a Competitive Business.
r. Non-competition covenants after the franchise is	Section 9.4	For 2 years after the termination or expiration of the Franchise Agreement, You, your owners (and members of their families and households) and your

terminated or expires		officers, directors, executives or managers are prohibited from: owning or working for a Competitive Business operating within 10 miles of the Approved Location or within the Protected Territory (whichever is greater), and within 10 miles of any other Wanna Play Businesses; or soliciting or influencing any consumers, employees or business associates of ours, our Affiliate(s) or any other franchisee to terminate or modify their business relationship with us, our Affiliate(s) or any other franchisee.
s. Modification of the agreement	Section 12.7	No modifications unless in writing and signed, but Operating Manual subject to change.
t. Integration/merger clause	Section 12.7	Only the terms of the Area Development Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by mediation	Article 13	We do require mediation. Except for actions or claims for injunctive relief or specific performance or relating to the Marks, Trade Secrets or Confidential Information, all disputes must be mediated in Williamson County, Texas a minimum of 2 times before either party can file suit.
v. Choice of forum	Section 13.1	Claims for injunctive relief or specific performance may be brought by us where you are located. All litigation must be filed in Williamson County, Texas.
w. Choice of law	Section 13.1	Texas law applies, unless voided by your state (see State Addendums attached), except that disputes over the Marks will be governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sec. 1051 et seq.).

ITEM 18 - PUBLIC FIGURES

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

ITEM 19 - FINANCIAL PERFORMANCE REPRESENTATIONS

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

As of December 31, 2022, there were 2 Affiliate-owned Wanna Play Playcare businesses and 1 Franchisee-owned Wanna Play Playcare business (the "Reporting Locations").

Our Affiliate-owned Wanna Play Playcare businesses opened in 2008 and 2011. Our Franchisee-owned Wanna Play Playcare business opened in May 2021.

Year	Austin, TX	Round Rock, TX	Bouquet Canyon, CA
2022	$402,334	$331,011	$316,868
2021	$337,203	$353,428	$82,505
2020	$260,906	$288,289	
2019	$543,984	$581,409	
2018	$586,823	$569,113	
2017	$569,576	$499,044	
2016	$674,198	$546,105	
2015	$699,661	$582,024	
2014	$682,212	$533,317	
2013	$704,708	$514,301	
2012	$611,914	$371,842	
2011	$602,116	$121,210	
2010	$591,706		
2009	$417,482		

Notes:

1. The above data is based upon the Gross Sales reported by each of the Reporting Locations.

2. The above data does not include wages paid to employees, owners salaries, insurance, rent, etc.

3. The foregoing data are historic financial performance representations. They are not projections of future performance.

4. Written substantiation for this financial performance representation is available upon reasonable request.

5. **Some outlets have sold or earned this amount. Your individual results may differ. There is no assurance that you will sell or earn as much.**

6. We recommend that you make your own independent investigation to determine whether or not the franchise may be profitable, and consult with an attorney and other advisors before signing the Franchise Agreement.

Except as stated above, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Adrian Maguire at 14010 North Hwy 183, Suite 535, Austin, TX 78717, or by email at franchise@wannaplayplaycare.com or by telephone at 844-752-7529, the Federal Trade Commission, and the appropriate state regulatory agency.

ITEM 20 - OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

Systemwide Outlet Summary
For years 2020 to 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2020	0	0	0
	2021	0	1	+1
	2022	1	1	1
Company-Owned	2020	2	2	0
	2021	2	2	0
	2022	2	2	0
Total Outlets	2020	2	2	0
	2021	2	3	+1
	2022	3	3	0

*Note: The Total number of Franchisees, including any Franchisees signed this fiscal year up to the issuance date on this FDD, are listed in Exhibit E attached.

Table No. 2

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

State	Year	Number of Transfers
Total Transfers	2020	0
	2021	0
	2022	0

The numbers in the "Total" column may exceed the number of stores affected because several events may have affected the same store. For example, the same store may have had multiple owners.

Table No. 3

Status of Franchised Outlets
For years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Termination	Non-Renewals	Reacquired by Franchisor	Ceased Operations – Other Reasons	Outlets at End of the Year
CA	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Total	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1

*Note: If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. The Total number of Franchisees including any Franchisee's signed through the issuance date of this FDD is listed in Exhibit E attached.

Table No. 4

Status of Company-Owned
Outlets For years 2020 to 2022

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
TX	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
Totals	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2

Note: The two company-owned units shown in this Table are actually an Affiliate company, Wanna Play Playcare, LLC, d/b/a Wanna Play Playcare, who utilizes the same Wanna Play methods and procedures. There is no true company owned units in the Wanna Play System.

Table No. 5

Projected Openings as of December 31, 2022

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlet In The Next Fiscal Year	Projected New Company-Owned Outlet In the Next Fiscal Year
VA	0	1	0
Total	**0**	**1**	**0**

A list of all Wanna Play Franchisees and the addresses of their Franchise Business is attached to this Disclosure Document as Exhibit E.

We have had no Franchisee who was terminated, cancelled or not renewed or otherwise ceased to do business either voluntarily or involuntarily within the last fiscal year, nor who has not communicated with us within 10 weeks of this Disclosure Document Issuance date.

If you buy this franchise, your contact information may be disclosed to other buyers during and when you leave the franchise system as required by law. During our last three fiscal years, we have not signed any confidentiality clauses with current or Former Franchisees which would restrict their ability to speak openly with you about their experience with us. We are not aware of any trade-specific Franchisee organizations associated with the System and no Independent Franchisee organizations have asked to be included in this Disclosure Document.

ITEM 21 - FINANCIAL STATEMENTS

Attached as Exhibit D is our audited financial report as of December 31, 2022, 2021 and 2020. Our fiscal year ends December 31st.

ITEM 22 - CONTRACTS

The following Agreements are attached to this Disclosure Document as Exhibits:

Exhibit B – Franchise Agreement
Exhibit C – Area Development Agreement
Exhibit F – Sample General Release
Exhibit G – State Addenda and Agreement Riders to Franchise Agreement

There are no other contracts or agreements provided by Wanna Play to be signed by you.

ITEM 23 - RECEIPT

Exhibit H contains detachable documents acknowledging your receipt of this Disclosure Document.

EXHIBIT A
TO FRANCHISE DISCLOSURE DOCUMENT
WANNA PLAY PLAYCARE FRANCHISING,
LLC LIST OF STATE ADMINISTRATORS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for the franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

CALIFORNIA Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7500 Toll Free (866) 275-2677 2101 Arena Boulevard Sacramento, CA 95834 (916) 445-7205 One Sansome Street, Suite 600 San Francisco, CA 94104 (415) 972-8559	**CONNECTICUT** State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230 Agent: Banking Commissioner
HAWAII (state administrator) Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722 (agent for service of process) Commissioner of Securities State of Hawaii 335 Merchant Street Honolulu, Hawaii 96813 (808) 586-2722	**ILLINOIS** Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465

INDIANA (state administrator) Indiana Secretary of State Securities Division, E-111 302 Washington Street Indianapolis, Indiana 46204 (317) 232-6681 (agent for service of process) Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531	**MARYLAND** (state administrator) Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360 (for service of process) Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
MICHIGAN (state administrator) Consumer Protection Division Antitrust and Franchise Unit Michigan Department of Attorney General 525 W. Ottawa Street, 6th Floor Lansing, Michigan 48933 (517) 373-7117 (for service of process) Corporations Division Bureau of Commercial Services Department of Labor and Economic Growth P.O. Box 30054 Lansing, Michigan 48909	**MINNESOTA** (state administrator) Minnesota Dept. of Commerce Securities – Franchise Registration 85 7th Place East, Suite 280 Saint Paul, Minnesota 55101-2198 Phone: 651-539-1500 (for service of process) Minnesota Commissioner of Commerce
NEW YORK (state administrator) NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8222 Phone (212) 416-6042 Fax (for service of process) Secretary of State 99 Washington Avenue Albany, New York 12231 (518) 474-4750	**NORTH DAKOTA** (state administrator) North Dakota Securities Department State Capitol, Fifth Floor, Dept. 414 600 East Boulevard Avenue Bismarck, North Dakota 58505 (701) 328-4712 (for service of process) Securities Commissioner North Dakota Securities Department State Capitol, Fifth Floor, Dept. 414 600 East Boulevard Avenue Bismarck, North Dakota 58505 (701) 328-4712

OREGON Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	**RHODE ISLAND** Securities Division Department of Business Regulation, Bldg 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9582
SOUTH DAKOTA (state administrator) Division of Insurance Securities Regulation 124 S. Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563 (for service of process) Director of the Division of Insurance 124 S. Euclid Avenue, Suite 104 Pierre, South Dakota 57501 (605) 773-3563	**VIRGINIA** State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051 (for service of process) Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
WASHINGTON (state administrator) Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, Washington 98507-9033 (360) 902-8760 (for service of process) Director, Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, Washington 98501	**WISCONSIN** (state administrator) Division of Securities Department of Financial Institutions 345 W. Washington Ave., 4th Floor Madison, Wisconsin 53703 (608) 266-1064 (for service of process) Administrator, Division of Securities Department of Financial Institutions 345 W. Washington Ave., 4th Floor Madison, Wisconsin 53703

EXHIBIT B
TO FRANCHISE DISCLOSURE DOCUMENT
WANNA PLAY PLAYCARE FRANCHISING,
LLC FRANCHISE AGREEMENT

____________________, 20___

By and Between

WANNA PLAY PLAYCARE FRANCHISING, LLC, FRANCHISOR

and

___________________________________, FRANCHISEE

FRANCHISE AGREEMENT

This Franchise Agreement made this____________________________________, is by and between Wanna Play Playcare Franchising, LLC, a Texas Limited Liability Company, having its principal place of business at 14010 N. HWY 183 Suite 535, Austin, TX 78717, ("Franchisor"), (hereinafter also known as "we" "us" or "Wanna Play") and______________________________________, a __________Corporation or Limited Liability Company and whose principal address is ____ ("Franchisee").

WHEREAS, Franchisor has developed, and is in the process of further developing, a System identified by the trademark "Wanna Play Playcare" and relating to the establishment and operation of franchised businesses operating in the on-demand drop-in hourly childcare industry; and

WHEREAS, Franchisor has developed a business plan and method of establishing and conducting the Business and operating Businesses emphasizing prompt and courteous service in a friendly and helpful atmosphere which is intended to be attractive to patrons and utilizing certain standards, specifications, methods, procedures, techniques, management techniques, proprietary marks, commercial symbols, trade dress and other proprietary or confidential information, as they may be improved, and further developed from time to time hereafter by Franchisor (the "System"); and

WHEREAS, the distinguishing characteristics of the System include, without limitation, the trade names, trademarks, and service marks and associated logos and symbols, and such other marks as Franchisor may develop from time to time hereafter and designate for use in connection with the System (the "Marks"); the trade dress of the Business; signage, decorations, equipment, furnishings and materials, as necessary; the Confidential Operations Manual; uniform operating methods, procedures and techniques; methods and techniques for inventory and cost controls, record keeping, reporting, personnel management, and purchasing (all of which may be improved and further developed by Franchisor from time to time); all such Marks and other distinguishing characteristics being owned by Franchisor; and

WHEREAS, Franchisor grants to qualified persons and business entities the right to own and operate Wanna Play Businesses using the System and the Marks; and

WHEREAS, Franchisee desires to operate an Wanna Play Business, has applied for the Franchise and such application has been approved by Franchisor in reliance upon all of the representations made herein and therein; and

WHEREAS, Franchisee acknowledges that it is essential to the maintenance of the high standards of the System, and to the preservation of the integrity of the System and the Marks and goodwill of the Franchisor, that each franchisee in the System maintain and adhere to certain uniform standards, procedures and policies hereinafter described, and operate the Franchise Business in strict conformity with Franchisor's standards and specifications; and

WHEREAS, Franchisor has, and continues to develop, use, protect, and control the Marks for the benefit and exclusive use of itself and its franchisees in order to identify for the public the source of the products and/or services marketed under the System and to represent the System's high standards of quality; and

WHEREAS, the establishment and maintenance of a close working relationship with Franchisee and Franchisee's adherence to the tenants of Franchisor's System constitute the essence of this Franchise; and

WHEREAS, Franchisee desires, upon the terms and conditions set forth herein, to enjoy the benefits of operating under the System and of using the Marks and to be licensed to operate a Business in strict accordance with the standards and specifications of the System (the "Franchise Business"); and

WHEREAS, Franchisee has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Franchise Agreement by counsel of its own choosing; and

WHEREAS, Franchisor is willing to grant Franchisee a license under the System and the Marks to operate a Franchise Business, subject to Franchisee's strict compliance with the terms and conditions of this Agreement and in reliance upon Franchisee's representations made in this Agreement and in Franchisee's application to become a franchisee under the System.

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

ARTICLE 1 - DEFINITIONS

Whenever used in this Agreement, the following words and terms have the following meanings:

"Affiliate" means any business entity that controls, is controlled by, or is under common control with Franchisor;

"Agreement" means this agreement entitled "Wanna Play Playcare Franchising, LLC Franchise Agreement" and all instruments supplemental hereto or in amendment, exhibit or confirmation hereof;

"Approved Location" means the site for the operation of the Franchised Business selected by Franchisee and approved in writing by Franchisor;

"Approved Supplier(s)" means only those companies, and vendors who provide the services, product items, supplies, signs, equipment and other items and services Franchisor from time to time approves (and which are not thereafter disapproved) and that comply with Franchisor's specifications and quality standards. Franchisor shall provide Franchisee, in the Manual or other written or electronic form, with a list of Approved Suppliers. Further description and requirements can be found in the terms contained in Section 13.1;

"Competitive Business" means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) drop-in childcare that are offered or supplied by Wanna Play franchisees at the date of Franchisee's termination or separation from Franchisor, which are the same as or similar to those provided by Wanna Play Businesses or in which Trade Secrets or other Confidential Information could be used to the disadvantage of Franchisor, any Affiliate or Wanna Play's other franchisees; provided, however, that the term "Competitive Business" shall not apply to (a) any business operated by Franchisee under a franchise agreement with Franchisor, (b) any business operated by a publicly-held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest, (c) any business operated by Franchisee or its Affiliate(s) that has been disclosed, in writing, to Franchisor prior to the Effective Date of this Agreement, or (d) any business such as a marketing or scheduling company whose primary business is not affiliated with the childcare industry;

"Confidential Information" means technical and non-technical information used in or related to Wanna Play Businesses and not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified as confidential when delivered by Franchisor. Confidential Information shall not include, however, any information established by documentary evidence that: (a) is now or subsequently becomes generally available to the public through no fault of Franchisee; (b) Franchisee can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (c) is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information;

"Cooperative Advertising" means the combined advertising program more than one (1) franchisee established within a common market for Wanna Play Businesses within a particular region;

"Covered Person" means (i) the individual executing this Agreement as Franchisee; (ii) each officer, director, shareholder, member manager, trustee, or general partner of Franchisee and each Franchisee Affiliate if Franchisee is a Business entity; and (iii) the spouse, adult children, parents or siblings of the individuals included in (i) and (ii). Covered Person shall mean an individual who falls within the identified categories where on the Effective Date or later during the Term of this Agreement, and all successive Renewal Agreements;

"Customer(s)" means any person or entity that purchases or receives good or services from Franchisee, as applicable;

"Designated Manager" means the person designated in writing by Franchisee and approved in writing by Franchisor who has primary responsibility for managing the day-to-day affairs of the Franchised Business, also known as "Designated Director", and if Franchisee is an individual and not a business entity, the Designated Manager shall be the Franchisee;

"Effective Date" means the date set forth in the introductory paragraph of this Agreement which commences this Agreement's effectiveness and term;

"Electronic Depository Transfer Account" means an account established at a national banking institution approved by Franchisor and providing Franchisor with access to electronically withdraw any funds due Franchisor;

"Former Franchisee" means any Wanna Play franchisee(s) that have been terminated or whose Franchise Agreements have expired naturally under the terms of those Franchise Agreements.

"Franchise" means the right granted to Franchisee by Franchisor to use the System and the Marks, while not in Default;

"Franchise Fee" means, upon execution of this Agreement, unless otherwise stated in the State Addendum attached, Franchisee shall pay the balance of ____ ($__________.00), as indicated in Section 2.5 below. Additional terms are contained in Section 3.1;

"Franchised Business" means the Wanna Play Business to be established and operated by Franchisee pursuant to this Agreement;

"Franchisee" means the individual or entity defined as "Franchisee" in the introductory paragraph of this Agreement;

"Franchisor" means Wanna Play Playcare Franchising, LLC;

"Franchisor Indemnitees" means Franchisor, any Affiliate, all holders of a legal or beneficial interest in Franchisor and/or any corporate parent, any corporate subsidiaries, affiliates, successors, assigns, and designees of either entity and their respective directors, officers, employees, agents, shareholders, designees, and representatives of each, members, partners, owners, employees, agents, successors and assigns as further discussed in Section 21.3;

"Gross Sales" means the aggregate of all income and monthly fees Franchisee receives from Customers for the purchase or provision of any goods or services, including enrollment fees, or any other person or business entity for the Franchised Business in connection with the Franchised Business (whether or not in accordance with the terms of the Franchise Agreement) and whether for check, cash, credit or otherwise, from the sale of products and services (including service charges in lieu of gratuity) regardless of the dollar amount Franchisee sells each product or service for, including, without limitation, all proceeds from any business interruption insurance, but excluding (a) all insurance payments, check, cash, credit or debit card refunds made in good faith provided, prior to granting the refunds, the revenue related to the refunds was included in Gross Sales, (b) any sales and equivalent taxes that Franchisee collects for or on behalf of and pay to any governmental taxing authority, and (c) any rebate Franchisee receives from a manufacturer or supplier;

"Gross Sales Reports" has the meaning given to such term in Section 12.2;

"Incapacity" means the inability of Franchisee to operate or oversee the operation of the Franchised Business on a regular basis by reason of any continuing physical, mental or emotional condition, chemical dependency or other limitation;

"Internet" means any one (1) or more local or global interactive communications media that is now available, or that may become available, including, but not limited to, sites and domain names on the World Wide Web (1) and (2);

"Local Advertising" means the services required to fulfill Franchisee's local marketing requirements through Franchisee's own effort or by contracting with an Approved Supplier, if any. Marketing methods utilized may include but not be limited to those contained within the Manual, and approved advertising materials such as Newspaper ads, Direct Mail, Coupon Direct Mail Coops, Print Media and Business to Business marketing efforts within Franchisees Protected Territory. Requirements for Local Advertising are further discussed in Section 11.2;

"Manual" means the Wanna Play Operations Manual(s), whether in paper or electronic form, and any other items as may be provided, added to, changed, modified or otherwise revised by Franchisor from time to time that contain or describe the standards, methods, procedures and specifications of the System, including other operations, administration and managers' manuals and all books, computer programs, password-protected portions of an Internet site, pamphlets, memoranda and other publications prepared by, or on behalf of, Franchisor;

"Marketing Fund" means the collective fund supplied by the Marketing Fund Contributions by all Franchisees which allows the Franchisor to establish and administer national marketing, pursuant to the terms in Section 11.3;

"Marketing Fund Contribution" means paying Franchisor Two percent (2%) of Gross Sales, billed and collected by ACH from the Electronic Depository Transfer Account, for the previous week ending the last full day of the preceding week, which will be credited to the collective franchisee Marketing Fund, pursuant to the terms in Section 3.3.;

"Marks" means the trademark "Wanna Play Playcare" and such other trade names, trademarks, service marks, trade dress, designs, graphics, logos, emblems, insignia, fascia, slogans, drawings, patents and other commercial symbols as Franchisor may designate to be used in connection with Wanna Play Businesses, whether or not registered or recognized by the U.S. Patent and Trademark Office, or any other Agency no matter where located;

"Minimum Sales Volume" means (i) the minimum amount of enrollees required by the Franchisor per month of operation and (ii) Franchisee's minimum monthly Gross Sales, pursuant to the terms in Section 2.7;

"Money Flow" is utilized to describe how the Franchisee gets paid and pays its fees under this Agreement;

"Opening Advertising" has the meaning given to such term in Section 11.1;

"Protected Territory" has the meaning given to such term in Section 2.5, as well as Exhibit 5;

"Royalty Fee" means paying Franchisor each week Six Percent (6%) of Gross Sales, by ACH from the Electronic Depository Transfer Account every Thursday, for the previous week ending the last full day of the preceding week, pursuant to the terms in Section 3.2;

"System" means the trade dress, uniform standards, methods, procedures and specifications developed by Franchisor and as may be added to, changed, modified, withdrawn or otherwise revised by Franchisor for the operation of Wanna Play Businesses. The Wanna Play System is for the operation of a unique business dealing in drop-in childcare services. The Wanna Play system includes among other things, confidential operating procedures, a management program, and accounting procedures;

"Termination Date" also known as Date of Termination, means the date when the Franchisee no longer has time to cure any Defaults under this Agreement, pursuant to Article 16;

"Trade Secrets" means information in any form (including, but not limited to, technical or non-technical data, know-how, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, passwords, lists of actual or potential customers or suppliers) related to or used in Wanna Play Businesses that is not commonly known by or available to the public and that information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertained by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy;

"Transferee" means the individual or entity third party buyer, who purchases this Franchise Agreement if the Franchisee chooses to sell.

ARTICLE 2 - GRANT OF EXCLUSIVE FRANCHISE

Section 2.1 Grant of Franchise

Franchisor hereby grants to Franchisee, and Franchisee undertakes and accepts, upon the terms and conditions herein contained, a revocable, limited license to operate one Wanna Play Business using the System and Marks.

Section 2.2 Location of Your Wanna Play Franchise

Subject to all of the terms and conditions herein, Franchisor grants to Franchisee the non-exclusive right and license to operate a Franchise Business using the System and the Marks solely within the Territory described in Section 2.5 (the "Location"), which Location must be pre-approved by Franchisor according to its then-current criteria, and Franchisee hereby accepts such right and license subject to such terms and conditions and undertakes to operate the Franchise Business and to use the System and Marks solely in connection therewith. The rights and license herein granted are sometimes referred to in this Agreement as the "Franchise" or the "Franchise Business."

Section 2.3 Approved Location Not Determined

If the Approved Location of the Franchised Business is not determined as of the Effective Date, then Franchisee shall have up to thirty (30) days to propose a location to Franchisor for approval. If Franchisor does not deny Franchisee's proposed location within fourteen (14) calendar days, the location shall be deemed approved. If you receive a denial from us, you must submit a new location until approved.

When the Approved Location is determined, its description shall be inserted into Section 2.5. Subject to other provisions of the Agreement, the failure to insert such description shall not automatically affect the enforceability of this Agreement.

Section 2.4 Sub-franchising/ Agents

Franchisee shall not sublicense the use of the System or Marks to any person or entity to perform any part of Franchisee's rights or obligations licensed herein, or to grant any person or entity the right to act as Franchisee's agent to perform any part of Franchisee's rights or obligations herein.

Section 2.5 The Protected Non-Exclusive Territory

So long as this Agreement is in force and effect and Franchisee is not in default under any of the terms hereof, subject to Franchisor's reservation of rights set forth in Section 2.6, Franchisor shall grant to Franchisee a protected non-exclusive territory that will be delineated by a geographic area extending no greater than a three (3) mile radius around Franchisee's Wanna Play Business and in will in no event exceed a population density of 75,000.

After the Premises are approved, Franchisor will describe the Territory in Exhibit 5.

Franchisee is restricted from directly soliciting or advertising outside of Franchisee's Protected Territory, including Franchisee may not advertise on the Internet without our prior written consent.

Section 2.6 Franchisor's Reservation of Rights

Except to the extent provided in Section 2.2, Franchisor retains all of its rights and control with respect to the System and Marks, including the right to:

i. Establish, own or operate, or continue to own or operate, and license others to establish, own or operate, or continue to own or operate, Wanna Play Businesses outside of the Protected Territory;

ii. Establish, own or operate, and license others to establish, own or operate, or continue to own or operate, other businesses under other systems using other trademarks at locations inside and outside of the Protected Territory;

iii. Purchase or otherwise acquire the assets or controlling ownership of one (1) or more businesses identical or similar to the Franchised Business (and/or acquire franchise, license and/or similar agreements for such businesses), some or all of which may be located anywhere, including within the Protected Territory. If Franchisor purchases or acquires franchises or licenses, Franchisor may, in its sole discretion, act as franchisor or licensor with respect to such franchisees or licensees wherever located, pursuant to the individual franchise or license agreement(s) between Franchisor and such franchisee(s) or licensee(s). If Franchisor purchases or acquires such businesses within the Protected Territory which are not franchised or licensed, Franchisor may, in its sole discretion:

- Offer to sell any such businesses to Franchisee or to any third party at the business's fair market value to be operated as an Wanna Play Business; or

- Offer Franchisee the opportunity to operate such business(s) in partnership with Franchisor (or an Affiliate) under the business(s) existing trade name or a different trade name.

iv. Be acquired (regardless of the form of transaction) by any business, even if the other business operates, franchises and/or licenses Competitive Businesses within the Protected Territory;

v. Sell any products authorized for Wanna Play Businesses using the Marks or other trademarks and commercial symbols through alternate channels of distribution, such as joint marketing with partner companies, Internet sales and catalog sales; provided, however, that no such sales shall be made to any Competitive Business within the Protected Territory; and

vi. Engage in any activities not expressly forbidden by this Agreement.

Section 2.7 Diligence and Best Efforts

Franchisee shall diligently and fully exploit the rights in this Agreement by personally devoting best efforts, and in the case more than one individual has executed this Agreement as Franchisee, the individual so designated in this Agreement shall personally devote his or her best efforts towards the operation of the Franchised Business, or provide for full time management, trained and approved by the Franchisor, to manage the Franchised Business. The continue right of Franchisee's Protected Territory does depend on Franchisee's enrollment count and minimum gross sales. Beginning in the fourth month of operation, Franchisee shall be required to maintain at least forty-five (45) monthly enrollments. Franchisor, in its sole discretion, may increase the minimum enrollment requirement. Additionally, beginning in the thirteenth month of operation, Franchisee must meet or exceed Thirty-Two Thousand Dollars ($32,000.00) per month in Gross Sales.

ARTICLE 3 - FEES

Section 3.1 Franchise Fee

Upon execution of this Agreement, Franchisee shall pay the balance of the Franchise Fee. Any deposit amount previously paid will be credited towards the Franchise Fee balance first. The Franchise Fee shall be deemed fully earned upon execution of this Agreement and is nonrefundable, except under certain conditions set forth under Articles 5, 8 and 16. The Franchise Fee is payment, in part, for expenses incurred by Franchisor in furnishing assistance and services to Franchisee as set forth in this Agreement and for costs incurred by Franchisor, including general sales and marketing expenses, training, legal, accounting and other professional fees.

Section 3.2 Weekly Royalty Fee

Beginning on the first Thursday of the third full calendar month from the date you commence operations, and continuing on the Thursday of each week thereafter, for so long as this Agreement shall be in effect, Franchisee shall pay to Franchisor through deductions from Gross Sales without offset, credit or deduction of any nature, weekly Royalty Fees for the previous week ending the Friday of the preceding week due to Franchisor. Each weekly Royalty Fee shall follow a Gross Sales Report, as required by Section 12.2, for the same period. Franchisor reserves the right to increase the Royalty Fee up to a maximum of an additional two percent (2%) per week during the Term of this Agreement. No increase shall be more than one percent (1%) per year. Franchisee shall have thirty (30) days advance notice prior to the increased Royalty Fee taking effect. Franchisor currently requires Franchisee to pay Royalty Fees through ACH transfer from Electronic Depository Transfer Account, as set forth in Section 3.5, however, if Franchisee uses an Approved Vendor for billing and collection, Franchisor may collect Royalty Fees directly from the Approved Vendor.

Section 3.3 Marketing Fund Contribution

Franchisee shall be required to contribute their Marketing Fund Contribution weekly to the Marketing Fund on Thursday of the week for so long as this Agreement shall be in effect. Each weekly Marketing Fund Contribution shall follow a Gross Sales Report, as required by Section 12.2. Franchisor may adjust the Marketing Fund Contribution amount from time to time, in its sole discretion, but any total adjustment shall not exceed a raise of more than four percent (4%) weekly over the term of this Agreement.

Franchisor shall notify Franchisee at least thirty (30) days before implementing or changing the Marketing Fund Contribution requirements. The Marketing Fund shall be maintained and administered by Franchisor or its designee in accordance with the provisions contained in Section 11.3.

Section 3.4 Taxes

Franchisee shall pay to Franchisor an amount equal to all sales taxes, use taxes and similar taxes imposed on the fees payable by Franchisee to Franchisor herein and on services or goods furnished to Franchisee by Franchisor at the same time as Franchisee remits such fees to Franchisor, if any taxing authority imposes such taxes on Franchisor, whether such services or goods are furnished by sale, lease or otherwise, unless the tax is an income tax assessed on Franchisor for doing business in the state where the Franchised Business is located.

Franchisee will promptly pay, when due, all taxes required by any federal, state or local tax authority including unemployment taxes, withholding taxes, sales taxes, use taxes, income taxes, tangible commercial personal property taxes, real estate taxes, intangible taxes and all other indebtedness incurred in the conduct of Franchisee's Wanna Play Business. Franchisee agrees it will not permit a tax sale or seizure by levy or execution or similar writ or warrant or attachment by a creditor to occur against the location or any asset used in Franchisee's Wanna Play Business.

Section 3.5 Electronic Transfer

Franchisor has sole discretion to determine and change the method by which Franchisee pays to franchisor any and all amounts due to Franchisor under this Agreement. Currently, Franchisor requires all Royalty Fees, Marketing Fund Contributions, and other amounts due from Franchisee to Franchisor to be paid either (a) through an Electronic Depository Transfer Account or (b) by Franchisee electronically transferring to Franchisor any funds due Franchisor. Within thirty (30) days after successfully completing training, but no later than fifteen (15) days prior to opening the Franchised Business, Franchisee shall open and maintain an Electronic Depository Transfer Account ("ACH") and shall provide Franchisor with continuous access to such account for the purpose of receiving any payments due to Franchisor, by signing and returning the ACH Withdrawal Form attached as Exhibit 4. Franchisee will give its financial institution instructions, in a form Franchisor provides or approves, and will obtain the financial institutions agreement to follow these instructions. Franchisee will provide Franchisor with copies of these instructions and agreements. The financial institution's agreement may not be withdrawn or modified without Franchisors written approval which approval is within Franchisors sole discretion. Franchisee will also sign all other forms for fund transfers as Franchisor or the financial institution may request.

Franchisor may require Franchisee's financial institution to send a monthly statement of all activity in the designated account to Franchisor at the same time it sends statements to the Franchisee. Franchisor may further require Franchisee's financial institution to send any other reports of activity in the Franchisee's Operating Account to Franchisor as Franchisor reasonably determines and requests. Franchisee shall execute any documents Franchisor's or Franchisee's bank requires to establish and implement the Electronic Depository Transfer Account.

If Franchisee maintains any other bank accounts for the Franchised Business, Franchisee must identify these accounts to Franchisor and provide Franchisor with copies of the monthly statements for all of these accounts and the details of all deposits and withdrawals to those accounts along with access to those accounts as set forth in the above paragraphs.

Every week, Franchisee shall make timely deposits to the account sufficient to cover amounts owed to Franchisor prior to the date such amounts are due. Franchisee shall execute any documents Franchisor's or Franchisee's bank requires to establish and implement the Electronic Depository Transfer Account. Once established, Franchisee shall not close the Electronic Depository Transfer Account without Franchisor's written consent and the establishment of a replacement Electronic Depository Transfer Account.

Section 3.6 Technology Fee

Franchisee must pay to Franchisor a monthly fee of two hundred ninety dollars ($290) (the "Technology Fee") for use of the required software and technology systems. As of the date of this Agreement, the Technology Fee includes one email address, one QuickBooks online accounting license, one license with our approved POS system and one license with our approved customer contact management system. You will be required to pay any upfront fees to purchase or lease the equipment. Franchisor reserves the right to increase the Technology Fee in its reasonable discretion. Franchisor may charge extra for additional email addresses and licenses.

Franchisee shall: (1) use proprietary software programs, as may be developed and prescribed by Franchisor, including system documentation manuals and other proprietary materials now and hereafter developed by Franchisor, in connection with the operation of the Business; (2) execute Franchisor's standard software license agreement, if necessary; (3) input and maintain in Franchisee's computer such data and information as Franchisor prescribes in the Manuals, software programs, documentation or otherwise; and (4) purchase new, different or upgraded software programs, system documentation manuals and other proprietary materials at then-current prices (except as provided in this Section), whenever Franchisor adopts such new, different or upgraded programs, manuals and materials system-wide; provided that, with respect to any required purchase of new, different or upgraded software programs (i) Franchisee shall be required to purchase any such program only after it has been tested and implemented in Franchisor-owned Businesses, if any such Businesses then exist, and (ii) Franchisee shall be notified of the required purchase no less than ninety (90) days before Franchisee is required to implement the program.

Franchisor has the right to independently access all information collected or compiled by or in accordance with Franchisee's use of any of the software packages at any time without first notifying Franchisee. Franchisee must update or upgrade any and all hardware and software as Franchisor deems necessary.

Franchisor requires that Franchisee have a business telephone, telephone line, facsimile and phone service. Franchisee shall pay third party providers for phone service and systems.

Section 3.7 Late Fees

Although each failure to pay monies when due is an Event of Default, to encourage prompt payment and to cover the costs involved in processing late payments or where Franchisee's bank account has insufficient funds, if any payment under this Agreement or any other agreement between Franchisor or its Affiliates and Franchisee for the Franchised Business is overdue for any reason or if Franchisee's bank account has insufficient funds to cover any payment due, Franchisee must pay to Franchisor, in addition to the original amount due, a late fee of $100 plus $10 per day until the amount due is paid in full. If any fee owed by Franchisee is overdue by more than thirty (30) calendar days after notice has been sent by Franchisor, Franchisor may immediately terminate this Agreement.

Franchisee shall pay Franchisor for all costs incurred by Franchisor in the collection of any unpaid and past due Royalty Fees, Marketing Fund Contributions or any other amounts due Franchisor, including reasonable accounting and collection fees. This Section shall not constitute an agreement by Franchisor to accept any payments after the due date or a commitment by Franchisor to extend credit to or otherwise finance Franchisee.

Section 3.8 Application of Payments

No payment by Franchisee or acceptance by Franchisor of any monies under this Agreement for a lesser amount than due shall be treated as anything other than a partial payment on account. Any endorsement, statement or communication by Franchisee to the effect that Franchisee's payment of a lesser amount than due constitutes full payment shall be given no effect and Franchisor may accept the partial payment without prejudice to any rights or remedies it may have against Franchisee. Franchisor's acceptance of payments by Franchisee other than as set forth in this Agreement shall not constitute a waiver of Franchisor's right to demand payment in accordance with the requirements of this Agreement. Notwithstanding any designation by Franchisee, Franchisor shall have the right to apply any payments by Franchisee to any past due indebtedness of Franchisee for Royalty Fees, Marketing Fund Contributions, purchases from Franchisor or its Affiliates, or any other amount owed to Franchisor in any proportion or priority. Franchisor's acceptance of payment from any entity other than the named Franchisee shall be deemed to be payment by the named Franchisee and shall not be deemed to be recognition or substitution of the paying entity for the named Franchisee.

Section 3.9 No Withholding

Franchisee agrees that under no circumstances will franchisee withhold or suspend payment of, or reduce the amount of the Royalty Fee, Marketing Fund Contributions or purchases payable under this Agreement. Notwithstanding the foregoing, if you dispute in good faith the amount of an individual payment due under this Agreement, you may pay only the amount you believe is due, provided that you give us prompt notice of the reasons you dispute the amount of the payment and proceed to make good faith efforts to resolve the dispute.

ARTICLE 4 - TERM OF AGREEMENT AND RENEWAL

Section 4.1 Initial Term

This Agreement shall take effect as of the date of the execution hereof (the "Effective Date"), and the initial term ("Initial Term") hereof shall extend until the earlier of (1) the date that is precisely ten (10) years from the Effective Date, or (2) the date on which this Agreement terminates pursuant to Section 16 hereof, or (3) the expiration of Franchisee's lease of the Location.

Section 4.2 Renewal

Subject to the conditions below, Franchisee has the right to obtain a successor franchise at the expiration of the term of this Agreement by entering into a new Franchise Agreement with Franchisor and paying the Renewal fee equal to Five Thousand Dollars ($5,000.00). Franchisee's right to a successor franchise is limited to one (1) successive term of ten (10) years ("Option Term"). To qualify for a successor franchise, each of the following conditions must have been fulfilled and remain true as of the last day of the term of this Agreement:

i. Franchisee shall give Franchisor written notice of such election to renew not less than nine (9) months prior to the end of the Initial Term;

ii. Franchisee shall schedule to attend a refresher training and certification course with Franchisor at Franchisor's next available training;

iii. At least ninety (90) days prior to the expiration of the Initial Term, Franchisor shall have the right to inspect the Location and give notice of all required maintenance, refurbishing, renovating, and remodeling and Franchisee shall agree to complete at its expense and to Franchisor's satisfaction, all maintenance, refurbishing, renovating, and remodeling required by Franchisor's notice no later than thirty (30) days after expiration of the Initial Term;

iv. Franchisee shall not be in material default of any provision of this Agreement, or any amendment hereof, and shall at all times have substantially complied with all the terms and conditions of this Agreement during the term hereof or fully cured all Noticed Default(s);

v. Franchisee shall have satisfied all monetary obligations owed by Franchisee to Franchisor and its subsidiaries and affiliates and shall have timely met such obligations throughout the Initial Term;

vi. Not less than thirty (30) days prior to the expiration of the Initial Term, Franchisee shall execute the then-current form of Franchise Agreement being used by Franchisor, which may have terms that are materially different than the terms of the then-current Franchise Agreement;

vii. Franchisee shall comply with Franchisor's then-current criteria for operation of a Franchise Business;

viii. Franchisee shall submit themselves and any Designated Manager(s) to drug tests and background checks, and submit the results to Franchisor for recordkeeping prior to the natural end of the Initial Term;

ix. Both parties shall execute a general release of all claims against each other which accrued or may have accrued during the Term, whether or not such claim had yet been discovered by the parties; and

x. Franchisee shall present evidence satisfactory to Franchisor that it has the right to remain in possession of the Location or another suitable location approved by Franchisor according to its then-current criteria for the duration of the Option Term.

The Initial Term and any Option Term collectively may be referred to herein as the "Term" of this Agreement.

ARTICLE 5 - APPROVED LOCATION

Section 5.1 Selection of Site

Franchisee shall promptly select a site for the Franchised Business and shall notify Franchisor of such selection by submitting Franchisor's Site Selection form with all supporting data and attachments. If Franchisor approves such selection, the site shall be designated as the Approved Location. If Franchisor does not approve of such selection, Franchisee shall select and notify Franchisor of new sites until Franchisor approves a site for the Franchised Business. Franchisor shall provide Franchisee with general guidelines to assist Franchisee in selecting a site suitable for the Approved Location. Franchisor has the right to approve or disapprove a proposed location based on such factors as it deems appropriate, including, without limitation: the condition of the premises; demographics of the surrounding area; proximity to other Wanna Play Businesses and competitors; lease requirements; proximity to schools; and overall suitability. Franchisor shall notify Franchisee of its approval or disapproval of a proposed site within fourteen (14) calendar days after Franchisor receives all requested information from Franchisee. If the Franchisor fails to respond in writing to the Selection of Site request within fourteen (14) calendar days, the site is deemed approved.

Franchisor does not represent that it, or any of its Affiliates, owners or employees, have special expertise in selecting sites. Neither Franchisor's assistance nor its approval is intended to indicate or indicates that the Franchised Business will be profitable or successful at the Approved Location. Franchisee is solely responsible for identifying the Approved Location and assumes all risks with respect to the selection of the Approved Location.

Section 5.2 Lease of Approved Location

After the designation of the Approved Location (and if the site is to be leased or purchased), Franchisee shall execute a lease for, or a binding agreement to purchase, the Approved Location, the terms of which must have been previously approved by Franchisor in writing. Franchisor shall not unreasonably withhold its approval.

Franchisor's review of a lease or purchase agreement, or any advice or recommendation offered by Franchisor, shall not constitute a representation or guarantee that Franchisee will succeed at the Approved Location nor constitute an expression of Franchisor's opinion regarding the terms of such lease or purchase agreement.

Franchisor shall be entitled to require that nothing therein contained is contradictory to, or likely to interfere with, Franchisor's rights or Franchisee's duties under this Agreement. Franchisee shall take all actions necessary to keep the lease, if any, of the Approved Location in full force while this Agreement is in effect. Any default for which the lease may be terminated shall also be deemed a default of this Agreement and the time to cure the same shall expire when the lease is terminated. Franchisor has the right to require that the lease for the Approved Location be collaterally assigned by Franchisee to Franchisor, pursuant to the terms of its standard collateral assignment of lease form, to secure performance by Franchisee of its obligation under this Agreement. Franchisor's approval of a lease shall be conditioned upon Franchisee's and the Landlord's execution of the Lease Addendum attached as Exhibit 6.

Section 5.3 Development of Approved Location

Franchisor shall make available to Franchisee, at no charge to Franchisee, copies of standard floor plans, but not blueprints, for the development of a Wanna Play Business, including exterior and interior design and layout, fixtures, equipment, décor and signs, if a build-out is required at the Approved Location. Such standard floor plans and specifications as well as Franchisee's particular floor plans and specifications are subject to alteration as Franchisor deems necessary, or as Franchisee's local or state law requires. Franchisee shall cause the Approved Location to be developed, equipped and improved in accordance with such plans within ten (10) months days after the Effective Date. In connection with the development of the Approved Location, Franchisee shall:

i. employ an approved competent licensed architect or engineer;

ii. obtain all zoning classifications and clearances which may be required by state and local laws, ordinances or regulations;

iii. obtain all building, utility, sign, health, and business permits and licenses, and any other permits and licenses required for the build-out and operation of the Franchised Business and certify in writing and provide evidence to Franchisor that all such permits and certifications have been obtained;

iv. employ a qualified, licensed general contractor to complete construction of all required improvements to the Approved Location;

v. purchase any supplies or inventory, necessary for the operation of the Franchised Business;

vi. purchase and install all equipment, signs, furniture and fixtures, including any computer equipment and Point of Sale systems, required for the operation of the Franchised Business from Approved Suppliers;

vii. install outdoor signage in compliance with Franchisor's then current specifications;

viii. provide a monthly written report to Franchisor, on Franchisor's prescribed form, describing the activities begun, completed and, if not completed, the percentage completed in connection with the development of the Approved Location; and

ix. establish a persistent broadband with a minimum download speed of 756 kbps and a minimum upload speed of 256 kbps with static Internet protocol address or a persistent high-speed Internet access with a minimum download speed of 756 kbps and a minimum upload speed of 256 kbps and obtain at least two (2) telephone numbers and one (1) facsimile number solely dedicated to the Franchised Business.

If Franchisee is unable to commence the operation of the Franchised Business due to circumstances beyond Franchisee's reasonable control, then Franchisee may be entitled to such additional time as may be reasonably required and as to which Franchisor may consent, provided such request for extension is provided to Franchisor in writing at least one hundred fifty (150) days after the Effective Date.

Section 5.4 Failure to Develop Approved Location

Should Franchisee fail to develop the Approved Location for the Franchised Business within one ten (10) months after the Effective Date, Franchisor has the right to terminate this Agreement with no refund to Franchisee of any amounts.

Section 5.5 Opening

Before opening the Franchised Business and commencing business, Franchisee must:

i. fulfill all of its obligations pursuant to the other provisions of this Section 5.6;

ii. furnish Franchisor with copies of all insurance policies required by this Agreement and by the lease (if the Approved Location is leased), or such other evidence of insurance coverage and payment of premiums as Franchisor may request;

iii. complete initial training to the satisfaction of Franchisor;

iv. hire and train the personnel necessary or required for the operation of the Franchised Business;

v. obtain all necessary permits and licenses;

vi. purchase all Opening Project inventory not purchased pursuant to Section 5.4, as stated in Section 8.2;

vii. if Franchisee is a business entity, Franchisee has caused each of its stock certificates or other ownership interest certificates to be conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that such ownership interest is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement; and

viii. pay in full all amounts due to Franchisor, or execute the Promissory Note if applicable for any amounts due Franchisor.

Franchisee shall comply with these conditions and be prepared to open and continuously operate the Franchised Business within ten (10) months after the Effective Date. Time is of the essence.

Section 5.6 Use of Approved Location

Franchisee shall not use the Approved Location for any purpose other than for the operation of a Wanna Play Business in full compliance with this Agreement and the Manual.

Section 5.7 Relocation

Franchisee shall not relocate the Franchised Business without the prior written consent of Franchisor. If the lease for the Approved Location expires or terminates through no fault of Franchisee or if the Franchised Business's premises is destroyed, condemned or otherwise rendered unusable or as otherwise may be agreed upon in writing by Franchisor and Franchisee, Franchisor may allow Franchisee to relocate the Franchised Business. Any such relocation shall be at Franchisee's sole expense, and shall proceed in accordance with the requirements set forth in Sections 5.1 through 5.6 with the timeframes set forth therein, modified in the sole discretion of the Franchisor, to reflect the new circumstances. Franchisor has the right to charge Franchisee for any costs incurred by Franchisor in providing assistance to Franchisee, including, but not limited to, legal and accounting fees. Notwithstanding the foregoing, Franchisor has no obligation to provide relocation assistance. If no relocation site meets with Franchisor's approval, this Agreement shall terminate as provided in Section 16.4.

ARTICLE 6 - PROPRIETARY MARKS

Section 6.1 Ownership

Franchisee's right to use the Marks is derived solely from this Agreement, is nonexclusive and is limited to the conduct of business by Franchisee pursuant to, and in compliance with, this Agreement and all applicable standards, specifications and operating procedures prescribed from time to time by Franchisor including those set forth in the Manual. Any unauthorized use of the Marks by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Marks. Franchisee's use of the Marks, and any goodwill created thereby, shall inure to the benefit of Franchisor. Franchisee shall not at any time acquire an ownership interest in the Marks by virtue of any use it may make of the Marks. This Agreement does not confer any goodwill, title or interest in the Marks to Franchisee. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership of any of the Marks or assist any other person in contesting the validity or ownership of any of the Marks.

Section 6.2 Limitations on Use

Franchisee must use the Marks as the sole trade identification of the Franchised Business. Franchisee shall not use any Mark or portion of any Mark as part of any business entity name. Franchisee shall obtain such fictitious or assumed name registrations as may be required under applicable law to do business as a Franchised Business, for example, Jane Doe d/b/a Wanna Play Playcare. Franchisee shall not use any Mark in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized in writing by Franchisor. Franchisee shall give advanced written notice to Franchisor before filing applications for trademark and/or service mark registrations. Franchisee shall obtain such fictitious or assumed name registrations as may be required under applicable law to do business as a Franchised Business. Franchisee shall not register or seek to register as a trademark or service mark, either with the United States Patent and Trademark Office or any state or foreign country, any of the Marks or a trademark or service mark that is confusingly similar to any Mark licensed to Franchisee. Franchisee shall include on its letterhead, forms, cards and other such identification, and shall display at the Approved Location, a prominent notice stating that the Franchised Business is an "Independently Owned and Operated Wanna Play Playcare Franchise" of Franchisor.

Section 6.3 Notification of Infringements and Claims

Franchisee shall immediately notify Franchisor of any infringement of the Marks or challenge to its use of any of the Marks or claim by any person of any rights in any of the Marks. Franchisee shall not communicate with any person other than Franchisor and Franchisor's counsel in connection with any such infringement, challenge or claim; provided, however, Franchisee may communicate with Franchisee's counsel at Franchisee's expense. Franchisor has the right to take such action as it deems appropriate and the right to exclusively control any settlement, litigation or other proceeding arising out of any infringement, challenge, or claim or otherwise relating to any of the Marks. Franchisee shall execute any and all instruments and documents, render such assistance, and do such acts and things as may, in the opinion of Franchisor's counsel, be necessary or advisable to protect and maintain Franchisor's interests in any such litigation or other proceeding or to otherwise protect and maintain Franchisor's interest in the Marks.

Section 6.4 Indemnification for Use of Marks

Franchisor shall reimburse Franchisee for all expenses reasonably incurred by Franchisee in any trademark or similar proceeding disputing Franchisee's authorized use of any Mark, provided Franchisee has timely notified Franchisor of such proceeding, agreed to be a witness in any legal proceeding and has complied with this Agreement and Franchisor's directions in responding to such proceeding. At Franchisor's option, Franchisor or its designee may defend and control the defense and settlement of any proceeding arising directly from Franchisee's use of any Mark. This indemnification shall not include the expense to Franchisee for removing signage or discontinuance of the use of the Marks. This indemnification shall not apply to litigation between Franchisor and Franchisee wherein Franchisee's use of the Marks is disputed or challenged by Franchisor. This indemnification shall not apply to any separate legal fees or costs incurred by Franchisee in seeking independent counsel separate from the counsel representing Franchisor and Franchisee in the event of litigation disputing Franchisor and Franchisee's use of the Marks.

Section 6.5 Discontinuance of Use

If Franchisor deems it necessary for Franchisee to modify or discontinue use of any of the Marks, and/or use one (1) or more additional or substitute trade names, trademarks, service marks or other commercial symbols, Franchisee shall comply with Franchisor's directions within thirty (30) days after notice to Franchisee by Franchisor and subject to the limitations in Section 13.2. Franchisor shall not be required to reimburse Franchisee for its expenses in modifying or discontinuing the use of a Mark or any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified, additional or substitute Mark.

Section 6.6 Right to Inspect

To preserve the validity and integrity of the Marks and any copyrighted materials licensed herein, and to ensure that Franchisee is properly employing the Marks in the operation of the Franchised Business, Franchisor and its designees have the right to enter and inspect the Franchised Business and the Approved Location at all reasonable times and, additionally, have the right to observe the manner in which Franchisee renders services and conducts activities and operations, and to inspect facilities, equipment, accessories, products, supplies, reports, forms and documents and related data to ensure that Franchisee is operating the Franchised Business in accordance with the quality control provisions and performance standards established by Franchisor. Franchisor and its agents shall have the right, at any reasonable time, to remove sufficient quantities of products, supplies or other inventory items offered for retail sale, or used in rendering services, to test whether such products or items meet Franchisor's then-current standards. Franchisor or its designee has the right to observe Franchisee and its employees during the operation of the Franchised Business, to interview and survey clients and employees by any means it chooses, including in person, by secret shoppers, mail, telephone, video conference, the Internet, Social Media or e-mail, and to photograph or videotape or by using web cameras to monitor the premises.

Section 6.7 Franchisor's Sole Right to Domain Name

Franchisee shall not advertise on the Internet using, or establish, create or operate an Internet site or website using a domain name or uniform resource locator containing, the Mark or the words "Wanna Play Playcare" or any variation thereof without Franchisor's prior written approval. An Affiliate, Wanna Play Playcare, LLC, is the sole owner of all right, title and interest in and to such domain names as Franchisor shall designate in the Manual including, but not limited to, www.wannaplayplaycare.com. Wanna Play Playcare, LLC has licensed to Franchisor the right to utilize the foregoing domain name(s).

ARTICLE 7 - TRADE SECRETS AND OTHER CONFIDENTIAL INFORMATION

Section 7.1 Confidentiality of Trade Secrets and Other Confidential Information

(a) Franchisee acknowledges Franchisor owns copyrights in the Manual, Franchisor's website (but not the domain names referred to above), and other copyrightable items that are part of the System. Franchisee acknowledges that while Franchisor claims copyrights in these and similar items, Franchisor has not registered, and is not required to register these copyrights with the United States Registrar of Copyrights. Franchisor shall disclose Trade Secrets and other Confidential Information to Franchisee during the training program, through the Manual, and as a result of guidance furnished to Franchisee during the term of this Agreement. Franchisee shall not acquire any interest in the Trade Secrets or other Confidential Information, other than the right to use it in the development and operation of the Franchised Business and in performing its duties during the term of this Agreement. Franchisee acknowledges that the use or duplication of the Trade Secrets or other Confidential Information in any other business venture would constitute an unfair method of competition. Franchisee acknowledges the Trade Secrets and other Confidential Information are proprietary and are disclosed to Franchisee solely on the condition that Franchisee and any Covered Person: (a) shall not use the Trade Secrets or other Confidential Information in any other business or capacity; (b) shall maintain the absolute confidentiality of the Trade Secrets and other Confidential Information during and after the term of this Agreement; (c) shall not make any unauthorized copies of any portion of the Trade Secrets or other Confidential Information disclosed in written or other tangible form; and (d) shall adopt and implement all reasonable procedures prescribed from time to time by Franchisor to prevent unauthorized use or disclosure of the Trade Secrets and other Confidential Information. Franchisee shall enforce this Section as to its employees, agents, representatives and Covered Persons, and shall be liable to Franchisor for any unauthorized disclosure or use of Trade Secrets or other Confidential Information by any of them. Franchisee shall only divulge Trade Secrets or other Confidential Information to individuals who must have access to it in order to operate the Franchised Business, and shall follow the requirements of Section 7.4 in doing so.

Franchisor claims common law rights, copyright protection and trade dress for the Manual, guidelines, photographs, product names, signage, promotional materials, training materials, this Agreement and any other documents, materials and items for the general ambiance and decor used in the operation of the System and the Wanna Play Businesses. All information is proprietary and this Agreement requires Franchisee to keep such information confidential. Franchisee agrees not to contest, directly or indirectly, Franchisor's ownership, title, right or interest in Franchisor's common law rights, copyrights, trade dress, Trade Secrets, Confidential Information, the System, methods, procedures or any other intellectual property rights that are part of Franchisor's System or contest Franchisor's sole right to register, use or license others to use, except as limited by this Agreement, the common law rights, copyrights, trade dress, Trade Secrets, Confidential Information, System, methods, procedures or any other intellectual property rights that are a part of Franchisor's System.

Section 7.2 Additional Developments

All ideas, concepts, know-how, techniques, advertising or materials concerning the System or developed, in whole or in part, using Trade Secrets or other Confidential Information, whether or not protectable intellectual property and whether created by or for Franchisee or its owners or employees, or other Covered Persons, shall be promptly disclosed to Franchisor and shall be deemed the sole and exclusive property of Franchisor and works made-for-hire for Franchisor, and no compensation shall be due to Franchisee or its owners or employees therefore. Further, any advertising materials Franchise submits to Franchisor for review will become Franchisor's property, and Franchisor may use or distribute these materials in any manner Franchisor deems appropriate, without compensation to Franchisee. Franchisor has the right to incorporate such items into the System and/or disclose them to other franchisees and other persons or entities. To the extent any item does not qualify as a "work made-for-hire" for Franchisor, Franchisee shall assign, and by this Agreement, does assign, ownership of that item, and all related rights to that item, to Franchisor and shall sign any assignment or other document as Franchisor requests to assist Franchisor in obtaining or preserving intellectual property rights in the item. Franchisor shall disclose to Franchisee concepts and developments of other franchisees that are made part of the System. As Franchisor may request, Franchisee shall take all actions to assist Franchisor's efforts to obtain or maintain intellectual property rights in any item or process related to the System, whether developed by Franchisee or not.

Section 7.3 Exclusive Relationship

Franchisee acknowledges that Franchisor would be unable to protect the Trade Secrets and other Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among Wanna Play franchisees if owners of Wanna Play Businesses, and Covered Persons were permitted to hold an interest in or perform services for any Competitive Business. Therefore, during the term of this Agreement, neither Franchisee nor Covered Persons, either directly or indirectly, for themselves, or through, on behalf of or in conjunction with any person, partnership, corporation, Limited Liability Company or other business entity, shall:

i. divert or attempt to divert any customer, employee or other business associate of the Franchised Business, Franchisor, its Affiliate(s) or any other franchisee to any Competitive Business or solicit or otherwise attempt to induce or influence any customer, employee or other business associate of any of the foregoing to terminate or modify his, her or its business relationship with the Franchised Business, Franchisor, its Affiliate(s) or any other franchisee, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks or the System; or

ii. own an interest in, manage, operate, or perform services for any Competitive Business wherever located.

Section 7.4 Non-Disclosure and Non-Competition Agreements with Certain Individuals

Franchisor has the right to require Franchisee and any Covered Person to execute a Non-Disclosure and Non-Competition Agreement, in a form the same as or similar to the Non-Disclosure and Non-Competition Agreement attached as Exhibit 1, upon execution of this Agreement or prior to each such person's affiliation with Franchisee. Upon Franchisor's request, Franchisee shall provide Franchisor with copies of all non-disclosure and non-competition agreements signed pursuant to this Section. Such agreements shall remain on file at the offices of Franchisee and are subject to audit or review as otherwise set forth herein. Franchisor shall be a third-party beneficiary with the right to enforce such agreements.

Section 7.5 Reasonableness of Restrictions

Franchisee acknowledges the restrictive covenants contained in this Section are essential elements of this Agreement and without their inclusion; Franchisor would not have entered into this Agreement. Franchisee acknowledges each of the terms set forth herein, including the restrictive covenants, is fair and reasonable and is reasonably required for the protection of Franchisor, other franchisees, the System and the Marks and Franchisee waives any right to challenge these restrictions as being overly broad, unreasonable or otherwise unenforceable.

ARTICLE 8 - TRAINING AND ASSISTANCE

Section 8.1 Initial Training

Franchisor shall make an initial training program available to the Franchisee and its Designated Manager upon submission of the "Pre-training Request Form." After Franchisee submits a completed Pre-Training Request form and a drug test, personality test and photos of all employees, Franchisor will initiate Franchisee's pre-training course.

Pre-training at-home study course: Prior to attending training at Franchisor's location, Franchisee is required to review all manuals at least two (2) months prior to attending training at Franchisor's location.

Franchisor training: Prior to opening the Franchised Business, at a minimum, the Designated Manager and all Crew Leaders must successfully complete, to Franchisor's satisfaction, the approximate five (5) business day online or classroom training and on-the-job initial training program. Instruction pertains to all material aspects of the operation of a Wanna Play Business, including such topics as: Wanna Play Playcare mission and principles, establishment of your business structure; legal filings; business licenses; banking and checking accounts; insurance; accounting and legal support; computer system and software installation; set up accounting systems; market research; marketing plan; optional establishment of office lease; employment suggestions; incoming call scripts; office administration; administrative management training; trademark usage guidelines; maintenance of quality standards; customer service techniques; record keeping and reporting procedures; other operational issues; resale, transfer, renewals and assignment training; vendor interaction and ordering, and on-the-job training. Franchisor shall conduct the initial training program either online, in person at its headquarters or at another designated location or locations, as Franchisor requires.

Franchisor shall not charge tuition or similar fees for initial training for franchisee and its Designated Manager, up to two individuals, however, all expenses incurred by Franchisee and its employees in attending such program including, but not limited to, travel costs, room and board expenses and employees' salaries, shall be the sole responsibility of Franchisee.

Section 8.2 Opening Project/ Advanced Marketing Training

In conjunction with, prior to, or within thirty (30) days of beginning operation of the Franchised Business, Franchisee shall conduct and complete a grand opening marketing project at Franchisee's expense, in the form, and using the advertising and promotional campaign and materials approved in writing by Franchisor. Franchisee shall be required to spend a minimum of Five Thousand Dollars ($5,000) for the grand opening marketing project. Franchisee shall not open the Franchised Business prior to receipt of Franchisor's approval of the grand opening marketing project plan. Additionally, Franchisee shall provide a marketing start-up package, which may change from time to time, as disclosed in the Manual, which may include an initial batch of business cards, advertising slicks, door hangers, the vehicle wrap design, and a uniform shirt.

Franchisee shall provide written and photographic proof, if requested by Franchisor, of all opening marketing and Local Advertising performed. Said proof shall be remitted along with the Monthly Gross Sales Report as stated in Section 3.2.

Section 8.3 Failure to Complete Initial Training Program

If Franchisor determines that the Designated Manager is unable to satisfactorily complete the training program described above, Franchisor has the right to terminate this Agreement. If this Agreement is terminated pursuant to this Section 8.3, Franchisor shall return to Franchisee all of the franchise fee minus an administrative fee of Five Thousand Dollars ($5,000) plus any costs expended by Franchisor only upon Franchisor's receipt of a general release; provided, however, that if a general release is prohibited, Franchisee shall give the maximum release allowed by law. If Franchisee is a business entity and the Designated Manager fails to complete the initial training program to Franchisor's reasonable satisfaction, Franchisee may be permitted to select a substitute manager (who must be approved in writing by Franchisor) and such substitute manager must complete the initial training to Franchisor's satisfaction. Franchisee will be required to pay Franchisor's then-current rates for additional training, currently five hundred dollars ($500) per day, for providing the substitute manager an initial training program as set forth in the Manual.

Section 8.4 New Designated Manager

After beginning operations, should Franchisee name a new Designated Manager, Franchisee must notify Franchisor in writing of the identity of the new Designated Manager and Franchisor must approve in writing the new Designated Manager. The new Designated Manager must attend and complete the next available initial training program to Franchisor's satisfaction. Franchisee shall be responsible for all travel costs, room and board, and employees' salaries incurred in connection with the new Designated Manager's attendance at such training. Franchisor reserves the right to require Franchisee to pay Franchisor's then-current rates for additional training, currently five hundred dollars ($500) per day, for providing the new Designated Manager an initial training program as set forth in the Manual.

Section 8.5 Ongoing Training and Special Assistance

From time to time, Franchisor may provide, and if it does, has the right to require that the Designated Manager, Franchisee's other managers and/or employees attend ongoing training programs or seminars during the term of this Agreement. Franchisor shall not charge a fee for any mandatory ongoing training, except Franchisor has the right, but not the obligation, to charge a fee as stated in the manual and updated from time to time for Franchisee to attend an annual convention for the system. Franchisor shall not require the Designated Manager, Franchisee's other managers and/or employees to attend more than one (1) session in any calendar year and collectively not more than four (4) days in any calendar year, not including any annual convention that is held by Franchisor. Franchisee shall be responsible for all travel costs, room and board and employees' salaries incurred in connection with the Designated Manager's, Franchisee's other managers' and/or employees' attendance at such training.

Franchisor will provide Franchisee with Ongoing Assistance as Franchisor deems necessary. However, if Franchisee needs Special Assistance, or if Franchisor must deal directly with the Franchisee's client, Franchisee's vendors or others directed by Franchisee, Franchisee will pay the Additional Assistance fee equal to the then-current daily rate as set forth in the Manual, payable by ACH Withdraw, by the 10th day of the month following the support overage, pursuant to Section 3.5.

ARTICLE 9 - MANUAL

Section 9.1 Loan by Franchisor

While this Agreement is in effect, Franchisor shall lend to Franchisee one (1) copy of the Manual or grant Franchisee access to an electronic copy of the Manual. Franchisee shall conduct the Franchised Business in strict accordance with the provisions set forth in the Manual. The Manual may consist of one (1) or more separate manuals and other materials as designated by Franchisor and may be in written or electronic form. The Manual shall, at all times, remain the sole property of Franchisor and shall promptly be returned to Franchisor upon expiration or termination of this Agreement. Franchisee will be charged one thousand dollars ($1,000) for each Replacement copy of the Manual(s).

Section 9.2 Revisions

Franchisor has the right to add to or otherwise modify the Manual from time to time to reflect changes in the specifications, standards, operating procedures and rules prescribed by Franchisor; provided, however, that no such addition or modification shall materially alter Franchisee's fundamental status and rights under this Agreement. Franchisor may make such additions or modifications without prior notice to Franchisee. Franchisee shall immediately, upon notice, adopt any such changes and shall ensure that its copy of the Manual is up-to-date at all times. If a dispute as to the contents of the Manual arises, the terms of the master copy of the Manual maintained by Franchisor at Franchisor's headquarters shall be controlling.

Franchisee agrees that, because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor reserves the right, in its sole discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any Franchisee.

Section 9.3 Confidentiality

The Manual contains Trade Secrets and other Confidential Information of Franchisor, its Affiliate, Wanna Play Playcare, LLC, and approved vendors, and its contents shall be kept confidential by Franchisee and all Covered Persons both during the term of the Franchise and subsequent to the expiration and non-renewal or termination of this Agreement. Franchisee shall at all times ensure that its copy of the Manual is available at the Approved Location in a current and up-to-date manner. Whether the Manual is in paper form or stored on computer-readable media, or both, Franchisee shall maintain the Manual in a secure manner at the Approved Location. If the Manual is in electronic form, Franchisee shall maintain the Manual in a password-protected file. Franchisee shall only grant authorized personnel, as defined in the Manual, access to the Manual or any key, combination or passwords needed for access to the Manual. All persons whom Franchisee permits to have access to the Manuals or any other Confidential Information must first be required by Franchisee to sign the Confidentiality Agreement provided by Franchisor. Franchisee shall not disclose, duplicate or otherwise use any portion of the Manual in an unauthorized manner.

ARTICLE 10 - FRANCHISE SYSTEM

Section 10.1 Uniformity

Franchisee shall strictly comply, and shall cause the Franchised Business and its employees to strictly comply, with all requirements, specifications, standards, operating procedures and rules set forth in this Agreement, the Manual or other communications supplied to Franchisee by Franchisor.

Franchisor shall treat all franchisees equal. All services and support shall be on a first come first served basis. All franchisees shall enjoy a "favorite franchisee" provision with the Franchisor. Large or multi-unit owners shall not receive any special treatment by Franchisor over single unit Franchisees. If Franchisor creates or rolls out new System programs, services or benefits, they shall be immediately applicable to all Franchisees in the Wanna Play System, unless Franchisor is conducting a test market study with certain franchisees. All Franchise Agreements shall contain this same provision.

Section 10.2 Modification of the System

Franchisee recognizes that from time to time, Franchisor may introduce, as part of the System, other methods or technology which require certain System modifications including, without limitation, the adoption and use of modified or substitute Marks, new computer hardware and software, equipment, signs or fixtures. Franchisee agrees to make all required upgrades and modifications at its expense as may be required by Franchisor; provided, however, Franchisee shall not be required to make any expenditure that will require Franchisee to spend more than Franchisee's initial investment during the initial term of the

Franchise Agreement. If such additional investment is required to be made in the last year of the initial term, Franchisee may avoid making the investment by providing notice of intent not to renew the Franchise Agreement unless the investment is in connection with a modification to the System required by law or court order. Franchisee acknowledges any required expenditures for changes or upgrades to the System shall be in addition to expenditures for refurbishment, remodeling, repairs and maintenance as required in Article 5 of this Agreement.

Section 10.3 Variance

Franchisor has the right to vary standards or specifications for test market purposes or for any franchisee based upon that particular franchisee's qualifications, the peculiarities of the particular site or circumstances, the demographics of the trade area, business potential, existing business practices or any other condition which Franchisor deems to be of importance to the successful operation of any particular Wanna Play Business. Franchisor shall not be required to disclose or grant to Franchisee a like or similar variance.

ARTICLE 11 - ADVERTISING AND PROMOTIONAL ACTIVITIES

Section 11.1 Local Advertising

Franchisee shall continuously promote the Franchised Business through Local Advertising and participate in any local marketing and promotional programs Franchisor establishes from time to time which includes a graphics package for use on Franchisee's vehicles as specified in the Manuals. During the Term of this Franchise Agreement, Franchisee must spend an amount each month equal to two and one half percent (2½%) of the previous month's Gross Sales on Local Advertising and promotion in the Territory. Pursuant to Section 12.2 of this Agreement, Franchisee must submit all proof of Local Advertising Expenditures. All local advertising materials must be submitted to Franchisor for approval prior to use.

Franchisee must submit to Franchisor, for its prior approval, all advertising and promotional materials to be used by Franchisee. Franchisor shall use reasonable efforts to provide notice of approval or disapproval within twenty (20) days from the date of receipt by Franchisor. If Franchisor does not approve of the submitted materials within twenty (20) days, such materials shall be deemed to have not received the required approval. Franchisee shall not use any marketing or promotional materials prior to receiving written approval by Franchisor. Any advertising materials Franchisee creates will become Franchisor's exclusive property, and Franchisor may use or distribute these materials in any manner Franchisor deems appropriate, without compensation to Franchisee.

Section 11.2 Marketing Fund

Franchisor has established a Marketing Fund, which Franchisee must contribute to as defined in Section 3.3. The Marketing Fund shall be maintained and administered by Franchisor or its designee as follows:

i. The program(s) may be local, regional, or System-wide;

ii. Franchisor shall oversee all marketing programs, with sole control over creative concepts, materials and media used in such programs, and the placement and allocation thereof. Franchisor does not warrant that any particular franchisee will benefit directly or pro rata from expenditures by the Marketing Fund. The program(s) may be local, regional or System-wide;

iii. Franchisee's Marketing Fund Contributions may be used to meet the costs of, or to reimburse Franchisor for its costs of producing, administering (including the cost of personnel), maintaining, directing and conducting research and advertising. Advertising shall include without limitation: the cost of preparing and conducting television, radio, billboard, Internet, video, video-streaming, digital signage, audio, magazine, newspaper, direct mail advertising campaigns, conventions and other public relations activities; developing and/or hosting an Internet web page or site and similar activities; employing advertising agencies to assist therein; and providing promotional brochures and other marketing materials to franchisees;

iv. all Marketing Fund Contributions shall be maintained in a separate account(s) from Franchisor's other monies and shall not be used to defray any of Franchisor's general operating expenses, except up to 1% for such reasonable costs and expenses Franchisor may incur in activities reasonably related to the media creation and administration of the Marketing Fund, including the cost of personnel;

v. Franchisor shall endeavor to spend all Marketing Fund Contributions on marketing programs and promotions during Franchisor's fiscal year within which such contributions are made. If excess amounts remain in any Marketing Fund at the end of such fiscal year, all expenditures in the following fiscal year(s) shall be made first out of such excess amounts, including any interest or other earnings of the Marketing Fund, and then out of current contributions;

vi. although Franchisor intends the Marketing Fund, if established, to be of perpetual duration, Franchisor has the right to terminate the Marketing Fund at any time. The Marketing Fund shall not be terminated, however, until all Marketing Fund Contributions and earnings have been expended for advertising and promotional purposes or returned to Franchisee and other franchisees on a pro rata basis based on total Marketing Fund Contributions made in the aggregate by each franchisee;

vii. an accounting of the operation of the Marketing Fund shall be prepared annually and shall be available to Franchisee upon request; however, it is the intention of the Franchisor to provide an unaudited copy of the Marketing Fund accounting to all Franchisees at the annual meeting. Franchisor retains the right to have the Marketing Fund audited, at the expense of the Marketing Fund, by an independent certified public accountant selected by Franchisor; and

viii. Franchisee acknowledges the Marketing Fund is not a trust and Franchisor assumes no fiduciary duty in administering the Marketing Fund.

Section 11.3 Cooperative Advertising

Franchisees have the right, but not the obligation, to create a Cooperative Advertising program for the benefit of Wanna Play Businesses located within a particular region. If, at the time Franchisee signs the Franchise Agreement, any Cooperative Advertising program is in place that encompasses the geographic areas comprising Franchisee's territory; Franchisee must join the Cooperative Advertising program and comply with the requirements set forth by the governing body. Franchisor has the right, but not the obligation, to allocate any portion of the Marketing Fund to a Cooperative Advertising program. The franchisees have the right to determine the composition of all geographic territories and market areas for the implementation of each Cooperative Advertising program and to require that Franchisor owned units participate in such Cooperative Advertising programs when established within Franchisor unit's region. If a Cooperative Advertising program is implemented in a particular region, Franchisee has the right to establish an advertising council to self-administer the Cooperative Advertising program. Franchisee may participate in the council according to the council's rules and procedures and if Franchisee does participate, Franchisee shall abide by the council's decisions. Franchisor shall require the Cooperative Advertising program to prepare periodic financial statements which are available for Franchisee's and Franchisor's review. Franchisor requires the Cooperative Advertising program to operate from written governing or contractual documents that are available for all applicable Franchisee's review. Franchisor does not have the right to require the Cooperative Advertising program to be created, dissolved or merged.

The Cooperative Advertising council shall submit to Franchisor, for its prior approval, all advertising and promotional materials to be used by the Cooperative Advertising council including, but not limited to, ad copy, coupons, flyers, scripts and direct mail. Franchisor shall use reasonable efforts to provide notice of approval or disapproval within twenty (20) days from the date all requested material is received by Franchisor. If Franchisor does not approve submitted materials within twenty (20) days, such materials shall be deemed to have not received the required approval. The submission of advertising materials to Franchisor for approval shall not affect the Cooperative Advertising council's right or franchisees' rights to determine the prices at which franchisees sell products or provides services.

Section 11.4 Website and Social Media

As used in this Agreement, the term "Website" means an interactive electronic document, series of symbols, or otherwise, that is contained in a network of computers linked by communications software. The term Website includes, but is not limited to, Internet and World Wide Web home pages. In connection with any Website, Franchisee agrees to the following:

Franchisor shall have the right, but not the obligation, to establish and maintain a Website, which may, without limitation, promote the Proprietary Marks, any or all of the Products, Wanna Play businesses, the franchising of Wanna Play businesses, and/or the System. Franchisor shall have the sole right to control all aspects of the Website, including without limitation its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage; Franchisor shall also have the right to discontinue operation of the website.

Franchisor shall have the right, but not the obligation, to designate one or more web page(s) to describe Franchisee and/or the Franchised Business, with such web page(s) to be located within Franchisor's Website. Franchisee will be required to pay a fee of nine-hundred dollars ($900) at the time of signing this Franchise Agreement for establishment of Franchisee's interior website pages. Franchisee shall comply with Franchisor's policies with respect to the creation, maintenance and content of any such web pages; and Franchisor shall have the right to refuse to post and/or discontinue posting any content and/or the operation of any web page.

Franchisee shall not establish a separate Website, without Franchisor's prior written approval (which Franchisor shall not be obligated to provide). If approved to establish a Website, Franchisee shall comply with Franchisor's policies, standards and specifications with respect to the creation, maintenance and content of any such Website. Franchisee specifically acknowledges and agrees that any Website owned or maintained by or for the benefit of Franchisee shall be deemed "advertising" under this Agreement, and will be subject to (among other things) Franchisor's approval.

Franchisee is not permitted to promote the Franchised Business or use any of the Proprietary Marks in any manner on any social or networking websites, such as Facebook, LinkedIn or Twitter, without Franchisor's prior written consent. Franchisor alone may establish, maintain, modify or discontinue all internet activities pertaining to the System, including through the use of a page or profile on a social media website such as Facebook, Instagram, TikTok, Twitter or Snapchat. You must comply with our System standards regarding the use of social media in your Franchised Business' operation, including prohibitions on your and the Franchised Business' employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us ("social media" includes personal blogs, common social networks like Facebook and Instagram, professional networks like LinkedIn, live-blogging tools like Twitter, virtual worlds, file, audio and video-sharing sites, and other similar social networking or media sites or tools). We will provide access to branded social media pages/handles/assets, and you must update these regularly. We reserve the right to conduct collective/national campaigns via local social media on your behalf. Franchisee further acknowledges and agrees that Franchisor shall have the sole right and responsibility to respond to any reviews of Wanna Play Businesses posted on Yelp, TripAdvisor or any other similar Website, and Franchisee shall not respond to any such reviews.

Any websites or other modes of electric commerce that the Franchisor establishes or maintains, including but not limited to any apps that the Franchisor may introduce, may, in addition to advertising and promoting the products, programs or services available at Wanna Play Businesses, also be devoted in part to offering Wanna Play franchises for sale and be used by the Franchisor to exploit the electronic commerce rights which the Franchisor alone reserve.

Section 11.5 Online Use of Marks

Franchisee shall not use the Proprietary Marks or any abbreviation or other name associated with Franchisor and/or the System as part of any e-mail address, domain name, and/or other identification of Franchisee in any electronic medium. Franchisee agrees not to transmit or cause any other party to transmit advertisements or solicitations by e-mail or other electronic media without Franchisor's prior written consent as to Franchisee's plan for transmitting such advertisements.

Section 11.6 Telephone Directory Advertising

Franchisee is required to list and advertise the telephone number(s) for the Franchised Business in the "white pages" telephone directory or the classified or "yellow pages" telephone directory distributed in its trade area. Franchisee must be in the directory heading or category as specified by Franchisor. Advertising franchisees must place the classified directory advertisement and listings together with other Wanna Play Businesses operating within the distribution area of the directories. If a joint listing is obtained, all Wanna Play Businesses listed together shall pay a *pro rata* share of the cost of the advertisements and listings. All telephone and directory advertising expenditures are in addition to Franchisee's Local Advertising obligations.

ARTICLE 12 - ACCOUNTING, RECORDS AND REPORTING OBLIGATIONS

Section 12.1 Records

After the opening date of the Franchised Business, Franchisee shall submit to Franchisor, upon request, the financial, operational and statistical reports and information as Franchisor may require to (i) provide Franchisee with consultation and advice in accordance with this Agreement; (ii) monitor Franchisee's performance under this Agreement and Franchisee's purchases, revenue, operating costs, expenses and profitability; (iii) develop chain-wide or system statistics; (iv) develop new operating procedures; (v) develop new authorized services, remove unsuccessful authorized services, including unsuccessful Approved Suppliers and improve and enhance authorized services; and (vi) implement changes in the Wanna Play System to respond to competitive and marketplace changes.

During the term of this Agreement, Franchisee shall maintain full, complete and accurate books, records and accounts in accordance with generally accepted accounting principles described by Franchisor in the Manual or otherwise in writing. Franchisee shall retain during the term of this Agreement, and for three (3) years thereafter, all books and records related to the Franchised Business including, without limitation, purchase orders, invoices, payroll records, sales tax records, state and federal tax returns, bank statements, cancelled checks, copies of negotiated checks, deposit receipts, cash receipts and disbursement journals, general ledgers, and any other financial records designated by Franchisor or required by law.

Section 12.2 Financial Management

Franchisee shall make available sufficient working capital to permit operation of the Franchised Business in compliance with this Agreement. Franchisee shall pay the debts of, and taxes and assessments against the Franchised Business. Franchisee shall discharge any encumbrance against the Franchised Business within thirty (30) days of its creation.

Section 12.3 Gross Sales Reports

Franchisee shall maintain an accurate record of Gross Sales and shall deliver to Franchisor by close of business each Tuesday via facsimile transmission, e-mail or intranet system a signed and verified statement of Gross Sales ("Gross Sales Report") for the previous Sunday to Saturday in a form that Franchisor approves or provides in the Manual, which shall be submitted together with the Royalty Fees, Marketing Fund Contribution Fees, and proof of Local Advertising funds spent.

Section 12.4 Financial Statements

Franchisee shall supply to Franchisor on or before the tenth (10th) day of each month, in a form approved by Franchisor, a balance sheet as of the end of the last day of the preceding month and an income statement for the preceding month and the fiscal year-to-date. Franchisee shall, at its expense, submit to Franchisor within ninety (90) days after the end of each calendar year, an income statement for the calendar year just ended and a balance sheet as of the last day of the calendar year. Such financial statements shall be prepared in accordance with generally accepted accounting principles applied on a consistent basis. If required by Franchisor, such financial statements shall be compiled, reviewed or audited by a certified public accountant. Franchisee shall submit to Franchisor such other periodic reports in the manner and at the time specified in the Manual or otherwise in writing.

Section 12.5 Other Reports

Franchisor shall submit the Marketing Report and the Marketing Fund Contribution Reports weekly along with the Gross Sales Reports as stated in Section 12.4. Franchisee shall submit to Franchisor copies of all state sales tax returns that are required to be filed with the appropriate governmental agency and such other records as Franchisor may reasonably request from time to time or as specified in the Manual. Franchisor shall have the right to release financial and operational information relating to the Franchised Business to Franchisor's prospective franchisees, Franchisor's lenders or prospective lenders, as required with respect to offering Franchisor's or its Affiliate's securities to the public or as required to sell, merge or in any other manner transfer Franchisor's assets or any type of certificates representing an ownership interest in Franchisor. Franchisee shall certify as true and correct all reports to be submitted pursuant to this Agreement.

Section 12.6 Computer/Software/Phone System

Franchisee must purchase, install, update, upgrade and use computer, credit card processing systems, surveillance systems, software and phone systems consisting of hardware and software in accordance with Franchisor's specifications. Franchisor shall have full access to all of Franchisee's computer, software and phone data and systems and all related information by means of continuous direct access, whether in person or by telephone, modem or Internet to permit Franchisor to verify Franchisee's compliance with its obligations under this Agreement. Franchisor shall have the right to independently access Franchisee's entire computer, software and phone data and systems and all related information collected or compiled by Franchisee or in accordance with Franchisee's use of the computer, software, and phone systems, at any time, without notifying Franchisee.

Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures and similar problems, and attacks by hackers and other unauthorized intruders ("E-Problems"). Franchisor has taken reasonable steps so that E-Problems will not materially affect the Franchisor's business. Franchisor does not guarantee that information or communication systems that Franchisor or others supply will not be vulnerable to E-Problems. It is Franchisee's responsibility to protect itself from E-Problems. Franchisee should also take reasonable steps to verify that its suppliers, third-party vendors, lenders, landlords, and governmental agencies on which it relies, have reasonable protection from E-Problems. This may include taking reasonable steps to secure Franchisee systems (including firewalls, password protection and anti-virus systems) and to provide backup systems.

Section 12.7 Right to Inspect

Franchisor or its designee has the right, during normal business hours, to examine copy and audit the books, records and tax returns (both the business returns and Franchisee personal income tax returns) of Franchisee. If the audit or any other inspection should reveal that any payments to Franchisor have been underpaid, then Franchisee shall immediately pay to Franchisor the amount of the underpayment plus late fees and interest as defined in Section 3.7. If the audit is conducted due to (i) Franchisee's failure to provide required reports to us, or (ii) if any such inspection or audit reveals an underpayment of two percent (2%) or more of the amount due for any period covered by the audit, then Franchisee shall in addition, reimburse Franchisor for any and all costs and expenses connected with the inspection (including, without limitation, travel expenses and reasonable accounting and attorneys' fees). In addition to any other rights Franchisor may have, including the right to Terminate this Agreement, Franchisor may conduct such further periodic audits and/or inspections of Franchisee's books and records as we reasonably deem necessary for up to one (1) year thereafter at Franchisee's sole expense, including, without limitation, reasonable professional fees, travel, and lodging expenses directly related thereto. The foregoing remedies shall be in addition to any other remedies Franchisor may have.

In the event that there are two (2) deficiencies during any twelve (12) month period, the second deficiency shall be considered a material default of this Agreement and Franchisor shall have the right to terminate this Agreement without providing Franchisee the opportunity to cure the default.

Section 12.8 Release of Records

At Franchisor's request, Franchisee shall authorize and direct any third parties, including accounting, banking and legal professionals and tax authorities, to release to Franchisor all accounting and financial records arising from or relating to the operation of the Franchised Business including, but not limited to, records evidencing Gross Sales, profits, losses, income, tax liabilities, tax payments, including federal, state and local tax returns, revenues, expenses, and any correspondence, notes, memoranda, audits, business records, or internal accounts within said third parties' possession, custody or control, and to continue to release such records to Franchisor on a monthly basis for the length of the unexpired term of this Agreement plus three (3) years or until such time as Franchisor withdraws its request. Franchisee shall execute all documents necessary to facilitate the release of records referenced herein to Franchisor.

ARTICLE 13 - STANDARDS OF OPERATION

Section 13.1 Authorized Products, Services and Suppliers

Franchisee acknowledges the reputation and goodwill of the System is based in large part on offering high quality services to its customers. Accordingly, Franchisee shall provide or offer for sale, or contract to offer for sale, or use at the Franchised Business only those product items, supplies, and services Franchisor from time to time approves (and which are not thereafter disapproved) and that comply with Franchisor's specifications and quality standards. If required by Franchisor, any such items or services shall be purchased only from "Approved Suppliers" that Franchisor designates or approves (which might include, or be limited to, Franchisor or an Affiliate, or a third party from which Franchisor derives a fee or profit). Franchisee shall not offer for sale, sell or provide through the Franchised Business or from the Approved Location any items or services Franchisor has not approved in writing.

Franchisor shall provide Franchisee, in the Manual or other written or electronic form, with a list of Approved Suppliers for some or all of the specified items and services, and Franchisor may from time to time issue revisions to such list. Franchisor's designation of a particular third-party supplier whom

Franchisee must purchase, lease or license specified services from does not constitute a representation or warranty of the Approved Supplier's ability to meet Franchisee's requirements nor of the fitness or merchantability of the services sold, leased or licensed by the supplier. Franchisee understands and agrees that its sole remedy in the event of any shortages, delays or defects in the services purchased, sold, leased from a designated third party Approved Supplier shall be against the Approved Supplier, not Franchisor or Franchisor's Indemnitees.

FRANCHISOR AND ITS AFFILIATES DISCLAIM ALL EXPRESS OR IMPLIED WARRANTIES CONCERNING ANY PRODUCTS OR SERVICES PROVIDED BY APPROVED SUPPLIERS, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AVAILABILITY, QUALITY, PRICING OR PROFITABILITY. ALL WARRANTIES ARE DERIVED STRICTLY AND SOLELY FROM THE MANUFACTURERS. Franchisee acknowledges that Franchisor may, under appropriate circumstances, receive fees, commissions, field-of-use license royalties, or other consideration from approved suppliers based on sales to franchisees, which consideration shall be contributed to Franchisor.

Franchisor may exercise its option to act as an intermediary between Franchisee or customer and Approved Supplier. However, this act by Franchisor does not create or constitute an agency relationship, nor an informed intermediary relationship between Franchisor and Approved Supplier and does not subject Franchisor to any liability on behalf of Approved Supplier’s warranty nor any product liability under any theory, in any jurisdiction.

If Franchisee desires to utilize any services or products Franchisor has not approved (or for services and products that require supplier approval by Franchisor), Franchisee shall first send Franchisor sufficient information, specifications and samples for Franchisor to determine whether the service or product complies with its standards and specifications or whether the supplier meets its Approved Supplier criteria. Franchisee or supplier shall bear all expenses incurred by Franchisor in connection with determining whether it shall approve an item, service or supplier. Franchisor will decide, in its sole discretion, within ninety (90) days after receiving the required information whether Franchisor temporarily approves the supplier. Approval of a supplier may be conditioned on the supplier’s ability to provide sufficient quantity of product, quality of products or services at competitive prices, production and delivery capability, and dependability and general reputation. Nothing in this Section shall be construed to require Franchisor to approve any particular supplier, or to require Franchisor to make available to prospective suppliers, standards and specifications Franchisor deems confidential. If Franchisor does not submit approval in writing to the Franchisee within ninety (90) days, the proposed item, service, or supplier is deemed denied.

Notwithstanding anything to the contrary in this Agreement, Franchisor has the right to review from time to time its approval of any items or suppliers. Franchisor may revoke its approval of any item, service or supplier at any time by notifying Franchisee and/or the supplier. Franchisee shall, at its own expense, promptly cease using, selling or providing any items or services disapproved by Franchisor and shall promptly cease purchasing from suppliers disapproved by Franchisor within thirty (30) days.

Franchisor has the right to designate certain products and services, not otherwise authorized for general use as part of the System, to be offered locally or regionally based upon such factors as Franchisor determines including, but not limited to, franchisee qualifications, test marketing, either for the purpose of customer or operational feedback or evaluation, and regional or local legal differences. Franchisor has the right to give its consent to one or more franchisees to provide certain products or services not authorized for general use as part of the System. Such consent will be based upon the factors set forth in Section 13.1 and shall not create any rights in Franchisee to provide the same products or services.

Section 13.2 Appearance and Condition of the Franchised Business; Refurbishment

Franchisee shall maintain the Franchised Business and the Approved Location in “like new” condition, and shall repair or replace furnishings, equipment, fixtures and signage as necessary to comply with the standards and specifications of Franchisor and Franchisee's lessor and any applicable laws or regulations. The expense of such maintenance shall be borne by Franchisee and shall be in addition to any required System modifications, as described in Section 10.2. Further, Franchisee shall be required to refurbish and update the Approved Location throughout the term of this Agreement as necessary and/or as directed by Franchisor with an overall update every seven (7) years, if the Wanna Play Business is open to vendors, contractors, or the public.

Section 13.3 Ownership and Management

The Franchised Business shall, at all times, be under the direct supervision of Franchisee or a Designated Manager who has successfully completed Franchisor's training program. The Designated Manager shall devote sufficient efforts to the management of the day-to-day operations of the Franchised Business. Franchisee shall keep Franchisor informed, in writing, at all times of the identity of its current Designated Manager. Franchisee must not engage in any business or other activities that will conflict with its obligations under this Agreement.

Section 13.4 Days of Operation

Franchisee shall keep the Franchised Business open for business during normal business hours and on the days specified in the Manual.

Section 13.5 Inspections

Franchisee will permit Franchisor and/or Franchisor's representatives to enter Franchisee's location or office at any time during normal business hours and upon reasonable notice, for purposes of conducting inspections. Franchisee will cooperate fully with Franchisor and/or Franchisor's representatives in inspections by rendering assistance as Franchisor and/or Franchisor's representatives may reasonably request and by permitting them, at their option, to observe how Franchisee is selling the products and rendering the services, to monitor sales volume, to conduct a physical inventory, to confer with Franchisee's employees and customers and to remove samples of any products, supplies and materials in amounts reasonably necessary to return to Franchisors office for inspection and record keeping. The inspections will be performed in a manner that minimizes interference with the operations of your Wanna Play business. Franchisor and/or Franchisee may videotape the inspections. Upon notice from Franchisor, and without limiting Franchisor's rights under this agreement, Franchisee will take all necessary steps to correct immediately any deficiencies detected during inspections, including immediately stopping use of any equipment, advertising, materials, products, supplies or other items that do not conform to Franchisor's then current requirements. If Franchisee fails or refuses to correct any deficiency, Franchisor has the right, without any claim to the contrary by Franchisee, to enter Franchisees location or office without being guilty of trespass or any other tort, for the purpose of making or causing to be made all corrections as required, at Franchisee's expense, payable by Franchisee upon demand.

Section 13.6 Licenses and Permits

Franchisee is solely responsible for ensuring that the Franchised Business is designed, constructed or improved, equipped and furnished in accordance with System standards. Franchisee shall secure and maintain in force all required licenses, permits and certificates, including a business license or Franchisee's state's equivalent, necessary for the operation of the Franchised Business and shall operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations, including without limitation all government regulations relating to environmental protection, occupational hazards and health, workers' compensation insurance, unemployment insurance and withholding and payment of federal and state income taxes, social security taxes and sales taxes, if applicable. Franchisor makes no representation to Franchisee with regard to any legal requirements that Franchisee must satisfy or comply with in connection with the operation of the Franchised Business. Franchisee shall be solely responsible for investigating and complying with all such laws, ordinances and regulations with regard to the operation of the Franchised Business.

Section 13.7 Notification of Proceedings

Franchisee shall notify Franchisor in writing of the commencement of any action, suit or proceeding involving Franchisee or the Franchised Business, or of the issuance of any order, writ, injunction, award or decree which may affect the operation or financial condition of the Franchised Business not more than five (5) days after such commencement or issuance. Franchisee shall deliver to Franchisor not more than five (5) days after Franchisee's receipt thereof, a copy of any inspection report, warning, certificate or rating by any governmental agency relating to any law, rule or regulation that reflects a notice of re-inspection by a date certain by the governmental agency or Franchisee's noncompliance or less than full compliance with any applicable law, rule or regulation. Franchisee will provide Franchisor with any information Franchisor requests, within five (5) days of request, about the progress and outcome of events.

Section 13.8 Compliance with Good Business Practices

Franchisee acknowledges that the quality of customer service, and every detail of appearance and demeanor of Franchisee and its employees, is material to this Agreement and the relationship created hereby. Therefore, Franchisee shall endeavor to maintain and require from its employees and contracted personnel, if applicable, high standards of quality and service in the operation of the Franchised Business. Franchisee shall at all times give prompt, courteous and efficient service to customers of the Franchised Business. Franchisee shall immediately resolve any customer complaints regarding the quality of service of the Franchised Business or any similar complaints. When any customer complaints cannot be immediately resolved, Franchisee shall use his/her best efforts to resolve the customer complaints as soon as practicable and shall, whenever feasible, give the customer the benefit of the doubt. The Franchised Business shall in all dealings with its customers, vendors and the general public, adhere to the highest standards of honesty, fair dealing and ethical conduct. If Franchisor, in its sole discretion, determines that its intervention is necessary or desirable to protect the System or the goodwill associated with the System, or if Franchisor, in its sole discretion, believes that Franchisee has failed to adequately address or resolve any customer complaints, Franchisor may, without Franchisee's consent, resolve any complaints and charge Franchisee an amount sufficient to cover Franchisor's reasonable costs and expenses in resolving the customer complaints, which amount Franchisee shall pay to Franchisor immediately on demand. Franchisor has the right to terminate this Agreement for violation of this Section.

Franchisee shall, in all dealings with the customers, suppliers, Franchisor and the public, adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. Franchisee agrees to refrain from any business or advertising practice which may be injurious to Franchisor's business and the goodwill associated with the Proprietary Marks and other Wanna Play Businesses. Franchisee and Franchisee's employees shall be required to adhere to all aspects of this Section. Failure to adhere to this section shall result in a default of this Agreement.

Franchisee and Franchisee's owners agree to comply, and to assist Franchisor to the fullest extent possible in our efforts to comply with Anti-Terrorism Laws (defined below). In connection with that compliance, Franchisee and Franchisee's owners certify, represent, and warrant that none of Franchisee's property or interests is subject to being blocked under, and that Franchisee and Franchisee's owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT ACT, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by Franchisee or Franchisee's owners, or any blocking of Franchisee or Franchisee owners' assets under the Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement, as provided in Section 17.2 below.

Section 13.9 Uniforms

Franchisee shall abide by any uniform or dress code requirements stated in the Manual or otherwise. Uniforms, or logoed apparel, if required, must be purchased from an Approved Supplier, if such is designated, or if none, then a supplier who meets Franchisor's specifications and quality standards for uniforms or logoed apparel. Failure to wear such designated uniforms shall cause us to provide you notice of violations of our systems and procedures and which could, in turn, lead to a notice of termination of this Agreement.

Section 13.10 Credit Cards

Franchisee shall honor all credit cards approved by Franchisor. Franchisee must obtain the prior written consent of Franchisor prior to honoring any previously unapproved credit cards or other credit devices. Franchisee shall keep all communication connections and access to financial and credit card information secure in a manner which is in compliance with all legal requirements and security requirements or issuing credit card companies. Franchisee shall at all times comply with all payment card industry data security standards laws and regulations including any laws applicable to abandoned property and escheat and shall hold Franchisor harmless from any and all claims and liabilities.

Section 13.11 Best Efforts

Franchisee shall use its best efforts to promote and increase the sales and recognition of services offered through the Franchised Business. Franchisee shall require all of Franchisee's independent contractors, employees, managers, officers, agents and representatives to make a good faith effort to enhance and improve the System and the sales of all services and products provided as part of the System. Best efforts are defined as the minimum gross sales and minimum enrollees as set forth in Section 2.7 hereof. If Franchisee does not maintain the minimum gross sales and enrollees, Franchisor will have the sole discretion to issue a Notice of Termination with sixty (60) days right to cure or in the alternative, Franchisee may lose territorial exclusivity.

Franchisee is encouraged to submit suggestions, in writing, to Franchisor for improving elements of the system, including products, services, equipment, service format, advertising and any other relevant matters, that Franchisor considers adopting or modifying standards, specifications and procedures for the system. Franchisee agrees that any suggestions made are Franchisor's exclusive property. Franchisor has no obligation to use any suggestions. If any suggestion is implemented by Franchisor, said suggestion will become part of the system and no compensation is owed to Franchisee. Franchisee may not use any suggestions inconsistent with Franchisee's obligations under this agreement without our written consent.

Section 13.12 Period of Operation

Notwithstanding local law, Franchisee must keep the Franchised Business open to the public and operating during the days and times as set forth in the Manuals.

Section 13.13 Former Franchisees

Franchisee acknowledges that Former Franchisees are in a position to compete unfairly with Franchisor, Franchisee and/or other members of the System, and cause great injury to the reputation of the System and/or the Proprietary Marks. Franchisee therefore agrees as follows:

i. Franchisee will not sell, loan, give or otherwise transfer or deliver to any Former Franchisee, or allow any Former Franchisee to copy or otherwise obtain, any confidential business information about the System; any advertising or promotional materials produced by the Marketing Fund or by us or which bear any of the Proprietary Marks; any other of our materials or publications, including, without limitation, the Manual; any directory or roster of franchisees or Approved Suppliers, any other customer lists or mailing lists pertaining in any way to the System; or any other information about the Wanna Play Business or the System which is not available to the public;

ii. Franchisee will not refer prospective Customers to any Former Franchisee;

iii. Franchisee will not notify or advise any Former Franchisee of, or in any other way assist any Former Franchisee in learning about, the date, time and place of any meetings of franchisees;

iv. If Franchisee observes any Former Franchisee using any of the Proprietary Marks in any way, or utilizing business premises or motor vehicles from which the Proprietary Marks and/or distinctive color scheme have not been completely obliterated, Franchisee shall immediately report such observation to us, along with all details available to Franchisee;

v. Franchisee shall, in general, have no dealings with a Former Franchisee which Franchisee, under this Agreement, could not have with a person who has never been a Wanna Play Franchisee; and

vi. The provisions of this Section 13.13 shall apply to Franchisee upon notice of the expiration or termination of another Franchisee's Franchise Agreement.

Section 13.14 Franchisees Employees

Franchisee will maintain a competent, conscientious staff and contract or employ the minimum number of individuals necessary to meet the anticipated volume of business and to achieve the goals of the system. Franchisee will take all steps necessary to ensure that Franchisee's contractors and employees meet the employment criteria, keep a neat appearance, and comply with any dress code Franchisor requires, and subject to the requirements of landlords, if applicable. Franchisee is solely responsible for the terms of its employees' employment and independent contractors' compensation and, except for training under this agreement, for the proper training of the employees in the operations of Franchisee's Wanna Play business. Franchisee is solely responsible for all employment decisions and functions, including contracting, hiring, firing, establishing wage and hour requirements, disciplining, supervising and record keeping. Franchisee will not recruit or hire any employee of a Wanna Play franchise operated by Franchisor or another Franchisee within the system without obtaining the employers written permission.

Section 13.15 Customer Lists

Franchisee will present to customers any evaluation forms Franchisor requires and will participate and/or request its customers to participate in any marketing surveys performed by or for Franchisor. Franchisee will maintain a current customer list containing each customer's name, address, telephone number and zip code and supply a copy of the list to Franchisor on a quarterly basis. Franchisee must participate in any process Franchisor develops to record all customer information. Franchisee retains ownership of Franchisees customer lists. Franchisor will not use Franchisees customer list for any profit or in any activity adverse to, or in competition with, Franchisee for so long as this Agreement is in effect.

ARTICLE 14 - FRANCHISOR'S ADDITIONAL OPERATIONS ASSISTANCE

Section 14.1 General Advice and Guidance

Franchisor shall be available to render advice, discuss problems and offer general guidance to Franchisee by telephone, e-mail, facsimile, newsletters, webinars and other methods with respect to planning, opening and operating the Franchised Business. After initial training, as discussed in Section 8.1, Franchisor shall not charge for this service. Franchisee will be billed, at Franchisors option, for special assistance as defined in Section 8.5 for any advice or guidance needed or given directly to Franchisee's customers, contractors, general contracts or contractual entities. Franchisor retains the right to refuse this service should Franchisee be deemed by Franchisor to be utilizing this service too frequently or in an unintended manner. Franchisor's advice or guidance to Franchisee relative to prices for products and services that, in Franchisor's judgment, constitutes good business practice is based upon the experience of Franchisor, its Affiliates and franchisees in operating Wanna Play Businesses.

Franchisee generally has the right to establish prices for the items and services sold within the Franchised Business. Franchisor does have the authority to modify the items and services or system to give Franchisor the right to establish minimum and maximum prices. Any such modification will be in writing. Unless Franchisor modifies the item and services or system, any list or pricing structure furnished to Franchisee is a recommendation only.

Section 14.2 Periodic Visits

Franchisor or Franchisor's representative may make periodic visits, which may be in person, electronic or telephonic, which may be announced or unannounced, to the Franchised Business for the purposes of observation, consultation, assistance and guidance with respect to various aspects of the operation and management of the Franchised Business. Franchisor and Franchisor's representatives who visit the Franchised Business may prepare, for the benefit of either or both Franchisor and Franchisee, written reports detailing any problems or concerns discovered during any such visit and outlining any required or suggested changes or improvements in the operations of the Franchised Business. A copy of any such written report shall be provided to Franchisee. Franchisee shall implement any required changes or improvements as required by Franchisor, and within the time period required by Franchisor, with time being of the essence.

Section 14.3 System Improvements

Franchisor shall communicate improvements in the System to Franchisee as such improvements may be developed or acquired by Franchisor and implemented as part of the System.

Section 14.4 Marketing and Promotional Materials

Franchisor may periodically provide, through the Internet site www.wannaplayplaycare.com or other medium, advertising and promotional materials including ad-slicks, brochures, fliers, menus and other materials in a variety of forms and formats to Franchisee for use in the operation of the Franchised Business.

ARTICLE 15 - INSURANCE

Section 15.1 Types and Amounts of Coverage

If applicable and at its sole expense, Franchisee shall procure within sixty (60) days of the Effective Date, and maintain in full force and effect during the term of this Agreement, the types of insurance listed below. All policies (except any workers' compensation insurance) shall expressly name Franchisor as additional insured's or loss payees and shall contain a waiver of all subrogation rights against Franchisor and its successors and assigns. In addition to any other insurance that may be required by applicable law, or by lender or lessor, Franchisee shall procure:

a) "all risk" property insurance, including business interruption insurance, customarily obtained by similar businesses in your general area to cover, at a minimum, all assets including inventory, furniture, fixtures, equipment, supplies and other property used in the operation of your Wanna Play Business; and

b) General commercial liability insurance in an amount of not less than $2,000,000 per occurrence with a $2,000,000 general aggregate; and

c) Comprehensive general liability insurance, including products and contractual, in an amount of not less than $2,000,000 per occurrence with a $2,000,000 general aggregate; and

d) Workers' compensation insurance for statutory limits and employer's liability insurance in an amount not less than $1,000,000; and

e) Sexual/ physical abuse insurance of not less than $100,000 per occurrence with a $300,000 general aggregate; and

f) Professional liability insurance in an amount of not less than $2,000,000 per occurrence with a $2,000,000 general aggregate; and

g) An umbrella policy in an amount of not less than $2,000,000; and

h) If necessary, automobile liability coverage, including coverage of owned, non-owned and hired vehicles with coverage in amounts not less than $1,000,000 combined single limit.

Section 15.2 Future Increases

Franchisor has the right to reasonably increase the minimum liability protection requirement annually and require different or additional insurance coverage(s) to reflect inflation, changes in standards of liability, future damage awards or other relevant changes in circumstances.

Section 15.3 Additional Insured; Certificates of Coverage

All insurance policies procured and maintained by Franchisee pursuant to this Agreement shall (a) name Franchisor as an additional insured; (b) waive any right to assert a claim back against Franchisor; and (c) undertake to notify Franchisor thirty (30) days in advance of any cancellation or material change in the policy. Franchisee must provide Franchisor with certificates of coverage at least annually. If Franchisee fails to provide the certificate of insurance, Franchisor (in addition to all other rights and remedies) may purchase such insurance in the name of and on behalf of Franchisee, and Franchisee shall immediately reimburse Franchisor's expenses and premiums paid to obtain such insurance.

Section 15.4 Carrier Standards

Such policies shall be written by an insurance company licensed in the State in which Franchisee operates and having at least an "A-" Rating Classification as indicated in the latest issue of A.M. Best's Key Rating Guide.

Insofar and to the extent that this Section may be effective without invalidating it or making it impossible to secure insurance coverage obtainable from responsible insurance companies doing business in the state where Franchisee's Wanna Play business is located (even though an extra premium may result), both parties agree that, for any loss that is covered by insurance then being carried by them, their respective insurance companies have no right of subrogation against the other.

Section 15.5 Evidence of Coverage

Franchisee's obligation to obtain and maintain the foregoing policies shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of this obligation relieve it of liability under the indemnity provisions set forth in Section 6.4 and 21.3. Franchisee shall provide annually, certificates of insurance showing compliance with the foregoing requirements. Such certificates shall state that said policy or policies shall not be canceled or altered without at least thirty (30) days prior written notice to Franchisor and shall reflect proof of payment of premiums.

Section 15.6 Failure to Maintain Coverage

Should Franchisee not procure and maintain insurance coverage as required by this Agreement, Franchisor has the right (but not the obligation) to immediately procure such insurance coverage and to charge the premiums to Franchisee, which charges, together with a reasonable fee for expenses incurred by Franchisor in connection with such procurement, shall be payable by Franchisee immediately upon notice.

ARTICLE 16 - DEFAULT AND TERMINATION

Section 16.1 Termination by Franchisee

If Franchisee is in compliance with this Agreement and Franchisor materially breaches this Agreement and fails to commence reasonable efforts to cure such breach within thirty (30) days after receiving written notice identifying the claimed breach, Franchisee has the right to terminate this Agreement unless the breach cannot reasonably be cured within such thirty (30) days. If the breach cannot reasonably be cured in such thirty (30) days, Franchisee has the right to terminate this Agreement only if Franchisor does not promptly undertake and continue efforts to cure such material breach.

Section 16.2 Termination by Franchisor

Non-curable Defaults

Franchisor has the right to terminate this Agreement, without any opportunity to cure by Franchisee, if Franchisee:

i. fails to pay the Initial Franchise Fee (or any balance thereof) at the time due;

ii. fails to commence the operation of the Franchised Business within the time provided in this Agreement;

iii. fails to select an approved site for or develop the Franchised Business pursuant to Section 2.2;

iv. fails to begin operating the franchised business within ten (10) months after the Effective Date;

v. fails to have its Designated Manager satisfactorily complete any training program pursuant to Section 8.3;

vi. made any material misrepresentation or omission in its application for the Franchise or otherwise to Franchisor in the course of entering into this Agreement;

vii. is convicted of or pleads no contest to a felony or other crime or offense that would place them on the sex offender's registry, was a violent felony, or is likely to adversely affect the reputation of Franchisor, Franchisee or the Franchised Business;

viii. discloses, duplicates or otherwise uses in an unauthorized manner any portion of the Manual or any other Confidential Information or the Marks;

ix. abandons, fails or refuses to actively operate the Franchised Business for three (3) or more consecutive days (unless the Franchised Business has not been operational for a purpose approved by Franchisor), or, if first approved by Franchisor, fails to promptly relocate the Franchised Business following the expiration or termination of the lease for the Approved Location, the destruction or condemnation of the Approved Location or any other event rendering the Approved Location unusable;

x. surrenders or transfers control of the operation of the Franchised Business without Franchisor's approval, makes or attempts to make an unauthorized direct or indirect assignment of the Franchise or an ownership interest in Franchisee, or fails or refuses to assign the Franchise or the interest in Franchisee of a deceased or incapacitated owner thereof as herein required;

xi. fails to maintain the Franchised Business under the primary supervision of a Designated Manager during the one hundred eighty (180) days following the death or incapacity of Franchisee or any holder of a legal or beneficial interest in Franchisee pursuant to Section 18.6;

xii. submits to Franchisor on two (2) or more separate occasions at any time during the term of the Franchise any reports or other data, information or supporting records that fail to report and/or understate by more than two percent (2%) any Royalty Fee, or Marketing Fund Contribution for any week or any other fees owed to Franchisor for any applicable accounting period and Franchisee is unable to demonstrate that such understatements resulted from inadvertent error;

xiii. is late more than twenty (20) days on any payment due to Franchisor;

xiv. is adjudicated as bankrupt, becomes insolvent, commits any affirmative act of insolvency, or files any action or petition of insolvency; if a receiver of its property or any part thereof is appointed by a court; if it makes a general assignment for the benefit of its creditors; if a final judgment remains unsatisfied of record for thirty (30) days or longer (unless *supersedeas* bond is filed); if execution is levied against Franchisee's business or property; if lessor evicts Franchisee from the Approved Location; if a suit to foreclose any lien or mortgage against its Approved Location or equipment is instituted against Franchisee and not dismissed within thirty (30) days or is not in the process of being dismissed; if Franchisor is listed as a creditor in any legal action;

xv. misuses or makes an unauthorized use of any of the Marks or commits any other act which can reasonably be expected to impair the goodwill associated with any of the Marks;

xvi. receives more than seven (7) notices to cure during any twelve (12) month period of the term of this Franchise Agreement;

xvii. fails on two (2) or more separate occasions within any period of twelve (12) consecutive months to submit reports or other information or supporting records when due, to pay any Royalty Fee, or Marketing Fund Contribution, amounts due for purchases from Franchisor and/or any Affiliate, or other payment when due to Franchisor or any Affiliate, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee;

xviii. continues to violate any insurance law, internal revenue statute, ordinance or regulation, or operates the Franchised Business in a manner that presents a hazard to its customers, employees or the public;

xix. engages in any activity exclusively reserved to Franchisor;

xx. negatively communicates or impacts the Franchise system to any current or prospective franchisee, outside of Franchisor sponsored forums;

xxi. fails to comply with any applicable law or regulation within thirty (30) days after being given notice of noncompliance, or as otherwise stated by applicable law;

xxii. defaults on any lease necessary to running the Franchised business;

xxiii. repeatedly breaches this Agreement and/or repeatedly fails to comply with mandatory specifications, customer service standards or operating procedures prescribed in the Manual, whether or not previous breaches or failures are cured; or

xxiv. defaults under any other agreement between Franchisor (or any Affiliate) and Franchisee, such that Franchisor or its Affiliate, as the case may be, has the right to terminate such agreement or such agreement automatically terminates.

Curable Defaults

Except as otherwise provided above in this Section 16.2, Franchisor has the right to terminate this Agreement for the following breaches and defaults by giving notice of such termination and stating the nature of the default; provided, however, that Franchisee may avoid termination by curing such default or failure (or by providing proof acceptable to Franchisor that Franchisee has made all reasonable efforts to cure such default or failure and shall continue to make all reasonable efforts to cure until a cure is affected if such default or failure cannot reasonably be cured before the effective date of the termination) within the specified period:

i. within fourteen (14) days of receiving notice of Franchisee's failure to pay any amounts due to Franchisor or Marketing Fund Contribution;

ii. within thirty (30) days of receiving notice of Franchisee's failure to comply with any laws or regulations;

iii. within sixty (60) days of receiving notice of Franchisee's failure to achieve the minimum enrollments or minimum gross sales requirements;

iv. within sixty (60) days of receiving notice that Franchisee has let lapse or lost any certifications required to operate the franchised business as long as Franchisee has someone who can operate the Franchised Business. If Franchisee does not have someone during the sixty-day period to run the business, Franchisor may terminate this Agreement immediately;

v. within thirty (30) days of receiving notice of any other default by Franchisee or upon Franchisee's failure to comply with any mandatory specification, standard or operating procedure prescribed in the Manual or otherwise prescribed in writing.

If any default is not cured within the above time, if a curable default, or for any longer time as applicable law may require, an Event of Default has occurred by Franchisee, and all of Franchisee's rights under this Agreement terminate without additional notice to Franchisee, effective immediately. In addition to the Events of Defaults listed within this Section, an event of Default by Franchisee occurs if Franchisee fails to comply with any of the covenants or requirements imposed by this Agreement, as it may be revised or supplemented by the Manuals, where the authority has been given to the Manuals by this Agreement or the Franchise Disclosure Document, or to carry out this Agreement in good faith. Franchisee has the burden of proving that Franchisee properly and timely cured any Default, to the extent a cure is permitted under this Agreement.

Section 16.3 Reinstatement and Extension

If provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation or non-renewal other than in accordance with applicable law, Franchisor may reinstate or extend the term of this Agreement for the purpose of complying with applicable law by submitting a written notice to Franchisee without waiving any of Franchisor's rights under this Agreement.

Section 16.4 Right of Franchisor to Discontinue Services to Franchisee

If Franchisee is in breach of any obligation under this Agreement, and Franchisor delivers to Franchisee a notice of termination pursuant to Section 16.2, Franchisor has the right to suspend its performance of any of its obligations under this Agreement including, without limitation, the sale or supply of any services or products for which Franchisor or an Affiliate is an Approved Supplier to Franchisee or which Franchisee receives from an Approved Supplier who is not Franchisor, until such time as Franchisee corrects the breach.

Section 16.5 Cross-Defaults, Non-Exclusive Remedies, etc.

Any default by Franchisee regarding this particular franchise unit (or any person/company affiliated with Franchisee) under this Agreement may be regarded as a default under any other agreement between Franchisor (or any of Franchisor's Affiliates) and Franchisee (or any of Franchisee's affiliates). Any default by Franchisee (or any person/company affiliated with Franchisee) under any other agreement, specifically related to this particular franchise unit, including, but not limited to, any lease and/or sublease, between Franchisor (or any of Franchisor's Affiliates) and Franchisee (or any person/company affiliated with Franchisee), and any default by Franchisee (or any person/company affiliated with Franchisee) under any obligation to Franchisor (or any of Franchisor's Affiliates) may be regarded as a default under this Agreement. Any default by Franchisee, specific to this particular franchise unit (or any person/company affiliated with Franchisee) under any lease, sublease, loan agreement, security interest or otherwise, whether with Franchisor, any of Franchisor's Affiliates and/or any third party may be regarded as a default under this Agreement and/or any other agreement between Franchisor (or any of Franchisor's affiliates) and Franchisee (or any of Franchisee's affiliates). This provision specifically excludes a default regarding Franchise Unit #1 having a cross-defaulting effect on Franchise Unit #2, which is not in default based upon its own actions, which is owned by one or more of the same owners, members, partners, shareholders, or unit holders.

In each of the foregoing cases, Franchisor (and any of Franchisor's Affiliates) will have all remedies allowed by law, including termination of Franchisee's rights under the Franchise Agreement (and/or those of any person/company affiliated with Franchisee) and Franchisor's (and/or Franchisor's Affiliates') obligations under the Franchise Agreement. No right or remedy which Franchisor may have (including termination) is exclusive of any other right or remedy provided under law or equity. Franchisor is free to pursue any rights and/or remedies available.

ARTICLE 17 - RIGHTS AND DUTIES UPON EXPIRATION OR TERMINATION

Section 17.1 Actions to be Taken

Except as otherwise provided herein, upon termination and non-renewal or expiration, this Agreement and all rights granted herein to Franchisee shall terminate and Franchisee shall:

i. immediately cease to operate the Franchised Business and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a present or Former Franchisee ofFranchisor;

ii. immediately remove all identifying architectural superstructure and signage on or about the business bearing the Marks, in the manner Franchisor specifies. All property belonging to Franchisor will be held by Franchisee for delivery to Franchisor, at Franchisee's expense. Any signage that Franchisee is unable to remove within one business day of the termination of this Agreement must be completely covered by Franchisee until the time of its removal;

iii. maintain a conspicuous sign at the business in a form specified by Franchisor stating that Franchisee's business is no longer associated with the franchise system and advise all customers or prospective customers telephoning Franchisee's business that the business is no longer associated with the franchise system;

iv. deliver to Franchisor, all information, including any contracts, e-mail transmissions, written memorandums, customer sheets, or any other written or electronic data regarding customer lists or marketing efforts;

v. refrain from taking any action to reduce the goodwill of Franchisee's Customers or potential Customers, towards Franchisor, other Franchisees or any other aspect of the System;

vi. cease to use the Confidential Information, the System and the Marks including, without limitation, all signs, slogans, symbols, logos, advertising materials, stationery, forms and any other items which display or are associated with the Marks;

vii. upon demand by Franchisor, immediately assign (or, if an assignment is prohibited, sublease for the full remaining term, and on the same terms and conditions as Franchisee's lease) its interest in the lease then in effect for the Approved Location to Franchisor. Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within five (5) days after Termination or expiration of this Agreement. Franchisor has the right to pay rent and other expenses directly to the party to whom such payment is ultimately due, with no liability for any previous month's lease payments prior to Franchisor accepting the assignment or sublease;

viii. immediately take such action as may be necessary to cancel or assign to Franchisor, at Franchisor's option, any fictitious or assumed name or equivalent registration filed with state, city or county authorities which contains the name "Wanna Play Playcare" or any other Mark, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with this obligation within five (5) days after termination or expiration of this Agreement;

ix. pay all sums owing, after the Effective Date of Termination or Expiration of this Agreement through the date that Franchisee completes all post-termination obligations required under this Agreement, to Franchisor, and any Affiliate, which may include, but not be limited to, all damages, costs and expenses, unpaid Royalty Fees, and Marketing Fund Contributions, or any other amounts due to Franchisor or any Affiliate within five (5) days after Termination or expiration of this Agreement or the date on which Franchisee completes all post-termination obligations required under this Agreement, whichever occurs first;

x. immediately return to Franchisor the Manual(s) and all other Confidential Information including records, files, instructions, brochures, agreements, accounting reports, disclosure statements and any and all other materials provided by Franchisor to Franchisee relating to the operation of the Franchised Business (all of which are acknowledged to be Franchisor's property);

xi. assign all telephone listings and numbers for the Franchised Business to Franchisor and shall notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any telephone numbers or facsimile numbers associated with the Franchised Business or Marks in any regular, classified or other telephone directory listing and shall authorize transfer of same to Franchisor, or its assignee;

xii. keep and maintain all business records pertaining to the business conducted at the Franchised Business for three (3) years after the Effective Date of Termination or Expiration of this Agreement. During this period, Franchisee will permit Franchisor to inspect such business records as frequently as Franchisor deems necessary; and

xiii. comply with all other applicable provisions of this Agreement.

If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor has the right to enter upon the premises for the purpose of making or causing to be made all changes as may be required, at a reasonable expense (this expense to be paid by Franchisee upon demand) and at Franchisee's sole risk and expense, without responsibility for any actual or consequential damages to Franchisee's property or others, and without liability for trespass or other tort or criminal act. Franchisee agrees that

Franchisee's failure to make these alterations will cause an irreparable injury to Franchisor.

Franchisee must notify Franchisor in advance if Franchisee desires to remain in possession of the business and operate a noncompetitive business. Franchisee must make all modifications or alterations to the business immediately upon termination of this agreement as necessary to distinguish the appearance of the business from that of other Wanna Play Franchisees operating under the System. Franchisee will make all specific additional changes to the Business as stated in section 17.1 (i) above. Franchisee agrees to refrain from taking any action to reduce the goodwill of Franchisee's customers or potential customers towards Franchisor, our Franchisees or any other aspect of the System.

Section 17.2 Post-Termination Covenant Not to Compete

Franchisee acknowledges the restrictive covenants contained in this Section and in Section 17.1 are fair and reasonable and will not impose any undue hardship on Franchisee or any Covered Person, since Franchisee and Covered Person has other considerable skills, experience, and education which afford Franchisee and Covered Person the opportunity to derive income from other endeavors, and are justifiably required for purposes including, but not limited to, the following:

i. protecting the Trade Secrets and other Confidential Information of Franchisor;

ii. inducing Franchisor to grant a Franchise to Franchisee; and

iii. inducing Franchisor to incur costs in training Franchisee and its officers, directors, executives, managers, Designated Managers and any other Covered Person, if necessary.

Except as otherwise approved in writing by Franchisor, neither Franchisee, nor any Covered Person shall, for a period of two (2) years after the expiration or termination of this Agreement, regardless of the cause of termination, either directly or indirectly, for themselves or through, on behalf of or in conjunction with, any person, persons, partnership, corporation, limited liability company or other business entity:

i. own an interest in, manage, operate or provide services to any Competitive Business located or operating (a) within a ten (10) mile radius of the Approved Location or within the Protected Territory (whichever is greater), and (b) within a ten (10) mile radius of the location of any other Wanna Play Business in existence at the time of termination or expiration; or

ii. solicit or otherwise attempt to induce or influence any customer, employee or other business associate of Franchisor, its Affiliate(s) or any other franchisee to terminate or modify his, her or its business relationship with Franchisor, its Affiliate(s) or any other franchisee, by direct or indirect inducement or otherwise.

In furtherance of this Section, Franchisor has the right to require officers, managers, and partners along with certain individuals and any Covered Person to execute a standard form non-disclosure or non-competition agreements in a form the same as the Non-Disclosure and Non-Competition Agreement attached as Exhibit 1.

Section 17.3 Unfair Competition

If Franchisee operates any other business, Franchisee shall not use any reproduction, counterfeit, copy or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, that is likely to cause confusion, mistake or deception, or that is likely to dilute Franchisor's rights in the Marks. Franchisee shall not utilize any designation of origin, description or representation that falsely suggests or represents an association or connection with Franchisor. This Section is not intended as an approval of Franchisee's right to operate other businesses and in no way is it intended to contradict Article

10 or 13. If Franchisor elects not to receive an assignment or sublease of the Approved Location, Franchisee shall make such modifications or alterations to the Approved Location (including changing telephone and facsimile numbers) immediately upon termination or expiration of this Agreement as may be necessary to prevent any association between Franchisor or the System and any business subsequently operated by Franchisee or others at the Approved Location. Franchisee shall make such specific additional changes to the Approved Location as Franchisor may reasonably request for that purpose including, without limitation, removal of all physical and structural features identifying or distinctive to the System. If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor has the right to enter upon the Approved Location, without the threat of committing a tort or trespass, for the purpose of making or causing to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee shall pay immediately upon demand.

Section 17.4 Franchisor's Option to Purchase Certain Business Assets

Franchisor has the right (but not the duty), for a period of fourteen (14) days after termination or expiration of this Agreement, to purchase any or all assets of the Franchised Business including leasehold improvements, equipment, supplies and other inventory.

If Franchisor or Franchisor's Assignee exercises the option to purchase, pending the closing of the purchase, Franchisor has the right to appoint a manager to maintain the operation of the Wanna Play business. Alternatively, Franchisor may require Franchisee to close the Wanna Play business during this time, without removing any assets. Franchisee will maintain, in force, all insurance policies required in this agreement until the date of closing. Franchisor agrees to use reasonable efforts to affect the termination of the existing lease for the location and enter into a new lease on reasonable terms with the landlord. If Franchisor is unable to enter into a new lease and Franchisees rights under the existing lease are assigned to Franchisor where Franchisor subleases the location from Franchisee, Franchisor indemnifies Franchisee from any ongoing liability under the lease occurring after the date Franchisor assumes possession of the business.

The purchase price shall be equal to the assets' fair market value, excluding any goodwill or fair market value, whichever is less, and shall abide by the following:

i. if Franchisor and Franchisee are unable to agree on the value of the Assets within thirty (30) days after Franchisee's receipt of Franchisor's notice of its intent to exercise its option to purchase the Assets, the fair market value shall be determined by two professionally certified appraisers, Franchisee selecting one and Franchisor selecting one. If the valuations set by the two appraisers differ by more than ten percent (10%) of the higher amount, the two appraisers shall select a third professionally certified appraiser who also shall appraise the fair market value of the Assets. The average value set by the appraisers (whether two or three appraisers as the case may be) shall be conclusive and shall be the Purchase Price. If, within a reasonable time, Franchisee fails to select a professionally certified appraiser, or the appraiser selected by Franchisee fails to set a value, or the two appraisers do not agree on a third appraiser when such an appraiser is required, then in any of those events the value set by the appraiser selected by Franchisor shall be conclusive;

ii. the appraisers shall be given full access to the Franchise Business and Franchisee's books and records during customary business hours to conduct the appraisal, and shall value the leasehold improvements, equipment, furnishings, fixtures, signs and inventory in accordance with the standards of this Section 17.4. The fees and costs of the appraiser or appraisers shall be borne equally by Franchisor and Franchisee on a 50/50 valuation;

iii. within three (3) days after the Purchase Price has been determined, Franchisor may exercise its option to purchase the Assets by so notifying Franchisee. The Purchase Price shall be paid in cash or cash equivalents at the closing of the purchase ("Closing"), which shall take place no later than sixty (60) days after Franchisor's receipt of the valuations set by the appraisers. At the Closing, Franchisee shall deliver instruments transferring to Franchisor or its assignee: (1) good and merchantable title to the Assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to Franchisor or its assignee), with all sales and other transfer taxes paid by Franchisee; (2) all licenses and permits for the Franchised Business that may be assigned or transferred, with appropriate consents if required; and (3) the lease or sublease for the Franchise Business, with appropriate consents if required. If Franchisee cannot deliver clear title to all of the purchased Assets as indicated in this Section, or if there are other unresolved issues, the Closing shall be accomplished through an escrow;

iv. prior to Closing, Franchisee and Franchisor shall comply with all applicable legal requirements, including the bulk sales provisions, if applicable, of the Uniform Commercial Code of the state in which the franchised business is located and the bulk sales provisions, if applicable, of any applicable tax laws and regulations. Franchisee shall, prior to or simultaneously with the Closing, pay all tax liabilities incurred in connection with the operation of the Franchised Business prior to Closing. Franchisor shall have the right to set off against and reduce the Purchase Price by any and all amounts owed by Franchisee to Franchisor and its Affiliates, and the amount of any encumbrances or liens against the Assets or any obligations assumed by Franchisor; and

v. if Franchisor or its assignee exercises the option to purchase, then Franchisee shall maintain in force all insurance policies required under this Agreement until the Closing. If the Franchised Business is leased, Franchisor agrees to use reasonable efforts to affect a termination of the existing lease for the Franchised Business. If the lease for the Franchised Business is assigned to Franchisor or if Franchisor subleases the Franchised Business from Franchisee, Franchisor shall indemnify and hold Franchisee harmless from any ongoing liability under the lease from the date Franchisor assumes possession of the Franchised Business. If Franchisee owns the Franchised Business location, Franchisor, at its option, will either purchase the fee simple interest or, upon purchase of the other Assets, enter into a standard lease with Franchisee on terms comparable to those for which similar commercial properties in the area are then being leased. The initial term of this lease with Franchisee shall be at least ten (10) years and the rent shall be the fair market rental value of the franchised location. If Franchisee and Franchisor cannot agree on the fair market rental value of any franchised location, then the rental value shall be determined by an appraiser or appraisers selected and paid in the manner described in Sections 17.4(i) and (ii).

Section 17.5 Survival of Certain Provisions

All obligations of Franchisor and Franchisee, which expressly or by their nature survive the expiration or termination of this Agreement, shall continue in full force and effect until they are satisfied in full or by their nature expire.

Section 17.6 Existence of Claim

Franchisee expressly agrees that the existence of any claim that Franchisee may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Article 17.

Section 17.7 Injunction

Franchisee acknowledges that any threatened or actual failure to comply with the requirements of this Article 17 would cause Franchisor to suffer immediate and irreparable injury for which no adequate remedy at law may be available, and Franchisee hereby accordingly consents to the *ex parte* entry of an injunction prohibiting any conduct by Franchisee in violation of the terms of this Article 17. Franchisor may further avail itself of any other legal or equitable rights and remedies which it may have under this Agreement, statute, common law or otherwise.

Section 17.8 Franchisor is Attorney In Fact

Franchisor may, if Franchisee fails or refuses to do so, execute in Franchisee's name and on Franchisee's behalf any and all documents necessary to: cause discontinuation of Franchisee's use of the name, Wanna Play Playcare, Wanna Play or any other related or similar name or use thereunder; cancellations of services related to the Franchised Business; the execution of an assignment or sublease of the Approved Location; and Franchisor is hereby irrevocably appointed by Franchisee as Franchisee's Attorney-In-Fact to do so.

Section 17.9 Liquidated Damages

The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Agreement's termination and the loss of cash flow from continuing Royalty Fees due to, among other things, the complications of determining what costs, if any, Franchisor might have saved and how much the Royalty Fees would have grown over what would have been this Agreement's remaining term. Therefore, upon termination of this Agreement according to its terms and conditions resulting from a breach by Franchisee, Franchisee agrees to pay to Franchisor within fifteen (15) days after the effective date of this Agreement's termination, in addition to the amounts owed hereunder, liquidated damages equal to One Thousand Dollars ($1,000.00) per week through the end of the original Term or until the Territory is resold, whichever occurs first, without the necessity of holding a full trial, and without the necessity of posting security or bond.

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 continuing 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 remaining term. The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages. The liquidated damages provision only covers our damages from the loss of cash flow from the continuing Royalty Fees. Franchisor retains all other remedies available to it in equity or at law.

ARTICLE 18 - TRANSFERABILITY OF INTEREST

Section 18.1 Transfer by Franchisor

This Agreement and all rights and duties herein are fully transferable in whole or in part by Franchisor and such rights will inure to the benefit of any person or entity to whom transferred; provided, however, that with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor, the assignee shall assume the obligations of Franchisor herein and Franchisor shall thereafter have no liability for the performance of any obligations contained in this Agreement.

Section 18.2 Transfer by Franchisee to a Third Party

The rights and duties of Franchisee as set forth in this Agreement, and the franchise herein granted, are personal to Franchisee (or its owners), and Franchisor has entered into this Agreement in reliance upon Franchisee's (or its owners') personal or collective skills and financial ability. Accordingly, except for percentage of ownership transfers *inter se*, neither Franchisee nor any holder of a legal or beneficial interest in Franchisee may sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer, whether by operation of law or otherwise, any interest in this Agreement, the Franchise granted hereby, the Approved Location used in operating the Franchised Business, its assets or any part or all of the ownership interest in Franchisee without the prior written approval of Franchisor, such approval will not unreasonably be withheld. Any purported transfer without such approval shall be null and void and shall constitute a material breach of this Agreement. If Franchisee is in compliance with this Agreement, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements, which shall not be unreasonably withheld, conditioned or delayed, other than the completion of the below items:

i. Franchisee has complied with the requirements set forth in Article 19;

ii. Franchisee has paid a transfer fee to Franchisor equal to fifty percent (50%) of the then-current franchise fee;

iii. all obligations owed to Franchisor, and all other outstanding obligations relating to the Franchised Business, are fully paid and satisfied;

iv. Franchisee (and any transferring owners) has executed a general release; provided, however, that if a general release is prohibited, Franchisee shall give the maximum release allowed by law;

v. the prospective Transferee has satisfied to Franchisor's satisfaction that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require, to operate a franchised business;

vi. the Transferee and, if Franchisor requires, all persons owning any interest in the Transferee, have executed the then-current Franchise Agreement for new franchisees, which may be substantially different from this Agreement, including different Royalty Fee and Marketing Fund Contribution rates and other material provisions, and the franchise agreement then executed shall be for the term specified in such agreement. However, the fees shall not be more than the current fees being paid by transferor;

vii. Franchisee has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Franchisee and the prospective Transferee relating to the intended sale or transfer of the Franchise;

viii. the Transferee, or all holders of a legal or beneficial interest in the Transferee, has agreed to be personally bound jointly and severally by all provisions of this Agreement for the remainder of the term;

ix. Franchisee has agreed to be bound by the obligations of the new franchise agreement, any existing Franchise contracts and to guarantee the full performance thereof by the Transferee, if required by Franchisor;

x. Transferee has obtained all necessary consents and approvals by third parties (such as the lessor of the Approved Location) and all applicable Federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied;

xi. Franchisee, and in the event Franchisee is an entity all of the holders of a legal and beneficial interest in Franchisee, has executed and delivered to Franchisor a Non-Disclosure and Non-Competition Agreement in a form satisfactory to Franchisor and in a substance the same as the Non-Disclosure and Non-Competition covenants contained in Articles 7 and 17 and attached as Exhibit 1;

xii. the Transferee agrees that its Designated Manager shall complete, to Franchisor's satisfaction, a training program, in substance, similar to the initial training described in Article 8 prior to assuming the management of the day-to-day operation of the Franchised Business.

Transferee shall receive the franchised businesses Protected Territory as described in Section 2.5 in its entirety with all rights to exclusivity and scope given in the original Franchise Agreement prior to the transfer to Transferee.

Section 18.3 Transfer to a Controlled Entity

If Franchisee wishes to transfer this Agreement or any interest herein to a corporation, limited liability company or other legal entity which shall be entirely owned by Franchisee ("Controlled Entity"), which Controlled Entity is being formed for the financial planning, tax or other convenience of Franchisee, Franchisor's consent to such transfer shall be conditioned upon the satisfaction of the following requirements:

i. the Controlled Entity is newly organized and its charter provides that its activities are confined exclusively to the operation of the Franchised Business;

ii. Franchisee, or all holders of a legal or beneficial interest in Franchisee, own all of the equity and voting power of the outstanding stock or other capital interest in the Controlled Entity;

iii. all obligations of Franchisee to Franchisor, or any Affiliate, are fully paid and satisfied; provided, however, that neither Franchisee nor the Controlled Entity shall be required to pay a transfer fee as required pursuant to Section 18.2;

iv. the Controlled Entity has entered into a written agreement with Franchisor expressly assuming the obligations of this Agreement and all other agreements relating to the operation of the Franchised Business. If the consent of any other party to any such other agreement is required, Franchisee has obtained such written consent and provided the same to Franchisor prior to consent by Franchisor;

v. all holders of a legal or beneficial interest in the Controlled Entity have entered into an agreement with Franchisor, jointly and severally, guaranteeing the full payment of the Controlled Entity's obligations to Franchisor and the performance by the Controlled Entity of all the obligations of this Agreement;

vi. each stock certificate or other ownership interest certificate of the Controlled Entity has conspicuously endorsed upon the face thereof a statement in a form satisfactory to Franchisor that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Agreement; and

vii. copies of the Controlled Entity's articles of incorporation or organization, bylaws, operating agreement, federal tax identification number and other governing regulations or documents, including resolutions of the board of directors and stockholders, managing members and members and general partners and limited partners, as applicable, authorizing entry into this Agreement, have been promptly furnished to Franchisor. Any amendment to any such documents shall also be furnished to Franchisor immediately upon adoption.

The term of the transferred franchise shall be the unexpired term of this Agreement, including all renewal rights, subject to any and all conditions applicable to such renewal rights.

Franchisor's consent to a transfer of any interest in this Agreement, or of any ownership interest in the Franchised Business, shall not constitute a waiver of any claims Franchisor may have against the transferor or the Transferee, nor shall it be deemed a waiver of Franchisor's right to demand compliance with the terms of this Agreement.

Section 18.4 Franchisor's Disclosure to Transferee

Franchisor has the right but not the obligation, without liability of any kind or nature whatsoever to Franchisee, to make available for inspection by any intended Transferee of Franchisee all or any part of

Franchisor's records relating to this Agreement, the Franchised Business or to the history of the relationship of the parties hereto. Franchisee hereby specifically consents to such disclosure by Franchisor and shall release and hold Franchisor harmless from and against any claim, loss or injury resulting from an inspection of Franchisor's records relating to the Franchised Business by an intended Transferee identified by Franchisee.

Section 18.5 For-Sale Advertising

Franchisee shall not, without prior written consent of Franchisor, place in, on or upon the location of the Franchised Business, or in any communication media, any form of advertising relating to the sale of the Franchised Business or the rights granted herein. Franchisor will not withhold consent for "For-Sale Advertising" unreasonably upon written notice by Franchisee.

Section 18.6 Transfer by Death or Incapacity

Upon the death or incapacity (as determined by a court of competent jurisdiction) of any individual franchisee or any holder of a legal or beneficial interest in Franchisee, the appropriate representative of such person (whether administrator, personal representative or trustee) will, within a reasonable time not exceeding twelve (12) months following such event, transfer such individual's interest in the Franchised Business or any holder's legal or beneficial interest in Franchisee to a third party approved by Franchisor or Franchisor shall have the right to terminate this Agreement. Such transfers, including transfers by will or inheritance shall be subject to the conditions for assignments and transfers contained in this Agreement unless prohibited by the choice of law provision of the state where Franchisee resided, with such choice of law provision being applicable only for this Section 18. During such twelve (12) month period, the Franchised Business must remain at all times under the primary management of a Designated Manager who otherwise meets Franchisor's management qualifications.

Following the death or incapacity of an owner of the Franchised Business, if necessary in Franchisor's discretion, Franchisor shall have the right, but not the obligation, to assume operation of the Franchised Business until the deceased or incapacitated owner's interest is transferred to a third party approved by Franchisor. Franchisor may charge a management fee as stated in the Manual from time to time, currently equal to its then-current daily rate as published in the Manual(s) plus reasonable expenses.

Section 18.7 Transfer upon Divorce or Partnership Dissolution

If this Agreement is in the name of two persons who are husband and wife or two or more persons who are partners as Franchisees, this section describes the policies to be applied upon divorce or dissolution of the partnership. During the period when a divorce or partnership dissolution action is pending, you must adopt one of the following methods of operation:

a. if one of the parties is willing to relinquish his or her right and interest in the franchise, thereby leaving his or her spouse or partner(s) to carry on the franchise unit, he or she may do so by assigning the interest to his or her spouse or to his or her partner(s) provided the remaining spouse or partner(s) has successfully completed basic management training;

b. if the parties to a divorce or dissolution action agree that, despite their difficulties, they can continue to operate the franchised business jointly on a "business-as-usual" basis during the proceeding, they may do so; or

c. if the parties in a divorce action or in partnership dissolution are not agreeable to operate under alternatives (a) or (b) then they must make arrangements to have their franchise business operated by a third-party manager until the divorce or dissolution may be completed. The new manager must be approved by Franchisor and have satisfactorily completed basic management training; and

d. divorcing parties may, after final order or judgment, continue to operate their franchise business in the form of a partnership or other business entity even though they are no longer husband-and-wife. In such case, however, they must enter a formal agreement which defines the respective rights and obligations, file a signed copy with Franchisor, assign this agreement to the new entity, and comply with all other requirements for establishing the franchise business as a partnership or other business entity.

ARTICLE 19 - RIGHT OF FIRST REFUSAL

Section 19.1 Submission of Offer

If Franchisee, or any of its owners, proposes to sell, assign, convey, give away, pledge, mortgage, sublicense or otherwise transfer the Franchised Business (or any of its assets outside of the normal course of business), any ownership interest in Franchisee or any ownership interest in the Franchise granted herein, Franchisee shall obtain and deliver a *bona fide*, executed written offer or proposal from a responsible and fully disclosed person or entity, as applicable, along with all pertinent documents including any contract or due diligence materials, to Franchisor. The offer must apply only to the assets or interests listed above and may not include any other property or rights of Franchisee or any of its owners.

Section 19.2 Franchisor's Right to Purchase

Franchisor shall, for fourteen (14) days from the date of delivery of all such documents, have the right, exercisable by written notice to Franchisee, to offer to purchase the offered assets or interest for the price and on the same terms and conditions contained in such offer communicated to Franchisee. Franchisor has the right to substitute cash for the fair market value of any form of payment proposed in such offer. Franchisor's credit shall be deemed at least equal to the credit of any such above-referenced disclosed person or entity, as applicable. After providing notice to Franchisee of Franchisor's intent to exercise this right of first refusal, Franchisor shall have up to sixty (60) days to close the purchase. Franchisor shall be entitled to receive from Franchisee all customary representations and warranties given by Franchisee as the seller of the assets or such ownership interest or, at Franchisor's election, such representations and warranties contained in the proposal.

Section 19.3 Non-Exercise of Right of First Refusal

If Franchisor does not exercise this Right of First Refusal within fourteen (14) days, the offer or proposal may be accepted by Franchisee or any of its owners, subject to Franchisor's prior written approval as required by Section 18.2. Should the sale, assignment, conveyance, gift, pledge, mortgage, sublicense or otherwise transfer fail to close within sixty (60) days after the offer is delivered to Franchisor, Franchisor's Right of First Refusal shall renew and be implemented in accordance with this Article 19.

ARTICLE 20 - BENEFICIAL OWNERS OF FRANCHISEE

Franchisee represents, and Franchisor enters into this Agreement in reliance upon such representation, that the individuals identified in Exhibit 3 as Holders of a Legal or Beneficial Interest are the sole holders of a legal or beneficial interest (in the stated proportions) of Franchisee, and further that:

i. <u>Representations</u>. If Franchisee is a corporation, a limited liability company or a partnership, Franchisee makes the following representations and warranties: (1) it is duly organized and validly existing under the laws of the state of its formation; (2) it is qualified to do business in the state(s) in which the Territory is located; (3) execution of this Agreement and the development and operation of the Business are permitted by its governing documents; and (4) Franchisee's Articles of Incorporation, Articles of Organization or written partnership agreement shall at all times provide that the activities of Franchisee are limited exclusively to the development and operation of the Franchise Business and such other Franchise Businesses (if any) as Franchisor may authorize Franchisee to develop and operate;

ii. Governing Documents. If Franchisee is a corporation, Franchisee represents and warrants that copies of Franchisee's Articles of Incorporation, bylaws, other governing documents and any amendments, including the resolution of the Board of Directors authorizing entry into and performance of this Agreement, have been furnished to Franchisor. If Franchisee is a limited liability company, Franchisee represents and warrants that copies of Franchisee's Articles of Organization, other governing documents and any amendments, including the resolution of the Members or Managers authorizing entry into and performance of this Agreement, have been furnished to Franchisor. If Franchisee is a partnership, Franchisee represents and warrants that copies of Franchisee's written partnership agreement, other governing documents and any amendments, have been furnished to Franchisor, in addition to evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if that approval or consent is required by Franchisee's written partnership agreement. When any of these governing documents are modified or changed, Franchisee shall provide copies to Franchisor promptly;

iii. Ownership Interests. If Franchisee is a corporation, a limited liability company or a partnership, Franchisee represents and warrants that all interests in Franchisee are owned as set forth in attached Exhibit 3. In addition, if Franchisee is a corporation, Franchisee shall maintain a current list of all owners of record and all beneficial owners of any class of voting securities of the corporation (and the number of shares owned by each). If Franchisee is a limited liability company, Franchisee shall maintain a current list of all members (and the percentage membership interest of each member). If Franchisee is a partnership, Franchisee shall maintain a current list of all owners of an interest in the partnership (and the percentage ownership of each owner). Franchisee shall comply with Section 22 prior to any change in ownership interests and shall execute and deliver to Franchisor addenda to Exhibit 3 as changes occur in order to ensure the information contained in Exhibit 3 is true, accurate and complete at all times.

ARTICLE 21 - RELATIONSHIP AND INDEMNIFICATION

Section 21.1 Relationship

This Agreement is purely a contractual relationship between the parties and does not appoint or make Franchisee an agent, legal representative, joint venture, partner, employee, servant or independent contractor of Franchisor for any purpose whatsoever. Franchisee may not represent or imply to third parties that Franchisee is an agent of Franchisor, and Franchisee is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. During the term of this Agreement, and any extension or renewal hereof, Franchisee shall hold itself out to the public only as a franchisee and an owner of the Franchised Business operating the Franchised Business pursuant to a franchise from Franchisor. Franchisee shall take such affirmative action as may be necessary to do so including, without limitation, exhibiting a notice of that fact in a conspicuous place on the Approved Location and on all forms, stationery or other written materials, the content of which Franchisor has the right to specify. Under no circumstances shall Franchisor be liable for any act, omission, contract, debt, nor any other obligation of Franchisee. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the operation of the Franchised Business. Any third-party contractors and vendors retained by Franchisee to convert or construct the premises are independent contractors of Franchisee alone.

Section 21.2 Standard of Care

This Agreement does not establish a fiduciary relationship between the parties. Unless otherwise specifically provided in this Agreement with respect to certain issues, whenever this Agreement requires Franchisee to obtain Franchisor's written consent or permits Franchisee to take any action or refrain from taking any action Franchisee shall do so. If Franchisee fails to do so, it shall be considered an act of Default.

Section 21.3 Indemnification

Franchisee shall hold harmless and indemnify Franchisor Indemnitees from and against all losses and expenses (as defined herein) incurred in connection with any action, suit, demand, claim, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof which arises out of or is based upon any of the following, Franchisee's: (a) ownership or operation of the Franchised Business; (b) violation, breach or asserted violation or breach of any federal, state or local law, regulation or ruling, standard, or directive or of any industry standard; (c) breach of any representation, warranty, covenant, or provision of this Agreement or any other agreement between Franchisee and Franchisor (or an Affiliate); (d) libel, slander or any other form of defamation by Franchisee including defamation of Franchisor or the System; (e) acts, errors or omissions committed or incurred in connection with the Franchised Business, including any negligent or intentional acts or omissions by Franchisee or any of Franchisee's agents, servants, employees, contractors, partners, proprietors, affiliates, or in any manner in connection with the Franchised Business; or (f) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Confidential Information; (g) the inaccuracy, lack of authenticity, or non-disclosure of any information by Franchisee; (h) any unapproved service provided by Franchisee at, from, or related to the operation at the Approved Location; (i) or any services provided by any affiliated or non-affiliated participating entity.

For the purpose of this Section, the term "losses and expenses" shall be deemed to include all losses, compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, attorneys' fees, experts' fees, court costs, settlement amounts, judgments, compensation for damages to our reputation and goodwill, costs of or resulting from delays, costs of or resulting from franchisees duties in the preparation of the purchase order regarding franchisees taking accurate measurements and representing the customer's desire for both color and type of fabric, financing, costs of advertising material and media time/space, and costs of changing, substituting, or replacing same, and any and all expenses of recall, refunds, compensation, public notices, and other such amounts incurred in connection with the matters described. Franchisee agrees to give us notice of any such action, suit, proceeding, claim, demand, inquiry, or investigation. The foregoing indemnification shall not apply to losses or expenses arising from our gross negligence or willful acts.

At Franchisee's expense and risk, Franchisor may elect to assume (but under no circumstance is obligated to undertake) the defense and/or settlement of any such action, suit, proceeding, claim, demand, inquiry or investigation, provided that Franchisor will seek Franchisee's advice and counsel and shall keep Franchisee informed with regard to any such proposed or contemplated settlement(s). Such an undertaking by Franchisor shall in no manner or form diminish Franchisee obligation to indemnify Franchisor and to hold Franchisor harmless.

All losses and expenses incurred under this Section 21.3 shall be chargeable to and paid by Franchisee pursuant to Franchisee's obligations of indemnity under this Section, regardless of any actions, activity or defense undertaken by us or the subsequent success or failure of such actions, activity or defense.

Franchisor Indemnitees do not assume any liability whatsoever for acts, errors, or omissions of those with whom Franchisee may contract, regardless of the purpose. Franchisee shall hold harmless and indemnify Franchisor Indemnitees for all losses and expenses which may arise out of any acts, errors, or omissions of these third parties.

Under no circumstances shall Franchisor Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate their losses in order to maintain a claim against Franchisee. Franchisee agrees that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable by Franchisor Indemnitees from Franchisee.

Franchisor's right to indemnity shall exist notwithstanding the fact that joint or several liability may be imposed upon Franchisor by statute, ordinance, regulation or judicial or arbitral decision.

Section 21.4 Right to Retain Counsel

Franchisee shall give Franchisor immediate notice of any such action, suit, demand, claim, investigation or preceding that may give rise to a claim for indemnification by a Franchisor Indemnitee. Franchisor has the right to retain counsel of its own choosing in connection with any such action, suit, demand, claim, investigation or proceeding. In order to protect persons, property, Franchisor's reputation or the goodwill of others, Franchisor has the right to, at any time without notice, take such remedial or corrective actions as it deems expedient with respect to any action, suit, demand, claim, investigation or proceeding if, in Franchisor's sole judgment, there are grounds to believe any of the acts or circumstances listed above have occurred. If Franchisor's exercise of its rights under this Section causes any of Franchisee's insurers to refuse to pay a third-party claim, all cause of action and legal remedies Franchisee might have against such insurer shall automatically be assigned to Franchisor without the need for any further action on either party's part. Under no circumstances shall Franchisor be required or obligated to seek coverage from third parties or otherwise mitigate losses in order to maintain a claim against Franchisee. The failure to pursue such remedy or mitigate such loss shall in no way reduce the amounts recoverable by Franchisor from Franchisee.

ARTICLE 22 - GENERAL CONDITIONS AND PROVISIONS

Section 22.1 No Waiver

No failure of Franchisor to exercise any power reserved to it herein, or to insist upon strict compliance by Franchisee with any obligation or condition herein, and no custom or practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Agreement. Waiver by Franchisor of any particular default by Franchisee shall not be binding unless in writing and executed by Franchisor and shall not affect or impair Franchisor's right with respect to any subsequent default of the same or a different nature. Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

Section 22.2 Injunctive Relief and Specific Performance

A breach by Franchisee of any of the restrictions or obligations contained in Articles 6, 7 and/or 17 would result in irreparable injury to Franchisor as the damages arising out of any such breach would be difficult to ascertain. Therefore, Franchisor, in its sole discretion, shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated, and/or specific performance with respect to such breach without the necessity of posting security or bond, or having an evidentiary hearing, even if required by statute in the Franchisees jurisdiction, provided that an original notarized copy of this Agreement is provided to a Court of competent jurisdiction.

Section 22.3 Notices

All notices required or permitted under this Agreement shall be in writing and shall be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director, manager or partner of the recipient party); (b) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service; (c) five (5) business days after being sent by Registered Mail, return receipt requested, (d) three (3) business days after being sent via International Airmail, or (e) on the date the return receipt is signed or delivery is refused or the notice is designated by the postal authorities as not deliverable, if mailed. Either party may change its address by a written notice sent in accordance with this Section 22.3.

All notices, payments and reports required by this Agreement shall be sent to Franchisee at the address set forth in the introductory paragraph of this Agreement and to Franchisor at the following addresses:

Wanna Play Playcare Franchising, LLC
Attn: Adrian Maguire
14010 North Hwy 183, Suite 535
Austin, TX 78717

Section 22.4 Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Franchisee of five percent (5%) or greater shall be required to execute, as of the date of this Agreement, the Guaranty and Assumption of Obligations attached as Exhibit 2.

Section 22.5 Approvals

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor for its approval and, except as otherwise specifically provided herein, any approval or consent granted shall be effective only if in writing. Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee or any third party, by providing any waiver, approval, advice, consent or services to Franchisee in connection with this Agreement, or by reason of any neglect, delay or denial of any request for approval.

Section 22.6 Entire Agreement

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

Section 22.7 Severability and Modification

Except as noted below, each paragraph, part, term and provision of this Agreement shall be considered severable. If any Section, paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, Sections, paragraphs, parts, terms and provisions of this Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid Sections, paragraphs, parts, terms or provisions shall be deemed not part of this Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Agreement, Franchisor has the right to, at its option, terminate this Agreement. If any term of this agreement may be construed in two or more ways, one that would render the term invalid or otherwise voidable or unenforceable and another that would render the term valid and enforceable, that term has the meaning that renders it valid and enforceable.

Notwithstanding the above, each of the covenants contained in Articles 7 and 17 shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for limitations on disclosure of Confidential Information or on competition to the maximum extent provided or permitted by law.

Section 22.8 Construction

All captions herein or in the Exhibits attached hereto and thus made a part hereof, are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof or thereof. Should any provision of this Agreement require interpretation or construction, it is agreed by Franchisor and Franchisee the court, administrative body, mediation panel, sole mediator or other person or entity interpreting or construing this Agreement shall not apply a presumption the provisions hereof shall be more strictly construed against Franchisor by reason of the rule of construction that a document is to be construed more strictly against the person or entity who, or through its agent, prepared same.

Section 22.9 Force Majeure

Whenever a period of time is provided in this Agreement for either party to perform any act, except pay monies to Franchisor or Approved Suppliers, neither party shall be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God, war, terrorism, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay. This clause shall not result in an extension of the term of this Agreement.

Section 22.10 Timing

Time is of the essence. Except as set forth in Section 22.9, failure to perform any act within the time required or permitted by this Agreement, shall be a material breach of this Agreement.

Section 22.11 Withholding Payments

Franchisee shall not, for any reason, withhold payment of any Royalty Fees, Marketing Fund Contributions or other amounts due to Franchisor or to an Affiliate. Franchisee shall not withhold or offset any amounts, damages or other monies allegedly due to Franchisee against any amounts due to Franchisor. Notwithstanding anything in this Agreement to the contrary, no endorsement or statement on any payment (or on any document accompanying said payment) for less than the full amount due to Franchisor will be construed as an acknowledgment of payment in full, or an accord and satisfaction. Franchisor has the right to accept and cash any such payment without prejudice to Franchisor's right to recover the full amount due, or pursue any other remedy provided in this Agreement or by law. Franchisor has the right to apply any payments made by Franchisee against any of Franchisee's past due indebtedness as Franchisor deems appropriate. Franchisor shall set off sums Franchisor owes to Franchisee against any unpaid debts owed by Franchisee to Franchisor.

Section 22.12 Further Assurances

Each party to this Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Agreement.

Section 22.13 Third-Party Beneficiaries

The parties agree that all other Franchisees are third-party beneficiaries to the terms of this agreement and have the right to separately enforce the Franchisees covenants, if the Franchisor is unwilling or unable to enforce the Franchisee covenants.

Anything to the contrary notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or entity other than Franchisor or Franchisee, and their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under this Agreement.

Section 22.14 Multiple Originals

Both parties will execute multiple copies of this Agreement, and each executed copy will be deemed an original.

Section 22.15 Survival of Terms

Each provision of Articles 17, 21, 22, 24, and those provisions hereinabove provided relating to covenants against post-termination/expiration use of the Proprietary Marks, Know-How and Copyrights will be deemed to be self-executing and continue in full force and effect subsequent to and notwithstanding the expiration, termination, setting aside, cancellation, rescission, unenforceability or otherwise of this Agreement (or any part of it) for any reason, will survive and will govern any claim for rescission or otherwise. Each provision of this Agreement will be construed as independent of, and severable from, every other provision; provided that if any part of this Agreement is deemed unlawful in any way, the parties agree that such provision will be deemed interpreted and/or modified to the minimum extent necessary to make such provision lawful or, if such construction is not permitted or available, the remainder of this Agreement will continue in full force and effect. Each party reserves the right to challenge any law, rule or judicial or other construction which would have the effect of varying or rendering ineffective any provision of this Agreement.

ARTICLE 23 - DISPUTE RESOLUTION

Section 23.1 Choice of Law

Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Agreement shall be governed by and construed in accordance with the laws of the State of Texas (without reference to its conflict of laws principles). References to any law refer also to any successor laws and to any published regulations for such law, as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

Section 23.2 Consent to Jurisdiction

Claims for injunctive relief or specific performance, or otherwise may be brought by Franchisor (i) where Franchisee resides or does business, (ii) where the Franchised Business is, or was located, (iii) in Williamson Country, Texas, where counsel is located, or (iv) where the claim arose; and Franchisee hereby waives all questions of personal jurisdiction and venue for the purpose of carrying out this provision.

Franchisee shall file any suit against Franchisor only in Williamson County, Texas, in the federal or state court having jurisdiction; and Franchisor hereby waives all questions of personal jurisdiction and venue for the purpose of carrying out this provision.

Section 23.3 Rights and Remedies

Remedies are cumulative. No remedy in this Agreement for any party is intended to be exclusive of any other remedy. Each remedy is cumulative and is in addition to every other remedy given under this Agreement, now or later existing, at law, in equity, by statute or otherwise. Nothing contained herein shall bar Franchisor's right to obtain injunctive relief or specific performance against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions. Franchisee's rights and remedies regarding Franchisor's breach of this Agreement are as set forth in this Agreement.

Section 23.4 Limitations of Claims

Except for claims by Franchisor for payments owed by Franchisee under this Agreement, any claim concerning the Franchised Business or this Agreement or any related agreement will be barred unless an action relating to the ownership of any of Franchisor's Marks, or for injunctive relief, specific performance or mediation, as set forth in this Agreement, is commenced within two (2) years from the date on which Franchisee or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to the claim.

Section 23.5 Limitation of Damages

Franchisee and Franchisor each waive, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other, other than those stated within this Agreement. Franchisee waives and disclaims any right or claim to consequential damages against Franchisor concerning this Agreement or any related agreement. In any claim or action brought by Franchisee against Franchisor concerning this Agreement, Franchisee's damages shall not exceed an amount greater than Franchisee's Franchise Fee and Royalty Fee payments.

Franchisee acknowledges that if any claim or action is begun for the enforcement of this Agreement or for any alleged dispute, breach, default or misrepresentation under any term of this Agreement, the prevailing party is entitled to recover reasonable pre-institution and post-institution attorneys' fees, court costs and all expenses even if not taxable as court costs (including all fees and expenses incident to mediation, appellate, bankruptcy and post judgment proceedings), incurred in the action or proceeding in addition to any other relief that the party is entitled. Attorney's fees include paralegals fees, administrative costs, investigated costs, cost of expert witnesses, court reporter fees, sales and use taxes, if any, and all other charges billed by the attorneys to the prevailing party. The non-prevailing party must reimburse the prevailing party on demand for all of the above listed expenses the prevailing party incurs.

Section 23.6 Waiver of Jury Trial

FRANCHISEE AND FRANCHISOR EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION WHATSOEVER, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF THEM, INCLUDING BUT NOT LIMITED TO, RELATING TO THE OWNERSHIP OF ANY OF FRANCHISOR'S MARKS OR THE UNAUTHORIZED USE OR DISCLOSURE OF FRANCHISOR'S TRADE SECRETS OR CONFIDENTIAL INFORMATION OR FOR INJUNCTIVE RELIEF OR SPECIFIC PERFORMANCE.

Section 23.7 Mediation

Except for actions or claims for injunctive relief or specific performance or the unauthorized use or disclosure of Franchisor's Trade Secrets or Confidential Information, all claims, disputes and other matters in question between Franchisor and Franchisee arising out of or relating to this Agreement, the business relationship or any other agreement, including whether this Mediation clause is binding upon the parties, shall be resolved by non-binding mediation before the Center for Public Resources -- National Franchise Mediation Program, FAM, or another mutually agreeable mediator. Notwithstanding the above, the following shall not be subject to mediation:

(i) disputes and controversies arising from the Sherman Act, the Clayton Act or any other Federal or state antitrust law;

(ii) disputes and controversies based upon or arising under the Lanham Act, as now or hereafter amended, relating to the ownership or validity of any Confidential Information, the Proprietary Marks or any other trademarks;

(iii) disputes and controversies relating to actions to obtain possession of the premises of the Business under lease or sublease.

Both parties will sign a confidentiality agreement reasonably satisfactory to Franchisor. Upon submission, the obligation to attend mediation in the county and state designated by Franchisor (currently Williamson County, TX) is binding on both parties. Each party will bear his, her or its own costs for the mediation, except the mediation fee and the fee for the mediator will be split equally.

To initiate mediation, either Franchisor or Franchisee shall appoint one mediator and after appointment of the mediator, shall notify in writing the other of such appointment and the name and contact information for the mediator within three (3) business days after selection of said mediator. The mediation shall be conducted in Williamson County, TX as directed by the sole mediator. If an agreement is reached between the parties, then the signed award of the mediator shall be final and binding upon Franchisor and Franchisee and any other party to the mediation. Judgment may be entered upon the award of the mediator in any court having competent jurisdiction. If the first mediation between the Franchisor and Franchisee is not successful, both parties agree, prior to instituting any court action except as excluded within this Section, to participate in a second mediation session which shall last at least eight (8) hours or until an agreement is reached whichever occurs first.

Franchisee acknowledges it has read the terms of this non-binding mediation provision and affirms each provision is entered into willingly and voluntarily and without any fraud, duress or undue influence on the part of Franchisor or any of Franchisor's agents or employees.

Section 23.8 Withholding Consent

In no event will Franchisee make any claim, whether directly, by way of setoff, counter-claim, defense or otherwise, for money damages or otherwise, by reason of any withholding or delaying of any consent or approval by us. Franchisee's sole remedy for any such claim is to submit it to non-binding mediation as described in this Article 23.

ARTICLE 24 - ACKNOWLEDGMENTS

Section 24.1 Receipt of this Agreement and the Franchise Disclosure Document

Franchisee acknowledges and agrees that in all of Franchisee's dealings with Franchisor, Franchisor's officers, directors, employees, and agents acted only in a representative capacity and not in an individual capacity. Franchisee further acknowledges that this Agreement, and all business dealings between Franchisee and such individuals as a result of this Agreement, are solely between Franchisee and Franchisor. Franchisee further represents to Franchisor, as an inducement to Franchisor's entry into this Agreement, that Franchisee has made no misrepresentations in obtaining the Franchised Business.

Section 24.2 True and Accurate Information

If the Franchisee is a Corporation, Limited Liability Company or a general or limited partnership, Franchisee warrants and represents that Franchisee is duly organized, validly existing and in good standing under the laws of the state of organizations, and that Franchisee has the power to sign deliver and carry out this Agreement. The undersigned has taken all necessary action for proper authorization and will supply a true and accurate copy of that authorization with the Franchise Agreement. Franchisee represents that all information set forth in any and all applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects, and Franchisee acknowledges Franchisor is relying upon the truthfulness, completeness and accuracy of such information.

Franchisee agrees that, under federal and state franchise laws and other applicable laws, Franchisor may be required to disclose Franchisee's name, home address and telephone number and Franchisee's owners consent to the disclosure of their names, home addresses and telephone numbers. Franchisee must notify Franchisor of any change in Franchisee's name, home address and telephone number within ten (10) days of the change. Franchisee releases Franchisor and its officers, directors, stockholders, agents and legal successors and assigns from all causes of action, suits, debts, covenants, agreements, damages, judgments, claims and demands, in law or in equity, or Franchisee ever had, now have, or that Franchisee later may have, from Franchisor's disclosure of your name, home address and telephone number.

Section 24.3 No Violation of Other Agreements

Franchisee represents its execution of this Agreement will not violate any other agreement or commitment to which Franchisee or any holder of a legal or beneficial interest in Franchisee is a party.

Section 24.4 Independent Obligations

Each obligation or other provision contained in this Agreement shall be deemed and construed as a separate and independent covenant, condition and obligation of the party bound by, undertaking or making the same, and not dependent on any other provisions of this Agreement, unless expressly so provided. If any party has breached any obligation or other provision contained in this Agreement in any respect, the fact there exists another obligation or provision relating to the same subject matter (regardless of the relative levels of specificity) which the party has not breached shall not detract from or mitigate the fact the party is in breach of the first obligation or other provision contained in this Agreement.

Section 24.5 Gender

Whenever the context of this Agreement requires, the masculine gender includes the feminine or neuter and vice versa, and the singular number includes the plural.

Section 24.6 Duty of Good Faith and Fair Dealing

This Agreement imposes upon both parties a Duty of Good Faith and Fair Dealing in performance of this Agreement. "Good Faith and Fair Dealing" means honesty in fact and the observance of reasonable standards of fair dealing in the industry.

Section 24.7 Franchisor's Business Judgment

The parties recognize, and any mediator or judge is affirmatively advised that certain provisions of this Agreement describes the right of Franchisor to take (or refrain from taking) certain actions in its sole discretion, and other actions in the exercise of its reasonable business judgment. Where this Agreement expressly requires that Franchisor make a decision based upon Franchisor's reasonable business judgment, Franchisor is required to evaluate the overall best interests of all Wanna Play Businesses and Franchisor's own business interests. If Franchisor makes a decision based upon it's a reasonable business judgment, neither a mediator nor a judge shall substitute his or her judgment for the judgment so exercised by Franchisor. The fact that a mediator or judge might reach a different decision than the one made by Franchisor is not a basis for finding that Franchisor made its decision without the exercise of reasonable business judgment. Franchisor's duty to exercise reasonable business judgment in making certain decisions does not restrict or limit Franchisor's right under this Agreement to make other decisions based entirely on Franchisor's sole discretion as permitted by this Agreement. Franchisor sole discretion means that Franchisor may consider any set of facts or circumstances that it deems relevant in rendering a decision.

Section 24.8 Franchisee Disclosure Acknowledgment

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

[THIS AREA IS INTENTIONALLY LEFT BLANK]

Even though this Agreement contains provisions requiring Franchisee to operate the Business and the Franchised Business in compliance with the System: (1) Franchisor does not have authority to control the day-to-day conduct and operation of Franchisee's business or employment decisions; and (2) Franchisee and Franchisor do not intend for Franchisor to incur any liability to third parties in connection with or arising from any aspect of the System or Franchisee's use of the System, whether or not in accordance with the requirements of the Manuals.

Nothing in this Agreement or any related Agreement is intended to disclaim the representations Franchisor made in the Franchise Disclosure Document. The submission of this Agreement to Franchisee does not constitute an offer to Franchisee, and this Agreement shall become effective only upon execution by Franchisor and Franchisee.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby have duly executed and delivered this Agreement on the Effective Date.

FRANCHISOR:
WANNA PLAY PLAYCARE FRANCHISING, LLC

By:______________________________

Name: Adrian Maguire

Title: Managing Member

FRANCHISEE:
____

By:____________________________________

Name:_________________________________

Title: _________________________________

[or, if an individual]

Signed:________________________________

Repair Name printed:______________________

EXHIBIT 1 TO THE FRANCHISE AGREEMENT

NON-DISCLOSURE AND NON-COMPETITION AGREEMENT

This NON-DISCLOSURE AND NON-COMPETITION AGREEMENT ("Agreement") made as of the ___________________, (the "Effective Date") is by and between ______________, ("Franchisee") and ___________________________ ("Individual").

WITNESSETH:

WHEREAS, Franchisee is a party to that certain Wanna Play Playcare Franchising, LLC Franchise Agreement ("Franchise Agreement") by and between Franchisee and Wanna Play Playcare Franchising, LLC ("Company"); and

WHEREAS, Franchisee desires Individual to have access to or to review certain Trade Secrets and other Confidential Information of the Company, which are more particularly described below; and

WHEREAS, Franchisee is required by the Franchise Agreement to have Individual execute this Agreement prior to providing Individual access to Company's Trade Secrets and other Confidential Information; and

WHEREAS, Individual understands the necessity of not disclosing any such information to any other party, including any Covered Person or using such Trade Secrets or other Confidential Information to compete against Company, Franchisee or any other franchisee of Company in a Competitive Business now or in the future.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, and intending to be legally bound hereby, the parties hereby mutually agree as follows:

1. Recitals

The above preamble and recitals are true and correct and incorporated into this Agreement.

2. Trade Secrets

Individual understands Franchisee possesses and will possess the Company's Trade Secrets, which is important to its business. For purposes of this Agreement, "Trade Secrets" is information, without regard to form including, but not limited to, technical or non-technical data, know-how, formulas, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, pro-formas, strategic plans, product plans, project plans, blueprints, lists of actual or potential customers or suppliers which are not commonly known by or available to the public and which information: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. Individual understands Franchisee's providing of access to the Trade Secrets creates a relationship of confidence and trust between Individual and Franchisee with respect to the Trade Secrets.

3. Confidential Information

For purposes of this Agreement, "Confidential Information" means technical and non-technical information and know-how used in or related to the Wanna Play Businesses and not commonly known by or available to the public, including, without limitation, Trade Secrets and any other information identified as confidential when delivered by the Company. Confidential Information shall not include, however, any information established by documentary evidence that: (a) is now or subsequently becomes generally available to the public through no fault of the Individual; (b) the Individual can demonstrate was rightfully in its possession, without obligation of nondisclosure, prior to disclosure pursuant to this Agreement; (c) is independently developed without the use of any Confidential Information; or (d) is rightfully obtained from a third party who has the right, without obligation of nondisclosure, to transfer or disclose such information;

4. Confidentiality/Non-Disclosure

a) Individual shall not whether in person, in writing, through the Internet or online through Social Media sites and/or applications communicate or divulge to (or use for the benefit of) any other person, firm, association, or corporation, with the sole exception of Franchisee, now or at any time in the future, any of the Company's Trade Secrets or Confidential Information.

b) Individual's obligations under paragraph 4(a) of this Agreement shall continue in effect after termination of Individual's relationship with Franchisee as an employee, agent, officer, director, executive, manager or member of Franchisee or a holder of a legal or beneficial interest in Franchisee, regardless of the reason or reasons for termination, and whether such termination is voluntary or involuntary, and Individual shall (and Franchisee is entitled to) communicate Individual's obligations under this Agreement to any future customer or employer of Individual to the extent deemed necessary by Franchisee for protection of Franchisee's rights and obligations herein.

5. Non-Competition

a) Individual agrees that for the period the Individual has a relationship with Franchisee and the period of two (2) years after the Individual no longer has a relationship with Franchisee and has ceased engaging in the conduct stated below, Individual shall not, directly or indirectly, own an interest in, manage, operate, provide services to, carry on, be engaged in or take part in, or share in the earnings of any Competitive Business anywhere within (1) the greater of: (i) ten (10) mile radius of Franchisee's Approved Location as described in the Franchise Agreement; or (ii) the Protected Territory, as detailed in Section 2.5 of the Franchise Agreement, also described as follows:

____
____
____
___________________________; and (2) ten (10) mile radius of any Wanna Play Playcare Business wherever located in existence at the time of termination of the relationship with Franchisee, without the express written consent of Franchisee. Further, the Individual agrees for the period the Individual has a relationship with Franchisee and the period of two (2) years after the Individual no longer has a relationship with Franchisee, the Individual shall not divert or attempt to divert any customer, employee or other business associate of Franchisee, the Company, the Company's Affiliate(s) (as defined in the Franchise Agreement) or any other franchisee to any Competitive Business or solicit or otherwise attempt to induce or influence (by direct or indirect means) any customer, employee or other business associate of Franchisee, the Company, the Company's Affiliate(s) (as defined in the Franchise Agreement) or any other franchisee to terminate or modify their business relationship with Franchisee, the Company, the Company's Affiliate(s) (as defined in the Franchise Agreement) or any other franchisee.

b) "Competitive Business" means any business that offers or provides (or grants franchises or licenses to others to operate a business that offers or provides) drop-in childcare that are offered or supplied by Wanna Play franchisees, which are the same as or similar to those provided by Wanna Play Businesses or in which Trade Secrets or other Confidential Information could be used to the disadvantage of Franchisor, any Affiliate or Wanna Play's other franchisees; provided, however, that the term "Competitive Business" shall not apply to (a) any business operated by Franchisee under a franchise agreement with Franchisor, (b) any business operated by a publicly-held entity in which Franchisee owns less than a five percent (5%) legal or beneficial interest, (c) any business operated by Franchisee or its

Affiliate(s) that has been disclosed, in writing, to Franchisor prior to the Effective Date of this Agreement, or (d) any business such as a marketing or scheduling company whose primary business is not affiliated with the childcare industry.

c) Except as set forth in paragraph 5(a), "Affiliate" means any business entity that controls, is controlled by, or is under common control with Individual.

6. Miscellaneous

a) This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof. This Agreement supersedes any prior agreements, negotiations and discussions between Individual and Franchisee. This Agreement cannot be altered or amended except by an agreement in writing signed by the duly authorized representatives of the parties.

b) The Company reserves the right to reduce the scope of the obligations under the covenants contained in Articles 7 and 17 of the Franchise Agreement unilaterally and without the consent of any other person or entities effective upon giving notice thereof.

c) Any signor below agrees to not hire any employee during their employment or contract with Franchisee, with individuals that are not United States Citizens or Naturalized Citizens of the United States.

d) If all or any portion(s) of any provision(s) of this Agreement are held to be invalid, unreasonable, illegal or unenforceable under applicable law, such invalid, unreasonable, illegal or unenforceable portion(s) of any provision(s) shall be amended, limited or excluded from this Agreement to the minimum extent required by applicable law so that this Agreement shall otherwise remain in full force and effect and enforceable in accordance with its terms.

e) This Agreement shall be effective as of the Effective Date and shall be binding upon the successors and assigns of Individual and shall inure to the benefit of Franchisee, its subsidiaries, successors and assigns and Wanna Play Playcare Franchising, LLC.

f) Individual shall reimburse Franchisee or Company for any and all costs and attorney fees incurred by Franchisee or Company in the enforcement of the terms of this Agreement.

g) The failure of either party to insist in any one (1) or more instances upon performance of any terms and conditions of this Agreement shall not be construed a waiver of future performance of any such term, covenant or condition of this Agreement and the obligations of either party with respect thereto shall continue in full force and effect.

h) The paragraph headings in this Agreement are included solely for convenience and shall not affect, or be used in connection with, the interpretation of this Agreement. Whenever the context of this Agreement requires, the masculine gender includes the feminine or neuter and vice versa, and the singular number includes the plural. Capitalized terms not herein defined shall have the meaning set forth in the Franchise Agreement.

i) The Company shall be a third-party beneficiary of this Agreement.

j) If individual violates this Agreement and competes with Franchisor, its Assigns, or any Franchisees, Franchisor has the right to require that all sales made by the competitive business are reported to Franchisor. Individual will also pay to Franchisor, without demand, a weekly fee of $1000 without being deemed to revive or modify this Agreement. These payments are liquidated damages to compensate Franchisor for its damages from Individual's violation of this covenant not to compete and are not a penalty. Individual agrees that the length of time and geographical restrictions contained in this

Agreement are fair and reasonable and not the result of overreaching, duress or coercion of any kind. Individual agrees that its full, uninhibited and faithful observance of each of the covenants in this section will not cause any undue hardship financial or otherwise and that the enforcement of each of these covenants in this section will not impair Individual's ability to obtain employment commensurate with Individual's abilities and on terms fully acceptable to Individual or otherwise to obtain income required for the comfortable support of Individual and Individual's family and the satisfaction of Individual's creditors. Individual agrees that his/her special knowledge of the business of a Wanna Play Playcare franchise would cause Franchisor and its franchisees serious injury and loss if Individual, or anyone acquiring this knowledge through Individual, were to use this knowledge to the benefit of a competitor or were to compete with Franchisor or any of our other Franchisees.

k) if any court finally holds that the time or territory or any other provision in this Section is an unreasonable restriction upon Individual, Individual agrees that the provisions of this Agreement are not rendered void, but apply as to time and territory or to any other extent as the court may judicially determine or indicate is a reasonable restriction under the circumstances involved.

INDIVIDUAL CERTIFIES THAT HE OR SHE HAS READ THIS AGREEMENT CAREFULLY, AND UNDERSTANDS AND ACCEPTS THE OBLIGATIONS IT IMPOSES WITHOUT RESERVATION. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO SUCH PERSON TO INDUCE THE SIGNING OF THIS AGREEMENT.

IN WITNESS WHEREOF, Franchisee has caused this Agreement to be executed by its duly authorized officer, manager or executive and Individual has executed this Agreement, all being done in triplicate originals with one (1) original being delivered to each party and Company as of the Effective Date.

WITNESS:

____

Franchisee

By:____________________________

Its:____________________________

Individual

Signature:______________________

Printed Name:___________________

EXHIBIT 2 TO THE FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

This GUARANTY AND ASSUMPTION OF OBLIGATIONS ("Guaranty") is given this____day of____________, 20____, by____ ____ _______.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement of even date herewith ("Agreement") by Wanna Play Playcare Franchising, LLC ("Franchisor"), each of the undersigned hereby personally and unconditionally guarantees to Franchisor and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that ____ ("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement. Each of the undersigned shall be personally bound by, and personally liable for, Franchisee's breach of any provision in the Agreement, including those relating to monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, such as those contemplated by Articles 7 and 17 of the Agreement. Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; (d) any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (e) any and all other notices and legal or equitable defenses to which it may be entitled.

Each of the undersigned consents and agrees that: (a) his direct and immediate liability under this Guaranty shall be joint and several; (b) he shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (c) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (d) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement.

Each of the undersigned further consents and agrees he shall be a party to any of the actions or claims between Franchisor and Franchisee for injunctive relief or specific performance or relating to the ownership of any of Franchisor's Marks or the unauthorized use or disclosure of Franchisor's Trade Secrets or Confidential Information, or which are to be resolved by non-binding mediation as set forth in the Agreement. Each of the undersigned also agrees to be personally bound by the waiver of jury trial as set forth in Section 23.6 of the Agreement.

Whenever the context of this Guaranty requires, the masculine gender includes the feminine or neuter and vice versa, and the singular number includes the plural.

Capitalized terms not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, this Guaranty has been duly executed and delivered by each of the undersigned, intending to be legally bound hereby, on the date set forth in the introductory paragraph of this Guaranty.

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS
____
____

TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:_____%
Social Security #:_______________________

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS
____
____

TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:_____%
Social Security #:_______________________

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS
____
____

TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:_____%
Social Security #:_______________________

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS
____
____

TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:_____%
Social Security #:_______________________

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS
____
____

TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:_____%
Social Security #:_______________________

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS
____
____

TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN FRANCHISEE:_____%
Social Security #:_______________________

*** Note: All Owners with 5% interest in the legal entity or more must fill this page out.**

EXHIBIT 3 TO THE FRANCHISE AGREEMENT

HOLDERS OF 5% OR MORE LEGAL OR BENEFICIAL INTEREST IN FRANCHISEE; OFFICERS, DIRECTORS AND MANAGERS

Holders of Legal or Beneficial Interest:

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________
Percentage of ownership:____________%

Name:__________________________
Position/Title:_____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________
Percentage of ownership____________%

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________
Percentage of ownership:____________%

Name:__________________________
Position/Title:_____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________
Percentage of ownership____________%

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________
Percentage of ownership:____________%

Name:__________________________
Position/Title:_____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________
Percentage of ownership____________%

Officers, Directors and Managers:

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________

Name:__________________________
Position/Title:_____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________

Name:______________________________
Position/Title:_________________________
Home Address:________________________
____
____
Telephone No.:________________________
E-mail address:________________________

Name:__________________________
Position/Title:_____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________

EXHIBIT 4
TO THE FRANCHISE AGREEMENT
AUTHORIZATION AGREEMENT
AUTOMATIC DEPOSITS (ACH WITHDRAWALS)

Franchisor Name: **Wanna Play Playcare Franchising, LLC**

I (We) hereby authorize Wanna Play Playcare Franchising, LLC, hereinafter called Franchisor, to initiate debit entries to my (our) Checking Account/Savings Account (Select One) indicated below at the depository financial institution named below, and to debit the same to such account. I (We) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. Law, and that I will be responsible for any banking fees that my institution charges.

Financial Institution Name:________________________________ Branch: ____________________

City:______________________ State:_________ Zip:__________ Phone: ____________________

ACH/Routing Number:_______________________ Account Number: _______________________
(Must be Nine Digits)

This authorization is to remain in full force and effect until the Franchisor has received written notification from me. I (We) understand that revocation of this Authorization Agreement by me (us) may constitute an event of Default under the Franchise Agreement.

I (We) understand that the amount to be withdrawn by Franchisor will not be the same each month and I (We) therefore authorize all monetary transfers pursuant to Articles 3 and 11 of the Franchise Agreement.

________________________________	________________________________
Print Franchisee / Account Holder Name	Print Franchisee/Co-Account Holder Name
________________________________	________________________________
Franchisee/ Account Holder Signature Date	Franchisee/Co-Account Holder Signature Date
________________________________	________________________________
Daytime Phone Number	Email Address

PLEASE ATTACH A VOIDED CHECK TO THIS FORM

Please Return Form to: Wanna Play Playcare Franchising, LLC
14010 North Hwy 183, Suite 535
Austin, TX 78717
Phone #: 512-258-7529

EXHIBIT 5
TO THE FRANCHISE AGREEMENT
TERRITORY

This Agreement is made by and between the person or entity whose name appears, or the persons whose names appear, on the Signature Page of this Agreement

Designated Location (If applicable)

Franchisee has suggested, and Franchisor has approved the following location for the office location of the Franchised Business:

____
____

Protected Territory

Provided that Franchisee is in compliance with the Minimum Enrollment and Gross Sales Volume, Franchisee shall have a protected non-exclusive territory which is described as:

____
____
____
____

IN WITNESS WHEREOF, this Territory Exhibit, attached to the Franchise Agreement, is made effective as of the date first written above.

______________________________ (FRANCHISEE)	**WANNA PLAY PLAYCARE FRANCHISING, LLC**
Authorized Officer:	Authorized Officer:
______________________________ (signature)	______________________________ (signature)
Name:	Name:
______________________________ (print)	______________________________ (print)
Title:	Title:
______________________________	______________________________

EXHIBIT 6
TO THE FRANCHISE AGREEMENT
LEASE ADDENDUM

This Lease Addendum ("Addendum"), dated ______________________, is entered into between ________________________ ("Landlord") and _______________________________ ("Tenant").

RECITALS

WHEREAS, Landlord and Tenant have entered into a Lease dated ________________, (the "Lease"), relating to the premises located at ___________________________ (the "Premises").

WHEREAS, Landlord acknowledges that Tenant intends to operate a Wanna Play Playcare store ("Store") from the Premises pursuant to Tenant's Franchise Agreement with Wanna Play Playcare Franchising, LLC, a Texas limited liability company ("Franchisor") dated______________________(the "Franchise Agreement"), which provides for, among other things, the operation by Tenant of a Wanna Play Playcare franchised business under Franchisor's criteria and guidelines utilizing the Wanna Play Playcare name and Trademarks as Franchisor my designate in the operation of the Store at the Premises.

WHEREAS, Landlord further acknowledges that Franchisor has approved Tenant's request to locate its Store on the Premises that is the subject of the Lease, provided that the conditions and agreements set forth in this Addendum are made a part of the Lease.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree to amend the Lease as follows:

1. Permitted Use. The Premises will be used solely for the operation of a retail business specializing in drop-in childcare for children ages 6 weeks to 12 years. The business operated by Tenant from the Premises will be identified solely by the service mark Wanna Play Playcare. Landlord will not permit Tenant to change the service mark or trade name it uses at the Premises without the prior written approval of Franchisor.

2. Remodeling and Décor.

    (a) Landlord agrees that Tenant has the right to remodel, equip, paint, and decorate the interior of the Premises and to display such Trademarks and signs on the interior and exterior of the Premises as Tenant is required to do pursuant to the Franchise Agreement and any successor Franchise Agreement under which Tenant may operate a Store on the Premises. Any remodel of the building and/or its singed shall be subject to Landlord's prior and reasonable approval.

    (b) Tenant may, without Landlord's consent, install signage on the exterior of the Premises with Franchisor's standard lettering, logo and colors; provided, however, such signage must comply with the objective criteria, but not any subjective criteria, set forth in Landlord's sign criteria, sign program or sign plan, if any, for the project within which the Premises are located.

3. Assignment By Tenant.

(a) Tenant does not have the right to sublease or assign the Lease to any third party without Landlord's and Franchisor's written approval.

(b) So long as Tenant is in good standing under the Lease, Tenant has the right to assign all of its right, title, and interest in the Lease to Franchisor or its affiliates during the term of the Lease, including any extensions or renewals, without first obtaining Landlord's consent. No assignment will be effective, however, until Franchisor or its designated affiliate gives Landlord written notice of its acceptance of the assignment. Franchisor will be responsible for the Lease obligations incurred after the effective date of the assignment.

(c) If Franchisor elects to assume the Lease, Franchisor shall not be required to begin paying rent until Landlord delivers possession of the Premises to the Franchisor. At any time until the Landlord delivers possession of the Premises, Franchisor shall have the right to rescind the election to assume by written notice to the Landlord.

4. Default and Notices to Franchisor.

(a) Landlord shall send Franchisor copies of any and all default notices under its Lease with Tenant at the same time it provides Tenant with such notice. If Tenant fails to cure any breach or default under the Lease within the applicable cure period set forth in the Lease, Landlord shall promptly give Franchisor written notice thereof, specifying the defaults that Tenant has failed to cure to which Franchisor has the right to unilaterally assume the Lease if Tenant fails to cure. Franchisor shall have twenty (20) days from the date Franchisor receives such notice to exercise, by written notice to Landlord and Tenant, its right to assume the Lease. Franchisor shall have an additional thirty (30) days from the expiration of Tenant's cure period in which to cure the default or violation.

(b) If Franchisor elects to assume the Lease, Franchisor or its designated entity shall not be required to cure defaults and/or to begin paying rent until Landlord delivers possession of the Premises to the Franchisor or its designated entity. At any time until Landlord delivers possession of the Premises, Franchisor or its designated entity shall have the right to rescind the election to assume by written notice to Landlord.

5. Termination of Franchise Agreement; Expiration or Non-Renewal of Lease.

(a) If Tenant is in default under the Franchise Agreement, Franchisor may, at its option, send written notice to Landlord and Tenant stating that Franchisor elects for the Tenant's interest under the Lease to be assigned to Franchisor or its designated entity. If Tenant fails to vacate the Premises and surrender possession thereof to the Franchisor or its designated entity within three (3) days after receipt of written notice of Franchisee's default, Tenant shall be deemed to be in default of the Lease. Following Landlord's delivery of a written notice of default, an assignment of the Lease shall be effected pursuant to Section 7 below. Tenant hereby irrevocably authorizes Landlord to rely on any written notice of default it receives from Franchisor, and Landlord may disregard any notices or demands it receives from Tenant once Landlord has received said written notice of default.

(b) If the Franchise Agreement is terminated for any reason during the term of the Lease or any renewal or extension thereof and if Franchisor desires to assume the Lease, Franchisor shall promptly give Landlord written notice thereof. Within twenty (20) days after receipt of such notice, Landlord shall give Franchisor written notice specifying any defaults of Tenant under the Lease. If Franchisor or its designated entity elect to assume the Lease, Franchisor or its designated entity must cure said defaults consistent with paragraph 3 above.

(c) If the Lease contains term renewal or extension right(s) and if Tenant allows the term to expire without exercising said right(s), Landlord shall give Franchisor written notice thereof, and Franchisor shall have the option, for thirty (30) days after receipt of said notice, to exercise the Tenant's renewal or extension right(s) on the same terms and conditions as are contained in the Lease. If the Franchisor elects to exercise such right(s), it shall so notify Landlord in writing, whereupon Landlord and the Franchisor or its designated entity shall promptly execute and deliver an agreement whereby the Franchisor or its designated entity assumes the Lease, effective at the commencement of the extension or renewal term.

6. Access to Premises Following Expiration or Termination of Lease. Upon the expiration or termination of the Lease, Landlord will cooperate with and assist Franchisor in gaining possession of the Premises and, if the Franchisor does not elect to assume the Lease for the Premises consistent with subparagraphs 4(a) or 5(b) above, Landlord will allow Franchisor to enter the Premises, without being guilty of trespass and without incurring any liability to Landlord except for any damages caused by Franchisor's willful misconduct or gross negligence, to remove all signs and all other items identifying the premises as a Wanna Play Playcare and to make such other modifications (such as repainting) as are reasonably necessary to protect the Trademarks and system, and to distinguish the Premises from other Wanna Play Playcare locations. In the event Franchisor exercises its option to purchase assets of Tenant, Landlord will permit Franchisor to remove all such assets being purchased by Franchisor.

7. Assumption and Subsequent Assignment by Franchisor. If Franchisor elects to assume the Lease under paragraph 3, or unilaterally assumes the Lease as provided for in paragraphs 4 or 5, Landlord and Tenant agree that:

(a) Tenant will remain liable for the responsibilities and obligations, including amounts owed to Landlord, prior to the date of assignment and assumption. Further, Tenant shall be and remain liable to Landlord for all of its obligations under the Lease, notwithstanding any assignment or assumption of the Lease by Franchisor. Franchisor shall be entitled to recover from Tenant all amounts it pays to Landlord to cure Tenant's defaults under the Lease, including interest and reasonable collection costs.

(b) Franchisor, upon taking possession of the Premises, shall cure any default specified by Landlord within the timeframes noted herein and shall execute and deliver to Landlord its assumption of Tenant's rights and obligations under the Lease. Franchisor shall pay, perform, and be bound by all the duties and obligations of the Lease applicable to Tenant, except that the Franchisor may elect not to assume or be bound by the terms of any Amendment to the Lease executed by Tenant without obtaining Franchisor's prior written approval, which shall not be unreasonably withheld or delayed.

(c) At or after the time Franchisor assumes Tenant's interests under the Lease, the Franchisor may, at any time, assign such interests or sublet the Premises to a Wanna Play Playcare Franchising, LLC franchisee. Any such assignment shall be subject to the prior written consent of the Landlord, which Landlord shall not unreasonably withhold as it relates to a creditworthy franchisee who otherwise meets Franchisor's then-current standards and requirements for the franchisees and agrees to operate the Store as a Wanna Play Playcare pursuant to a Franchise Agreement with Franchisor. Upon receipt by Landlord of an assumption agreement pursuant to which the assignee agrees to assume the Lease and to observe the terms, conditions, and agreements on the part of Tenant to be performed under the Lease, Franchisor shall thereupon be released from all liability as tenant under the Lease from and after the date of assignment, without any need of a written acknowledgement of such release by Landlord.

8. Access to Premises During Lease. As provided in the Franchise Agreement, Franchisor shall have the right to access the Premises during continuance of the Lease to ensure compliance by Tenant with its obligations under the Franchise Agreement.

9. Exclusivity. During the Term of this Lease and any extension thereof, Landlord agrees that (i) Tenant shall have the exclusive right in the shopping center to operate a childcare business, and (ii) childcare services hereunder shall be considered a protected use for Tenant. If the provisions of this Section, including the protected use provision, are violated, then in addition to any other remedy Tenant may have at law or in equity, Tenant shall have the right to (a) terminate the Lease, or (b) immediately reduce its Base Rent under the Lease to One Dollar ($1.00) per month until such time as Landlord's breach is cured, or for the remainder of the Term, and any renewals, if such breach cannot be cured.

10. Additional Provisions.

    (a) Landlord hereby acknowledges that the provisions of this Lease Addendum are required pursuant to the Franchise Agreement under which Tenant plans to operate its Wanna Play Playcare business and the Tenant would not lease the Premises without this Addendum.

    (b) Landlord further acknowledges that Tenant is not an agent or employee of Franchisor and that Tenant has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any affiliate of Franchisor, and that Landlord has entered into this Lease Addendum with full understanding that it creates no duties, obligations, or liability of or against Franchisor or any affiliate of Franchisor, unless and until the Lease is assigned to, and accepted in writing by, Franchisor.

    (c) All notices to Franchisor required by this Addendum must be in writing and sent by registered or certified mail, postage prepared, to the following address:

Wanna Play Playcare Franchising, LLC
14010 North Hwy 183, Suite 535
Austin, TX 78717

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

11. Sales Reports. If requested by Franchisor, Landlord will provide Franchisor with whatever information Landlord has regarding Tenant's sales from the Store.

12. Amendment of Lease. Landlord and Tenant will not amend the Lease without first obtaining written consent from Franchisor of the terms of said Amendment.

13. Conflicts. In the event of a conflict between the terms of the Lease and the terms set forth in this Addendum, the terms set forth in this Lease Addendum shall govern. In the event of a conflict between notices proved to Landlord by Tenant and Franchisor, the notices of Franchisor shall prevail.

14. Miscellaneous. Any waiver excusing or reducing any obligation imposed by this Addendum shall be in writing and executed by the party who is charged with making the waiver and shall be effective only to the extent specifically allowed in such writing. The language used in this Lease Addendum shall in all cases be construed simply according to its fair meaning and not strictly for or against any party. Nothing in this Lease Addendum is intended, nor shall it be deemed, to confer any rights or remedies upon any person or entity not a party hereto. This Lease Addendum shall be binding upon, and shall inure to the benefit of, the successors, assigns, heirs, and personal representatives of the parties hereto. This Lease Addendum sets forth the entire agreement with regard to the rights of Franchisor, fully superseding any and all prior agreements or understandings between the parties pertaining to the subject matter of this Lease Addendum. This Lease Addendum may only be amended by written agreement duly executed by each party.

IN WITNESS WHEREOF, this Addendum is made and entered into by the undersigned parties as of______________________________,_________.

LANDLORD: ____________________	**FRANCHISEE: ________________________**
By:________________________________	By:____________________________________
Print Name: _________________________	Print Name: ______________________________
Its: ________________________________	Its: ______________________________________

EXHIBIT C

TO WANNA PLAY PLAYCARE FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
AREA DEVELOPMENT AGREEMENT

By and Between

WANNA PLAY PLAYCARE FRANCHISE, LLC, FRANCHISOR

AND

_______________________________, DEVELOPER

WANNA PLAY PLAYCARE FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

This Area Development Agreement is made this __ day of_____________, 20 and is by and between Wanna Play Playcare Franchising, LLC, a Texas limited liability company, having its principal place of business at 14010 North Hwy 183, Suite 535, Austin, TX 78717 ("Franchisor" or "Wanna Play "), and____, a___________________________________, established in the State of ______________________ and whose principal address is ____ ("Developer").

WI T N E S S E T H :

WHEREAS, Franchisor and Developer are concurrently entering into the Initial Franchise Agreement; and

WHEREAS, Developer desires to, and has applied for the right to, develop additional Wanna Play Businesses and has applied for such a right, and Franchisor has approved Developer's application in reliance upon all of the representations made herein and therein.

NOW, THEREFORE, Franchisor and Developer, intending to be legally bound, agree as follows:

ARTICLE 1 - DEFINITIONS

Whenever used in this Development Agreement, the following words and terms have the following meanings:

"Developer" means the individual or entity defined as "Developer" in the introductory paragraph of this Development Agreement;

"Development Agreement" means this Development Agreement titled "Wanna Play Playcare Franchising, LLC Area Development Agreement" and all instruments supplemental hereto or in amendment or confirmation hereof;

"Development Fee" has the meaning given to such term in Section 3.2;

"Development Rights" means the rights granted to Developer pursuant to this Development Agreement to establish and operate Wanna Play Businesses in the Development Territory;

"Development Schedule" means the schedule attached as Exhibit I setting forth the number and the Opening Dates of Wanna Play Businesses to be established pursuant to this Development Agreement;

"Development Territory" has the meaning given to such term in Section 2.1;

"Franchise Agreement" means any Wanna Play Playcare Franchising, LLC Franchise Agreement (including all Exhibits thereto) that Franchisor has entered into with Developer;

"Initial Franchise Agreement" means that certain Wanna Play Playcare Franchising, LLC Franchise Agreement (including all Exhibits thereto) between Developer and Franchisor whereby

Developer is granted the right to operate its first Wanna Play Business; and

“Opening Date” means any date by which Developer is required to begin operations for each Wanna Play Business, as listed in the Development Schedule;

“Social Media” means online content created by individuals and/or entities using highly accessible and scalable publishing technologies through their desktop computer, laptop computer, smart phones, mobile phones or by other means available in the future. Social Media allows individuals and/or entities to connect in the online world to form relationships for personal and business use. The definition of Social Media includes user-generated content and consumer-generated media. Social Media occurs in many different forms, including, but not limited to, Internet forums, weblogs, social blogs, wikis, podcasts, pictures and videos. Technologies for Social Media include, but are not limited to: blogs, picture-sharing, vlogs, wall-postings, e-mail, instant messaging, music-sharing, crowdsourcing, and voice over IP, to name a few. Some examples of Social Media sites and/or applications are Google Groups (reference, social networking), Wikipedia (reference), MySpace (social networking), Facebook (social networking), MouthShut.com and yelp.com (product reviews), Youmeo (social network aggregation), YouTube (social networking and video sharing), Avatars United (social networking), Second Life (virtual reality), Flickr (photo sharing), Twitter (social networking and microblogging), LinkedIn (business social media),Open Diary (blogging) and other microblogs such as Jaiku, among others. This list is not inclusive and shall mean all Social Media available now and created in the future;

"Transferee" means the individual or entity third party buyer, who purchases this Area Development Agreement if the Developer chooses to sell.

ARTICLE 2 - DEVELOPMENT RIGHTS

Section 2.1 Grant of Development Rights

Franchisor hereby grants to Developer, and Developer undertakes and accepts, upon the terms and conditions of this Development Agreement, the Development Rights to establish and operate not less than the total number of Wanna Play Businesses at sites located within the Development Territory described as set forth on Exhibit I.

Section 2.2 Exclusivity and Retained Rights

Franchisor shall not, so long as this Development Agreement is in force and effect and Developer is not in default under any of the terms hereof or of any Franchise Agreement for any Wanna Play Business, establish, own or operate, or license others to establish, own or operate, any Wanna Play Business within the Development Territory other than to Developer pursuant to this Development Agreement; provided, however, Franchisor and its Affiliates retain the right:

i. to continue to own and operate, and allow others to continue to own and operate, Wanna Play Businesses existing inside or outside of the Development Territory as of the date of this Development Agreement;
ii. to establish, own or operate, and license others to establish, own or operate, Wanna Play Businesses outside of the Development Territory;

iii. to establish, own or operate, and license others to establish, own or operate, or continue to own or operate, businesses under other systems using other proprietary marks, both within and outside the Development Territory;

iv. to purchase or otherwise acquire the assets or controlling ownership of one (1) or more businesses identical or similar to the Franchised Business (and/or acquire franchise, license and/or similar agreements for such businesses), some or all of which may be located anywhere, including within the Development Territory. If Franchisor purchases or acquires franchises or licenses, Franchisor may, in its sole discretion, act as franchisor or licensor with respect to such franchisees or licensees wherever located, pursuant to the individual franchise or license agreement(s) between Franchisor and such franchisee(s) or licensee(s). If Franchisor purchases or acquires such businesses within the Development Territory which are not franchised or licensed, Franchisor may, in its sole discretion:

1. offer to sell any such businesses to Developer or to any third party at the business's fair market value to be operated as an Wanna Play Business; or

2. offer Developer the opportunity to operate such business(s) in partnership with Franchisor (or an Affiliate) under the business(s) existing trade name or a different trade name.

v. to be acquired (regardless of the form of transaction) by any business, even if the other business operates, franchises and/or licenses competitive businesses within the Development Territory;

vi. to provide the services and sell any products authorized for Wanna Play Businesses using the Marks or other trademarks and commercial symbols through alternate channels of distribution, such as joint marketing with partner companies, Internet sales and catalog sales; provided, however, that no such sales shall be made to any competitive business within the Development Territory;

vii. to engage in any activities not expressly forbidden by this Development Agreement; and/or

ARTICLE 3 - DEVELOPMENT FEE AND FRANCHISE FEES

Section 3.1 Franchise Fees

Simultaneously with the execution of this Development Agreement, Developer shall execute the Initial Franchise Agreement and shall pay a Franchise Fee of ________________________________ ($__________.00) for the first Wanna Play Business to be developed pursuant to this Development Agreement. Developer shall execute Franchise Agreements for each additional Business when developed, and shall pay fifty percent (50%) of the Franchise Fee listed above for each additional Wanna Play Business upon execution of each additional Franchise Agreement.

Section 3.2 Development Fee

Upon the execution of this Development Agreement, Developer shall pay a fee ("Development

Fee") equal to fifty percent (50%) of the Initial Franchise Fee listed above for the applicable additional Territories multiplied by the number of Wanna Play Businesses to be developed after the first Wanna Play Business pursuant to this Development Agreement. The total amount of the Development Fee to be paid by Developer upon the execution of this Development Agreement is ________________________ Dollars ($___). The Development Fee is fully earned by Franchisor and is nonrefundable.

ARTICLE 4 - DEVELOPMENT OF FRANCHISED BUSINESSS

Section 4.1 Minimum Development Obligation

Developer shall strictly follow the Development Schedule set forth in Exhibit I, as time is of the essence. By the dates set forth within the Development Schedule, Developer shall establish and operate Wanna Play Businesses in the number indicated in the Development Schedule. Developer shall at all times continuously maintain in operation, pursuant to each Franchise Agreement, at least the number of Wanna Play Businesses required to be operational at such time as set forth in the Development Schedule; provided, however, that such obligation does not apply to Wanna Play Businesses that are closed.

Section 4.2 Developer May Exceed Minimum Development Obligation

During the term of this Development Agreement, Developer may, subject to the terms and conditions of this Development Agreement, develop and operate more Wanna Play Businesses in the Development Territory than required by this Development Agreement; provided, however, Developer shall give Franchisor reasonable assurances Developer has the required skill, financial resources and managerial skills to perform its duties under this Development Agreement and each Franchise Agreement. Developer shall pay the full Franchise Fee for each additional Wanna Play Business developed in excess of the requirements of this Development Agreement, and Franchisor shall not credit any part of the Development Fee against the Franchise Fee for any additional Wanna Play Businesses.

Section 4.3 Exercise of Development Rights

Developer shall enter into a separate Franchise Agreement for each additional Wanna Play Business established pursuant to this Development Agreement. Upon approval of the site by Franchisor, as provided in Section 5.1 of the Franchise Agreement, Franchisor shall deliver two (2) copies of the Franchise Agreement along with a copy of its then-current Disclosure Document, if required by law. Immediately upon receipt of the Disclosure Document, Developer shall return to Franchisor a signed copy of the Acknowledgment of Receipt of the Disclosure Document. After any applicable waiting periods have expired, Developer shall execute and deliver to Franchisor two (2) copies of the Franchise Agreement and shall pay the Franchise Fee, as provided in Section3.1.

Section 4.4 Conditions Precedent to Franchisor's Obligation

Franchisor shall not execute the Franchise Agreement if:

(a) Developer is not in compliance with all, or is in default of any, of its obligations under this Development Agreement or any other agreement between Franchisor and Developer; or

(b) in the case of each then existing Franchise Agreement, Developer, as Franchisee, is not in compliance with all, or is in default of any, of its obligations under any Franchise Agreement. Franchisor and Developer shall execute the Franchise Agreement for each additional Wanna Play Business within thirty (30) days after the site has been approved by Franchisor as set forth in Section 5.1 of the Franchise Agreement (provided the lease for the approved site has been executed by lessor and Developer within the thirty {30} day period, including Franchisors Collateral Assignment of Lease attached to the Franchise Agreement) but in no event later than the date stated in the Development Schedule that such Wanna Play Business must be established and operating.

Section 4.5 No Subfranchising by Developer

Developer has no right under this Development Agreement to sublicense, subfranchise, resell, or otherwise transfer any interest in any Franchised Businesses.

Section 4.6 Management Obligations

Each Wanna Play Business developed pursuant to this Agreement must always be under the direct full-time supervision of Developer (or if Developer is a business entity and not an individual, Developer's primary owner or an individual appointed by Developer and approved in writing by Franchisor). Developer (or Developer's primary owner or an individual appointed by Developer and approved in writing by Franchisor) must devote his or her full-time efforts (at least 35 hours per week) to the management of the day-to-day operation of the Wanna Play Businesses developed pursuant to this Development Agreement.

ARTICLE 5 - TERM AND RIGHT OF FIRST REFUSAL

Section 5.1 Term

Unless sooner terminated in accordance with the terms of this Development Agreement, the term of this Development Agreement and all Development Rights granted herein to Developer shall expire on the last Opening Date as set forth in the Development Schedule. At the end of the term of this Development Agreement, the exclusive Development Rights with respect to the Development Territory will automatically terminate, and Developer shall have no right to renew or extend the term of this Development Agreement.

Section 5.2 Developer's Right of First Refusal

Following the expiration of this Development Agreement, Franchisor has the right to re-evaluate the prospects for the establishment of Wanna Play Businesses in the Development Territory. If Franchisor determines that the Development Territory can be further developed by opening additional Wanna Play Businesses in the Development Territory without having an unreasonably adverse effect on the Wanna Play Businesses already existing within the Development Territory, then during a one (1) year period beginning on the day after the Development Agreement expires, if Franchisor elects to further develop the Development Territory, Developer has the right to establish, own and operate any additional Wanna Play Business Franchisor proposes to locate within the Development Territory, provided Developer meets all other terms and conditions stated in this Section 5.2 and this Development Agreement. Franchisor shall give Developer written notice of its proposal to develop additional Wanna Play Businesses within the

Development Territory and Developer shall have thirty (30) days to accept in writing Franchisor's proposal to own and operate such additional Wanna Play Businesses. Developer's ownership and operation of such additional Wanna Play Businesses shall be subject to the terms and conditions set forth in Franchisor's written proposal, which may vary in form and substance from the terms, conditions and economics set forth in this Development Agreement. If Developer fails to accept in writing Franchisor's written proposal within such thirty (30) day period (or if Developer fails to comply with the terms of the proposal), then Franchisor shall have the right to establish, own and operate, or license others to establish, own and operate, Wanna Play Businesses in the Development Territory.

ARTICLE 6 - MARKS AND CONFIDENTIAL INFORMATION

Section 6.1 No License Under Development Agreement

Notwithstanding any provision to the contrary under this Development Agreement, this Development Agreement does not grant Developer any right to use the Marks. The right to use the Marks may only be granted by the terms of a Franchise Agreement. Developer shall not use any Mark as part of any corporate or trade name or with any prefix, suffix, or other modifying words, terms, designs, or symbols, or in any modifying words, terms, designs or symbols, or in any modified form, nor may Developer use any Mark in connection with any business or activity other than the business conducted by Developer pursuant to the Franchise Agreements or in any other manner not explicitly authorized in writing by Franchisor.

Section 6.2 Confidential Information

Except as hereinafter provided, Developer shall not, during the term of this Development Agreement or at any time thereafter, whether in person, in writing or through the Internet or online Social Media sites or applications, communicate, divulge or use for the benefit of any other person or entity, any Trade Secrets or Confidential Information which may be communicated to Developer or of which Developer may learn by virtue of Developer's activities under this Development Agreement. Developer may divulge Trade Secrets and Confidential Information only to such of its employees as deemed necessary by Developer. Developer shall require its employees and all other persons designated in the Franchise Agreement to execute Non-Disclosure and Non-Competition Agreements as required by Section 7.4 of the Initial Franchise Agreement.

ARTICLE 7 - TRANSFERABILITY OF INTEREST

Section 7.1 By Franchisor

This Development Agreement and all rights herein may be assigned and transferred by Franchisor and, if so, shall be binding upon and inure to the benefit of Franchisor's successors and assigns; provided, however, that with respect to any assignment resulting in the subsequent performance by the assignee of the functions of Franchisor, the assignee shall assume the obligations of Franchisor herein, and Franchisor shall have no liability for the performance of any obligations contained in this Development Agreement after the effective date of such transfer or assignment.

Section 7.2 By Developer

If the Developer chooses to sell his Area Development Agreement to a third party Transferee, the Developer must adhere to the following covenants, acknowledgements, requirements and conditions:

i. The Development Rights set forth in this Development Agreement are personal to Developer and are granted in reliance upon the personal qualifications of Developer. Developer has represented, and hereby represents, it is entering into this Development Agreement with the intention of complying with its terms and conditions and not for the purpose of resale of the Development Rights;

ii. Developer, without Franchisor's prior written consent, shall not sell, assign, transfer, convey, give away or encumber any part of its interest in this Development Agreement, its interest in the Development Rights granted hereby, its interest in any entity that owns any interest in such rights, or any interest in Developer, and shall not offer, permit or suffer the same to be sold, assigned, transferred, conveyed, given away or encumbered in any way. Developer shall not, without the prior written consent of Franchisor, fractionalize any of the Development Rights granted pursuant to this Development Agreement. Any purported sale, assignment, transfer, conveyance, gift or encumbrance of any of Developer's rights herein not having Franchisor's prior written consent shall be null and void and shall constitute a material default of this Development Agreement;

iii. So long as Developer is in full compliance with this Development Agreement, and should Franchisor not elect to exercise its right of first refusal as provided in Section 7.4, Franchisor shall not unreasonably withhold its approval of an assignment or transfer to proposed assignees or Transferees if:

a. Developer has complied with the requirements of Section 7.2;

b. all obligations owed to Franchisor by Developer are fully paid and satisfied;

c. Developer (and any transferring owners, if Developer is a business entity) has executed a mutual general release, in a form the same as or similar to the General Release attached to the Initial Franchise Agreement, of any and all claims against both parties, including its equity owners, officers, directors, managers, attorneys, agents, employees and others as set forth in the General Release, in their corporate and individual capacities, including modifying the General Release to include, without limitation, claims arising under federal, state or local laws, rules or ordinances, and any other matters incident to the termination of this Development Agreement or to the transfer of Developer's interest herein or to the transfer of Developer's ownership of all or any part of the Development Rights; provided, however, that if a general release is prohibited, both parties shall give the maximum release allowed by law;

d. the prospective Transferee has satisfied to Franchisor that it meets Franchisor's management, business and financial standards, and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to determine Transferee's ability to carry out the obligations contained in the Development Agreement and in a franchise agreement;

e. the Transferee has executed a general release, in a form the same as or similar to the General Release attached to the Initial Franchise Agreement, of any and all claims against Franchisor and its equity owners, officers, directors, managers, attorneys, agents, employees and others as set forth in the General Release, in their corporate and individual capacities, including modifying the General Release to include any representations regarding the Franchise or the business conducted pursuant thereto or any other matter that may have been made to the Transferee by Developer;

f. Developer has provided Franchisor with a complete copy of all contracts and agreements and related documentation between Developer and the prospective Transferee relating to the intended sale, assignment, transfer, conveyance, gift or encumbrance of the Development Rights;

g. Developer, or the Transferee, has paid to Franchisor a transfer fee in an amount equal to fifty percent (50%) of the then-current franchise fee plus one thousand dollars ($1,000.00) for each additional franchise unit transferred to the same Transferee;

h. the Transferee has agreed to be personally bound jointly and severally by all provisions of this Development Agreement for the remainder of its term and all holders of a legal or beneficial interest in the Transferee have agreed to personally guarantee jointly and severally the full performance thereof by Transferee;

i. The Transferee has agreed to be personally bound jointly and severally by all provisions of the existing franchise agreement(s), in place between Developer and Franchisor, and all holders of a legal or beneficial interest in the Transferee have agreed to personally guarantee jointly and severally the full performance thereof by the Transferee;

j. The Transferee has obtained all necessary consents and approvals by third parties and all applicable federal, state and local laws, rules, ordinances and requirements applicable to the transfer have been complied with or satisfied; and

k. Developer has, and if Developer is an entity, all of the holders of a legal and beneficial interest in Developer have, executed and delivered to Franchisor a non-competition agreement in a form the same as or similar to the Nondisclosure and Non-Competition Agreement attached to the Initial Franchise Agreement.

Section 7.3 Public or Private Offerings

If Developer desires to make either a public or a private offering of its securities, prior to such offering and sale and prior to the public release of any statements, data or other information of any kind relating to the proposed offering of Developer's securities, Developer shall secure the written approval of Franchisor, which approval Franchisor shall be entitled to withhold in its sole discretion. Developer shall secure Franchisor's prior written approval of any and all press releases, news releases and any and all other publicity, the primary purpose of which is in the public interest in its offering. Only to the extent that written approval has been given by Franchisor may Developer proceed to file, publish, issue, release and make public any data, material or information regarding its securities offering. Any review by Franchisor is solely for its own information, and its approval shall not constitute any kind of authorization, acceptance, agreement, endorsement, approval or ratification of the same, either express or implied; and Developer shall make no oral or written notice of any kind whatsoever indicating or implying that Franchisor or its Affiliates have any interest in or relationship whatsoever to the proposed offering other than Franchisor acting as Franchisor. Developer shall indemnify and hold harmless Franchisor and its Affiliates, and their owners, directors, officers, managers, members, attorneys, agents, employees, successors and assigns, from all claims, demands, costs, fees, charges, liabilities or expenses (including attorneys' fees) of any kind whatsoever arising from Developer's offering or information published or communicated and any actions taken with regard thereto.

Section 7.4 Franchisor's Right of First Refusal

If Developer or its owners shall at any time determine to sell, assign, transfer, convey, give away or encumber the Development Rights under this Development Agreement or any of their respective ownership interests in Developer, or any of Developer's assets (except in the ordinary course of business), Developer or its owners shall obtain a bona fide, executed written offer from a responsible and fully disclosed person or entity, as applicable, and shall submit an exact copy of such offer to Franchisor, and Franchisor shall, for a period of thirty (30) days from the date of delivery of such offer, have the right, exercisable by written notice to Developer, to purchase such interests for the price and on the terms and conditions contained in such offer; provided, however, Franchisor may substitute cash for any form of payment proposed in such offer and Franchisor shall have not less than sixty (60) days from the date of delivery of its written notice of intent to purchase to complete such purchase. Franchisor's credit shall be deemed at least equal to the credit of said person or entity, as applicable. If Franchisor does not exercise this right of first refusal, Developer may complete the sale of such interest, subject to Section 7.2. If such sale, assignment, transfer, conveyance, gift or encumbrance is not completed within one hundred and twenty (120) days after delivery of such offer to Franchisor, Franchisor shall again have the right of first refusal provided herein.

ARTICLE 8 - DEFAULT AND TERMINATION

Section 8.1 Termination Without Opportunity to Cure

Franchisor has the right to immediately terminate this Development Agreement by delivering a notice to Developer stating Franchisor elects to terminate this Development Agreement as a result of any of the breaches set forth below:

i. Developer makes or attempts to make an unauthorized sale, assignment, transfer, conveyance, gift or encumbrance of any part of its interest in this Development Agreement, its interest in the Development Rights granted hereby, its interest in any entity that owns any interest in such rights, or any interest in Developer;

ii. Developer has made any material misrepresentation or omission in its application for the Development Rights conferred by this Development Agreement;

iii. Developer is convicted of or pleads no contest to a felony or other crime or offense that may adversely affect the goodwill associated with the Marks;

iv. Developer makes any unauthorized use of the Marks or unauthorized use or disclosure of the Confidential Information;

v. Franchisor has delivered a notice of termination for a Franchise Agreement between Franchisor and Developer in accordance with its terms and conditions, or Developer has terminated a Franchise Agreement without cause; or

vi. Developer fails to meet or satisfy any timing requirement or deadline contained in the Development Schedule.

Section 8.2 Termination With Opportunity to Cure

If Developer fails to comply with any other provision of this Development Agreement, Franchisor may terminate this Development Agreement by delivering notice of termination to Developer stating the reason for termination, provided Developer shall have the right to cure a breach within thirty (30) days after delivery of Franchisor's notice of termination.

ARTICLE 9 - RIGHTS AND DUTIES ON TERMINATION OR EXPIRATION

Section 9.1 Loss of Development Rights

Upon termination of this Development Agreement, the Development Rights granted to Developer under this Development Agreement shall automatically terminate. Developer shall have no additional rights to establish or operate any Wanna Play Business for which a Franchise Agreement has not been executed by Franchisor and Developer. No default under this Development Agreement shall constitute a default under any Franchise Agreement between the parties, except to the extent that any default under this Development Agreement constitutes a default under any Franchise Agreement in accordance with the terms of the Franchise Agreement. Notwithstanding the above, the terms and conditions of each Franchise Agreement must be complied with by the Developer and shall control in determining whether any default exists under such Franchise Agreement.

Section 9.2 Amounts Owed to Franchisor

Developer shall immediately pay to Franchisor upon termination or expiration of the Development Agreement any amounts owed by Developer to Franchisor that are then unpaid, plus any interest due.

Section 9.3 Confidential Information

Upon termination or expiration of this Development Agreement, Developer and all of its employees, agents or other representatives shall immediately cease to use and shall maintain the absolute confidentiality of any Trade Secrets and Confidential Information disclosed or otherwise learned or acquired by Developer and shall not use such Trade Secrets and Confidential Information in any other business or venture.

Section 9.4 Covenant Not to Compete

During the term and after the termination of this Development Agreement, Developer and any beneficial owner of an interest in Developer shall be subject to all of the restrictive covenants set forth in Article 7 and Article 17 of the Initial Franchise Agreement, as applicable, which covenants by this reference are incorporated herein.

Section 9.5 Continuing Obligations

All obligations of Franchisor and Developer under this Development Agreement that expressly or by their nature survive the expiration or termination of this Development Agreement shall continue in full force and effect until they are satisfied in full or by their nature expire.

ARTICLE 10 - BENEFICIAL OWNERS OF DEVELOPER

Developer represents, and Franchisor enters into this Development Agreement in reliance upon such representation, that the individuals identified in Exhibit III as Holders of a Legal or Beneficial Interest are the sole holders of a legal or beneficial interest (in the stated proportions) of Developer.

ARTICLE 11 - RELATIONSHIP AND INDEMNIFICATION

Section 11.1 Relationship

This Development Agreement is purely a contractual relationship between the parties and does not appoint or make Developer an agent, legal representative, joint venturer, partner, employee, servant or independent contractor of Franchisor for any purpose whatsoever. Developer may not represent or imply to third parties that Developer is an agent of Franchisor, and Developer is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on Franchisor's behalf. Under no circumstances shall Franchisor be liable for any act, omission, contract, debt or any other obligation of Developer. In no event shall this Development Agreement or any conduct pursuant hereto make Franchisor a fiduciary with respect to Developer. Franchisor shall in no way be responsible for any injuries to persons or property resulting from the development of any Wanna Play Business pursuant to this Development Agreement. Any third party contractors and vendors retained by Developer for remodeling or construction or any other purpose are independent contractors of Developer alone.

Section 11.2 Standard of Care

This Development Agreement does not establish a fiduciary relationship between the parties. Unless otherwise specifically provided in this Development Agreement with respect to certain issues, whenever this Development Agreement requires Developer to obtain Franchisor's written consent or permits Developer to take any action or refrain from taking any action, Franchisor is free to act in its own self-interest without any obligation to act reasonably, to consider the impact on Developer or to act subject to any other standard of care limiting Franchisor's right, except as may be provided by statute or regulation.

Section 11.3 Indemnification

Developer shall hold harmless and indemnify Franchisor, its Affiliates, all holders of a legal or beneficial interest in Franchisor and/or its Affiliates, and all of Franchisor's and its Affiliates' officers, directors, executives, managers, partners, owners, members, employees, legal representatives, attorneys, agents, successors and assigns (collectively "Franchisor Indemnitees") from and against all losses, damages, fines, costs, expenses or liability (including attorneys' fees and all other costs of litigation) incurred in connection with any action, suit, demand, claim, investigation or proceeding, or any settlement thereof, that arise from, are based upon or are related to Developer's (a) development, ownership or operation of any Wanna Play Business; (b) violation, breach or asserted violation or breach of any federal, state or local law, regulation or rule; (c) breach of any representation, warranty, covenant, or provision of this Development Agreement or any other agreement between Developer and Franchisor (or any of its Affiliates); (d) defamation of Franchisor or the System; (e) acts, errors or omissions by Developer or any of its partners, owners, members, officers, directors, managers, employees or agents, committed or incurred in connection with the development of Wanna Play Businesses, including any negligent or intentional acts or omissions; or (f) infringement, violation or alleged infringement or violation of any Mark, patent or copyright or any misuse of the Confidential Information. Franchisor's right to indemnity shall exist notwithstanding the fact joint or several liability may be imposed upon Franchisor by statute, ordinance, regulation or judicial or arbitral decision.

ARTICLE 12 - GENERAL CONDITIONS AND PROVISIONS

Section 12.1 Superiority of Franchise Agreement

Developer acknowledges that any and all Franchise Agreements executed in connection with an individual Wanna Play Business within the Development Territory are independent of this Development Agreement. The continued existence of any such Franchise Agreement shall not depend on the continuing existence of this Development Agreement. If any conflict shall arise in connection with this Development Agreement and any such Franchise Agreement, the latter shall have precedence and superiority over the former.

Section 12.2 No Waiver

No failure of Franchisor to exercise any power reserved to it herein, or to insist upon strict compliance by Developer with any obligation or condition herein, and no custom or practice of the parties in variance with the terms hereof, shall constitute a waiver of Franchisor's right to demand exact compliance with the terms of this Development Agreement. Waiver by Franchisor of any particular default by Developer shall not be binding unless in writing and executed by Franchisor and shall not affect nor impair Franchisor's right with respect to any subsequent default of the same or of a different nature. Subsequent acceptance by Franchisor of any payment(s) due shall not be deemed to be a waiver by Franchisor of any preceding breach by Developer of any terms, covenants or conditions of this Development Agreement.

Section 12.3 Injunctive Relief and Specific Performance

As any breach by Developer of any of the restrictions or obligations contained in this Agreement would result in irreparable injury to Franchisor, and as the damages arising out of any such breach would be difficult to ascertain, Franchisor shall be entitled to seek injunctive relief (whether a restraining order, a preliminary injunction or a permanent injunction) against any such breach, whether actual or contemplated, and/or specific performance with respect to such breach without the necessity of posting security or bond.

Section 12.4 Notices

All notices required or permitted under this Development Agreement shall be in writing and shall be deemed received: (a) at the time delivered by hand to the recipient party (or to an officer, director, manager or partner of the recipient party); (b) two (2) business days after being sent via guaranteed overnight delivery by a commercial courier service; or (c) five (5) business days after being sent by Registered Mail, return receipt requested. Either party may change its address by a written notice sent in accordance with this Section 12.4. All notices, payments and reports required by this Development Agreement shall be sent to Developer at the address set forth in the introductory paragraph of this Development Agreement and to Franchisor at the following addresses:

Wanna Play Playcare Franchising, LLC Attn: Adrian Maguire, Managing Member 14010 North Hwy 183, Suite 535
Austin, TX 78717

Section 12.5 Guaranty and Assumption of Obligations

All holders of a legal or beneficial interest in Developer of five percent (5%) or greater shall be required to execute, as of the date of this Development Agreement, the Guaranty and Assumption of Obligations attached as Exhibit II.

Section 12.6 Approvals

Whenever this Development Agreement requires the prior approval or consent of Franchisor, Developer shall make a timely written request to Franchisor for its approval and, except as otherwise provided herein, any approval or consent granted shall be effective only if in writing. Franchisor makes no warranties or guarantees upon which Developer may rely, and assumes no liability or obligation to Developer or any third party, by providing any waiver, approval, advice, consent or services to Developer in connection with this Development Agreement, or by reason of any neglect, delay or denial of any request for approval.

Section 12.7 Entire Agreement

Subject to Section 12.7 of this Development Agreement, the Exhibits attached hereto and thus made a part hereof and the documents referred to herein shall be construed together and constitute the entire, full and complete agreement between Franchisor and Developer concerning the subject matter hereof, and shall supersede all prior agreements. Except for any representation by Franchisor contained herein, no other representation, oral or otherwise, has induced Developer to execute this Development Agreement. Nothing in this Agreement or in any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document. There are no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein or within the Initial Franchise Agreement which are of any force or effect with respect to the matters set forth in or contemplated by this Development Agreement or otherwise. No amendment, change or variance from this Development Agreement shall be binding on either party unless executed in writing by both parties.

Section 12.8 Severability and Modification

Except as noted below, each Section, paragraph, part, term and provision of this Development Agreement shall be considered severable. If any Section, paragraph, part, term or provision herein is ruled to be unenforceable, unreasonable or invalid, such ruling shall not impair the operation of or affect the remaining portions, Sections, paragraphs, parts, terms and provisions of this Development Agreement, and the latter shall continue to be given full force and effect and bind the parties; and such unenforceable, unreasonable or invalid Sections, paragraphs, parts, terms or provisions shall be deemed not part of this Development Agreement. If Franchisor determines that a finding of invalidity adversely affects the basic consideration of this Development Agreement, Franchisor has the right to, at its option, terminate this Development Agreement.

Notwithstanding the above, each of the covenants contained in Article 6, and Article 9 shall be construed as independent of any other covenant or provision of this Development Agreement. If all or any portion of any such covenant is held to be unenforceable, unreasonable or invalid, then it shall be amended to provide for limitations on disclosure of Confidential Information or on competition to the maximum extent permitted by law.

Section 12.9 Construction

All captions herein or in the Exhibits attached hereto and thus made a part hereof, are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof or thereof. Should any provision of this Development Agreement require interpretation or construction, it is agreed by the Franchisor and Developer the court, administrative body or other person or entity interpreting or construing this Development Agreement shall not apply a presumption the provisions hereof shall be more strictly construed against the Franchisor by reason of the rule of construction that a document is to be construed more strictly against the person or entity who, or through its agent, prepared same.

Section 12.10 Force Majeure

Whenever a period of time is provided in this Development Agreement for either party to perform any act, except pay monies to Franchisor, neither party shall be liable nor responsible for any delays due to strikes, lockouts, casualties, acts of God, war, terrorism, governmental regulation or control or other causes beyond the reasonable control of the parties, and the time period for the performance of such act shall be extended for the amount of time of the delay. This clause shall not result in an extension of the term of this Development Agreement.

Section 12.11 Timing

Time is of the essence. Except as set forth in Section 12.10, failure to perform any act within the time required or permitted by this Development Agreement, shall be a material breach.

Section 12.12 Further Assurances

Each party to this Development Agreement will execute and deliver such further instruments, contracts, forms or other documents, and will perform such further acts, as may be necessary or desirable to perform or complete any term, covenant or obligation contained in this Development Agreement.

Section 12.13 Third-Party Beneficiaries

Anything to the contrary notwithstanding, nothing in this Development Agreement is intended, nor shall be deemed, to confer upon any person or entity other than Franchisor or Developer, and their respective successors and assigns as may be contemplated by this Agreement, any rights or remedies under this Agreement.

Section 12.14 Multiple Originals

Both parties shall execute multiple copies of this Development Agreement and each executed copy shall be deemed an original.

ARTICLE 13 - DISPUTE RESOLUTION

Section 13.1 Choice of Law

Except to the extent this Development Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 or other federal law, this Development Agreement shall be governed by and construed in accordance with the laws of the State of Texas (without reference to its conflict of laws principles). References to any law refer also to any successor laws and to any published regulations for such law, as in effect at the relevant time. References to a governmental agency also refer to any regulatory body that succeeds the function of such agency.

Section 13.2 Consent to Jurisdiction

Claims for injunctive relief or specific performance may be brought by Franchisor where Developer is located.

Section 13.3 Rights and Remedies

Nothing contained herein shall bar Franchisor's right to obtain injunctive relief or specific performance against threatened conduct that may cause it loss or damages, including obtaining restraining orders and preliminary and permanent injunctions. Developer's rights and remedies regarding Franchisor's breach of this Development Agreement are as set forth in this Development Agreement.

Section 13.4 Limitations of Claims

Any claim concerning the Franchised Business or this Development Agreement or any related agreement will be barred unless an action relating to the ownership of any of Franchisor's Marks, or for injunctive relief, specific performance or non-binding mediation, as set forth in this Agreement, is commenced within one (1) year from the date on which Developer or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to the claim.

Section 13.5 Limitation of Damages

Developer and Franchisor each waive, to the fullest extent permitted by law, any right or claim for any punitive or exemplary damages against the other. Developer waives and disclaims any right or claim to consequential damages in any action or claim against Franchisor concerning this Development Agreement or any related agreement. In any claim or action brought by Developer against Franchisor concerning this Development Agreement, Developer's damages shall not exceed an amount greater than Developer's Development Fee.

Section 13.6 Waiver of Jury Trial

DEVELOPER AND FRANCHISOR EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF THEM RELATING TO THE OWNERSHIP OF ANY OF FRANCHISOR'S MARKS OR THE UNAUTHORIZED USE OR DISCLOSURE OF FRANCHISOR'S TRADE SECRETS OR CONFIDENTIAL INFORMATION OR FOR INJUNCTIVE RELIEF OR SPECIFIC PERFORMANCE.

Section 13.7 Mediation

Except for actions or claims for injunctive relief or specific performance or the unauthorized use or disclosure of Franchisor's Trade Secrets or Confidential Information, all claims, disputes and other matters in question between Franchisor and Franchisee arising out of or relating to this Agreement, the business relationship or any other agreement, including whether this Mediation clause is binding upon the parties, shall be resolved by non-binding mediation before the Center for Public Resources -- National Franchise Mediation Program, FAM, or another mutually agreeable mediator. Notwithstanding the above, the following shall not be subject to mediation:

(i) disputes and controversies arising from the Sherman Act, the Clayton Act or any other Federal or state antitrust law;

(ii) disputes and controversies based upon or arising under the Lanham Act, as now or hereafter amended, relating to the ownership, use, misuse or validity of any Confidential Information, the Proprietary Marks or any other trademarks;

(iii) disputes and controversies relating to actions to obtain possession of the premises of the Business under lease or sublease.

Both parties will sign a confidentiality agreement reasonably satisfactory to Franchisor. Upon submission, the obligation to attend mediation in the county and state designated by Franchisor (currently Williamson County, Texas) is binding on both parties. Each party will bear his, her or its own costs for the mediation, except the mediation fee and the fee for the mediator will be split equally.

To initiate mediation, either Franchisor or Franchisee shall appoint one mediator and after appointment of the mediator, shall notify in writing the other of such appointment and the name of and the contact information for the mediator within three (3) business days after selection of said mediator. The mediation shall be conducted in Williamson County, Texas as directed by the sole mediator. If an agreement is reached between the parties, then the signed award of the mediator shall be final and binding upon Franchisor and Franchisee and any other party to the mediation. Judgment may be entered upon the award of the mediator in any court having competent jurisdiction. If a first mediation session is unsuccessful, both parties agree to attend a second mediation under the same terms and conditions within 30 days of the completion of the first mediation session.

Franchisee acknowledges it has read the terms of this non-binding mediation provision and affirms each provision is entered into willingly and voluntarily and without any fraud, duress or undue influence on the part of Franchisor or any of Franchisor's agents or employees.

ARTICLE 14 - ACKNOWLEDGMENTS

Section 14.1 Receipt of this Development Agreement and the Franchise Disclosure Document

Developer represents and acknowledges it has received, read and understands this Development Agreement and Franchisor's Franchise Disclosure Document, and Franchisor has accorded Developer ample time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Development Agreement. Developer represents and acknowledges it has received an exact copy of this Development Agreement and its Exhibits fully executed except for signatures or personal information, prior to the date on which this Development Agreement was executed. Developer further represents and acknowledges it has received, at least fourteen (14) calendar days prior to the date on which this Development Agreement was executed, the Disclosure Document required by the 2007 Amendment to the Federal Trade Commission Rule entitled Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures.

Section 14.2 Consultation by Developer

Developer represents it has been urged to consult with its own advisors with respect to the legal, financial and other aspects of this Development Agreement, the business franchised hereby and the prospects for that business. Developer represents it has either consulted with such advisors or has deliberately declined to do so.

Section 14.3 True and Accurate Information

Developer represents all information set forth in any and all applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects, and Developer acknowledges Franchisor is relying upon the truthfulness, completeness and accuracy of such information.

Section 14.4 Risk

Developer represents it has conducted an independent investigation of the business contemplated by this Development Agreement and acknowledges, like any other business, an investment in this Development Agreement and/or a Wanna Play Business(s) involves business risks and the success of the venture(s) is dependent, among other factors, upon the business abilities and efforts of Developer. Franchisor makes no representations or warranties, express or implied, in this Development Agreement or otherwise, as to the potential success of the business venture(s) contemplated hereby.

Section 14.5 No Guarantee of Success

Developer represents and acknowledges it has not received or relied on any guarantee, express or implied, as to the revenues, profits or likelihood of success of any Wanna Play Business to be developed pursuant to this Development Agreement. Developer represents and acknowledges there have been no representations by Franchisor's owners, members, managers, directors, employees, attorneys or agents that are not contained in, or are inconsistent with, the statements made in the Initial Franchise Agreement or this Development Agreement.

Section 14.6 No Violation of Other Agreements

Developer represents its execution of this Development Agreement will not violate any other agreement or commitment to which Developer or any holder of a legal or beneficial interest in Developer is a party.

Section 14.7 Independent Obligations

Each obligation or other provision contained in this Development Agreement shall be deemed and construed as a separate and independent obligation of the party bound by, undertaking or making the same, and not dependent on any other provisions of this Development Agreement, unless expressly so provided. If any party has breached any obligation or other provision contained in this Agreement in any respect, the fact there exists another obligation or provision relating to the same subject matter (regardless of the relative levels of specificity), which the party has not breached shall not detract from or mitigate the fact the party is in breach of the first obligation or other provision contained in this Development Agreement.

Section 14.8 Gender

Whenever the context of this Development Agreement requires, the masculine gender includes the feminine or neuter and vice versa, and the singular number includes the plural.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Development Agreement on the date set forth in the introductory paragraph of this Development Agreement.

WANNA PLAY PLAYCARE FRANCHISING, LLC

By:____________________________________

Print Name: Adrian Maguire

Title: Managing Member

DEVELOPER: ____________________________

By:____________________________________

Print Name: ________________________________

Title: _____________________________________

[**or, if an Individual**]

Signed: ___________________________________

Print Name: ________________________________

EXHIBIT I TO THE
AREA DEVELOPMENT AGREEMENT

Developer agrees that they shall be opened for business within the Granted Territory by the date indicated in Column III below and operating at all times thereafter during the term of this Agreement not less than the cumulative minimum number of Wanna Play Units listed in Column IV of this Exhibit I.

"Effective Date" of Execution_______________/______/_________

I Unit Sequence	II Fee Paid to Franchisor Per unit for Area Development Rights	III Latest date for Commencement of Each such unit	IV Cumulative Minimum Number of units In Operation

SAMPLE DEVELOPMENT SCHEDULE

Developer agrees that they shall be opened for business within the Granted Territory by the date indicated in Column III below and operating at all times thereafter during the term of this Agreement not less than the cumulative minimum number of Wanna Play Units listed in Column IV of this Exhibit I:

"Effective Date" of Execution:_____/_____/_____

I Unit Sequence	II Fee Paid to Franchisor Per unit for Area Development Rights	III Latest date for Commencement of Each such unit	IV Cumulative Minimum Number of units In Operation
1st Unit	$19,750	January 31, 2023	1
2nd Unit	$9,875	January 31, 2024	2
3rd Unit	$9,875	January 31, 2025	3

EXHIBIT II TO THE AREA DEVELOPMENT AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS ("Guaranty") is given this ______ day of________________, 20___, by____________________________________.

In consideration of, and as an inducement to, the execution of that certain Area Development Agreement of even date herewith ("Agreement") by Wanna Play Playcare Franchising, LLC ("Franchisor"), each of the undersigned hereby personally and unconditionally (a) guarantees to Franchisor, and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that____("Developer") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (b) shall personally be bound by, and personally liable for the breach of each and every provision in the Agreement, including those relating to monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities. Each of the undersigned waives: (a) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (b) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (c) protest and notice of default to any party with respect to the indebtedness or non-performance of any obligations hereby guaranteed; (d) any right he may have to require that an action be brought against Developer or any other person as a condition of liability; and (e) any and all other notices and legal or equitable defenses to which he may be entitled.

Each of the undersigned consents and agrees that: (a) his direct and immediate liability under this Guaranty shall be joint and several; (b) he shall render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so; (c) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Developer or any other person; and (d) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Developer or to any other person, including, without limitation, the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement.

Each of the undersigned further consents and agrees it shall be a party to any of the actions or claims between Franchisor and Developer for injunctive relief or specific performance or relating to the ownership of any of Franchisor's Marks or the unauthorized use or disclosure of Franchisor's Trade Secrets or Confidential Information, or which are to be resolved by non-binding mediation as set forth in the Agreement. Each of the undersigned also agrees to be personally bound by the waiver of jury trial as set forth in Section 23.6 of the Initial Franchise Agreement.

Whenever the context of this Guaranty requires, the masculine gender includes the feminine or neuter and vice versa, and the singular number includes the plural.

Capitalized terms not defined herein shall have the meaning set forth in the Area Development Agreement or the Initial Franchise Agreement.

IN WITNESS WHEREOF, this Guaranty has been duly executed and delivered by each of the undersigned, intending to be legally bound hereby, on the date set forth in the introductory paragraph of this Guaranty.

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

____

____
Social Security #:_____________

TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN DEVELOPER:_____%

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

____

____
Social Security #:_____________

TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN DEVELOPER:_____%

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

____

____

____
Social Security #:_____________
TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN DEVELOPER:______%

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

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____

____
Social Security #:_____________
TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN DEVELOPER:______%

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

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____

____
Social Security #:_____________
TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN DEVELOPER:______%

PERSONAL GUARANTOR

____
Personally and Individually (Printed Name)

____
Personally and Individually (Signature)

HOME ADDRESS

____

____

____
Social Security #:_____________
TELEPHONE NO.:_________________
PERCENTAGE OF OWNERSHIP
IN DEVELOPER:______%

*** NOTE ALL OWNERS OF 5% OR MORE INTEREST IN THE LEGAL ENTITY MUST FILL OUT THIS PAGE.**

EXHIBIT III TO THE AREA DEVELOPMENT AGREEMENT

ALL HOLDERS OF 5% OR MORE LEGAL OR BENEFICIAL INTEREST IN DEVELOPER; OFFICERS, DIRECTORS AND MANAGERS

Holders of Legal or Beneficial Interest:

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________
Percentage of ownership:__________%

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________
Percentage of ownership__________%

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________
Percentage of ownership:__________%

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________
Percentage of ownership__________%

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________
Percentage of ownership:__________%

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________
Percentage of ownership__________%

Officers, Directors and Managers:

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________

Name:____________________
Position/Title:____________________
Home Address:____________________
____
____
Telephone No.:____________________
E-mail address:____________________

<u>EXHIBIT IV TO THE AREA DEVELOPMENT AGREEMENT</u>

MULTI-STATE ADDENDUMS

To Avoid Duplication in the Disclosure Document These Are Located At

Exhibit G to the Franchise Disclosure Document

On The Execution Copy the Applicable State Addendum Will Be

Located At This Exhibit IV to the Area Development Agreement

EXHIBIT D
TO FRANCHISE DISCLOSURE DOCUMENT
WANNA PLAY PLAYCARE FRANCHISING, LLC
FINANCIAL STATEMENTS

WANNA PLAY PLAYCARE FRANCHISING, LLC

FINANCIAL REPORT

AS OF DECEMBER 31, 2022 and 2021

WANNA PLAY PLAYCARE FRANCHISING, LLC

TABLE OF CONTENTS

Independent Auditor's Report

To the Member
Wanna Play Playcare Franchising, LLC
Austin, Texas

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Wanna Play Playcare Franchising, LLC which comprise the balance sheets as of December 31, 2022, and 2021, and the related statement of operations, changes in member equity and cash flows for the years ended December 31, 2022, 2021 and 2020, and the related notes to the financial statements.

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Wanna Play Playcare Franchising, LLC as of December 31, 2022, and 2021 and the results of its operations and cash flows for the year ended December 31, 2022, 2021 and 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wanna Play Playcare Franchising, LLC 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 from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement

2580 East Harmony Road, Ste. 301-10 • Ft. Collins, CO 80528
Office: (303) 999-6485

when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Wanna Play Playcare Franchising, LLC'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 Wanna Play Playcare Franchising, LLC'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.

Reese CPA LLC

Ft. Collins, Colorado
May 9, 2023

WANNA PLAY PLAYCARE FRANCHISING, LLC
BALANCE SHEETS

	AS OF DECEMBER 31, 2022	2021
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	$ -	$ -
TOTAL CURRENT ASSETS	-	-
FRANCHISE DEVELOPMENT COSTS, NET	69,329	69,329
TOTAL ASSETS	$ 69,329	$ 69,329
LIABILITIES AND MEMBER EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ -	$ -
TOTAL CURRENT LIABILITIES	-	-
TOTAL LIABILITIES	-	-
MEMBER EQUITY	69,329	69,329
TOTAL LIABILITIES AND MEMBER EQUITY	$ 69,329	$ 69,329

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

WANNA PLAY PLAYCARE FRANCHISING, LLC
STATEMENTS OF OPERATIONS

	FOR THE YEARS ENDED DECEMBER 31, 2022	2021	2020
REVENUES	$ -	$ -	$ -
OPERATING EXPENSES			
General and administrative	-	-	1,256
Advertising	2,775	205	-
Professional fees	-	-	4,348
TOTAL OPERATING EXPENSES	2,775	205	5,604
OPERATING (LOSS)	(2,775)	(205)	(5,604)
OTHER INCOME (EXPENSE)	-	-	-
NET (LOSS)	$ (2,775)	$ (205)	$ (5,604)

The accompanying notes are an integral part of these financial statements.

WANNA PLAY PLAYCARE FRANCHISING, LLC
STATEMENTS OF CHANGES IN MEMBER EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022, 2021 AND 2020

	Capital Contributions	Accumulated (Deficit)	Total Member Equity
BALANCE, DECEMBER 31, 2019	156,265	(86,936)	69,329
Member contributions	5,604	-	5,604
Net (loss)	-	(5,604)	(5,604)
BALANCE, DECEMBER 31, 2020	161,869	(92,540)	69,329
Member contributions	205	-	205
Net (loss)	-	(205)	(205)
BALANCE, DECEMBER 31, 2021	$ 162,074	$ (92,745)	$ 69,329
Member contributions	2,775	-	2,775
Net (loss)	-	(2,775)	(2,775)
BALANCE, DECEMBER 31, 2022	$ 164,849	$ (95,520)	$ 69,329

The accompanying notes are an integral part of these financial statements.

WANNA PLAY PLAYCARE FRANCHISING, LLC
STATEMENTS OF CASH FLOWS

	FOR THE YEARS ENDED DECEMBER 31, 2022	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss)	$ (2,775)	$ (205)	$ (5,604)
Adjustments to reconcile net (loss) to net cash provided by (used in) operating activities:			
Non-cash contributions by member	2,775	205	5,604
Increase (decrease) in:			
Accounts payable	-	-	-
Net cash used by operating activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Net cash (used) by investing activities	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash provided by financing activities	-	-	-
NET INCREASE IN CASH	-	-	-
CASH, BEGINNING OF YEAR	-	-	-
CASH, END OF YEAR	$ -	$ -	$ -
SUPPLEMENTAL DISCLOSURES			
Cash paid for interest	$ -	$ -	$ -
Cash paid for taxes	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

WANNA PLAY PLAYCARE FRANCHISING, LLC
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

WANNA PLAY PLAYCARE FRANCHISING, LLC, a Texas limited liability company (the "Company") was formed on March 13, 2013, in the State of Texas, as a limited liability company. The Company is a franchisor offering franchises with service marks "Wanna Play Playcare" ™, and other related logos. These businesses are referred to as "Wanna Play Businesses. Wanna Play Playcare is involved in the business of providing creative childcare solutions for children ages 6 weeks to 12 years.

The Company has two affiliates Wanna Play, LLC ("WP") and WPNE, LLC ("WPNE"). Our Affiliates operate Wanna Play Playcare locations. A member of the Company owns the Company's affiliates. WP is the owner and holder of the trademarks.

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A summary of significant accounting policies follows:

Use of Estimates

Preparation of the Company's financial statement in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. The Company had no cash equivalents as of December 31, 2022, and 2021.

Accounts Receivable

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 subsequent to invoicing. These accounts receivable is carried at original invoice amount less an estimate made for doubtful receivables based on a review of outstanding amounts. Management regularly evaluates individual customers' receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received. The Company had no receivables and no amounts established as an allowance for uncollectible accounts at December 31, 2022, and 2021.

Property, Plant & Equipment

Property and equipment are stated at historical cost. Depreciation is provided using straight-line method based on the estimated useful lives of the related assets (generally five to seven years). The Company had no property, plant, and equipment at December 31, 2022, and 2021.

WANNA PLAY PLAYCARE FRANCHISING, LLC
NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible Assets

The Company has established intangible assets for the cost of developing the franchise system.

The Company has adopted ASC 350, Intangibles – Goodwill and Other that requires that goodwill and intangible assets with indefinite lives (such as intellectual property) no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives (such as franchise documents and internal website development) are amortized over their estimated useful lives.

The useful life of an intangible asset is the period over which it is expected to contribute directly or indirectly to future cash flows. Franchise development and internal website costs are amortized using the straight-line method over a period of five years. Intangible assets with finite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable.

Income Taxes

The Company has elected to be treated as a disregarded entity under the provisions of the Internal Revenue Code. Under those provisions, taxable income and losses of the Company are reported on the income tax returns of the member and no provisions for federal or state income taxes have been recorded on the accompanying balance sheet and statement of operations.

The Company adopted ASC 740-10-25-6 "Accounting for Uncertainty in Income Taxes", that requires the Company to disclose uncertain tax positions. Under the standard an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold upon examination by taxing authorities.

Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements or that would affect the Company's shareholder. The Company's evaluation was performed for the years ended December 31, 2022, 2021 and 2020 for U.S. Federal Income Tax.

Revenue Recognition and Non-refundable Deferred Franchise Fee Revenue

The Company's revenue is principally generated through franchise agreements executed with the Company's franchisees. Each franchise agreement is comprised of several performance obligations. The Company identifies those performance obligations, determines the contract price for each performance obligation, allocates the transaction price to each performance obligation and recognizes revenue when the Company has satisfied the performance obligation by transferring control of the good or service to the franchisee.

When a franchisee purchases a "Wanna Play Playcare" franchise, the Company grants the franchisee the right to use the proprietary methods, techniques, trade dress, trademarks, and logos ("the license"). This is considered to be symbolic intellectual property. Revenues related to the license are continuing weekly royalties and are the greater of $375 per week or 5% of gross weekly revenue of the franchisee. These revenues are used to continue the development of the Company's brand, the franchise system and provide

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition and Non-refundable Deferred Franchise Fee Revenue (continued)

ongoing support for the Company's franchisees over the term of the agreement. The royalties are billed weekly and are recognized as revenue when earned. The Company did not earn any royalties for the years ended December 31, 2022, 2021 and 2020.

Revenue from initial fees is allocated to the performance obligations in the franchise agreement that are distinct from the symbolic intellectual property. These primarily include training services, opening support services, opening marketing assistance and franchisee acquisition and acceptance. The amount allocated to each identified performance obligation is determined using the expected cost plus a margin approach. Revenue from initial fees is recognized when the performance obligation is satisfied and control of the good or service has been transferred to the franchisee. Performance obligations that are normally satisfied by the opening of the franchised business to the public are determined to be earned during the period from the execution of the contract to the opening of the franchised business which is generally less than one year. Unearned initial fee revenues from franchisee acquisition and acceptance will be recorded as deferred non-refundable revenue and recognized as revenue over the term of the contract which is currently 10 years from the date the franchisee opens the franchise business to the public. Incremental costs of obtaining a franchise agreement with a franchisee related to unsatisfied performance obligations will be recorded as a franchise acquisition asset and are recognized as cost of sales over the same term as the related performance obligation which is currently 10 years. The Company had no franchise sales during years ended December 31, 2022, 2021 and 2020.

National Advertising Contribution

Continuing weekly national advertising contributions are based on the franchise agreement and are generally 2% of gross weekly revenue of the franchisee. The Company did not collect any national advertising contributions for the years ended December 31, 2022, 2021 and 2020.

Advertising Costs

The Company expenses advertising costs as incurred. Advertising costs expensed were $0, $205, and 0, for the years ended December 31, 2022, 2021 and 2020, respectively.

Fair Value of Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents and accounts payable, the carrying amounts approximate fair value due to their short maturities.

Recently Issued Accounting Pronouncements

The Company has adopted all recently issued Accounting Standards Updates (ASU). The adoption of the recently issued ASUs, including those not yet effective, is not anticipated to have a material effect on the financial position or results of operations of the Company.

NOTE 2 – FRANCHISE DEVELOPMENT COSTS

As of December 31, 2022, and 2021 franchise development costs totaled $69,329 and $69,329, respectively. There was no amortization expense for the years ended December 31, 2022, 2021 and 2020. Amortization will begin with the first franchise sale. Amortization to be expensed in each of the next five years is estimated to be $6,900 per year after the first franchise sale occurs.

NOTE 3 – SUMMARY OF SYSTEM OUTLET ACTIVITY

Changes in the number of franchises for the years ended December 31, 2022, 2021 and 2020 consist of the following:

	2022	2021	2020
Outlets in operation, beginning	3	2	2
Outlets opened	-	1	-
Outlets terminated or closed	-	-	-
Outlets in operation, ending	3	3	2
Franchised Outlets	1	1	-
Affiliate owned Outlets	2	2	2

NOTE 4 - COMMITMENTS AND CONTINGENCIES

Litigation

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

NOTE 5 - SUBSEQUENT EVENTS

Date of Management's Evaluation

Management has evaluated subsequent events through May 9, 2023, the date on which the financial statements were available to be issued.

EXHIBIT E
TO FRANCHISE DISCLOSURE DOCUMENT
WANNA PLAY PLAYCARE FRANCHISING,
LLC LIST OF FRANCHISE LOCATIONS

(a) Franchisees.
The following are the names, addresses and telephone numbers of all Wanna Play Franchisees as of December 31, 2021 who have executed their documents and are operational:

K & M Play Corp
26837 Bouquet Canyon Rd
Santa Clarita, CA 91350

(b) Franchise Agreements signed but not yet in Operation

NONE

(c) Franchisees. The following are the names, last known home addresses and home telephone numbers of all Master Franchisees and Franchisees that have been terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Master Franchise Agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the effective date of this Disclosure Document.

NONE

EXHIBIT F

SAMPLE GENERAL RELEASE

GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE

WANNA PLAY PLAYCARE FRANCHISING, LLC. ("we," "us," or "our") and the undersigned franchisee,______________________________("you" or "your"), currently are parties to a certain franchise agreement (the "Franchise Agreement") dated______________, 20_. You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation]____
____
____
____
____. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, shareholders, members, directors, officers, principals, employees, and affiliated entities (collectively, the "Releasing Parties"), hereby forever release and discharge us and our current and former officers, directors, members, shareholders, principals, employees, agents, representatives, affiliated entities, successors, and assigns (collectively, the "Franchisor Parties") from any and all claims, damages (known and unknown), demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, "Claims") that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the Franchisor Parties, including without limitation, Claims (1) arising out of or related to the Franchisor Parties' obligations under the Franchise Agreement or (2) otherwise arising from or related to your and the other Releasing Parties' relationship, from the beginning of time to the date of your signature below, with any of the Franchisor Parties. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the Releasing Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the date stated below.

WANNA PLAY PLAYCARE, LLC., a Texas limited liability company

Sign:______________________________
Name:___________________________
Title:____________________________

DATED:__________________________

FRANCHISE OWNER

(IF YOU ARE A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

____
Entity Name

____
Signature

Name:____________________________

Title:_____________________________

DATED:_________________________

FRANCHISE OWNER

(IF YOU ARE AN INDIVIDUAL AND NOT A LEGAL ENTITY):

____
Signature

____
Print Name

DATED:_________________________

EXHIBIT G

STATE ADDENDUMS AND AGREEMENT RIDERS

ADDENDUM TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS, AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR WANNA PLAY PLAYCARE FRANCHISING, LLC

The following modifications are made to Wanna Play Playcare Franchising, LLC ("Franchisor," "us," "we," or "our") Franchise Disclosure Document ("FDD") given to franchisee ("Franchisee," "you," or "your") and may supersede certain portions of the Franchise Agreement between you and us dated ____________________________ ("Franchise Agreement"). When the term "Franchisor's Choice of Law State" is used, it means Texas.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement and other documents related to the sale of a franchise. This State-Specific Addendum ("State Addendum") will modify these agreements to comply with the state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Iowa, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Ohio, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements.

CALIFORNIA

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the FDD.

California Corporations Code Section 31125 requires us to give to you a FDD approved by the Department of Financial Protection and Innovation before we ask you to consider a material modification of your Franchise Agreement.

The Franchise Agreement, and if applicable, the Supplemental Agreements, require mediation and arbitration with the costs being awarded to the prevailing party. The arbitration will occur in Texas. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement or Supplemental Agreements restricting venue to a forum outside the State of California. The Franchise Agreement, and if applicable, the Supplemental Agreements, contain a mediation provision. If so, the parties shall each bear their own costs of mediation and shall share equally the filing fee and the mediator's fees.

The Franchise Agreement and Supplemental Agreements require the application of the law of Texas. This provision may not be enforceable under California law.

Neither Franchisor nor any other person listed in Item 2 of the 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.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement or Supplemental Agreements contain a provision that is inconsistent with the California Franchise Relations Act, the California Franchise Relations Act Law will control.

The Franchise Agreement and Supplemental Agreements provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. SEC. 101 et seq.).

The Franchise Agreement contains, and if applicable, the Supplemental Agreements contain, a covenant not to compete which extends beyond the termination of the Franchise. This provision may not be enforceable under California law.

Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Supplemental Agreements may not be enforceable.

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

The Antitrust Law Section of the Office of the California Attorney General views certain maximum and minimum price agreements as per se violations of the Cartwright Act.

Item 6 of the FDD is amended to state the highest interest rate allowed by law in California is 10% annually.

Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

HAWAII

The following is added to the Cover Page:

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

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY

YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

The status of the Franchisor's franchise registrations in the states which require registration is as follows:

1. States in which this proposed registration is effective are listed on the third page of the FDD on the page entitled, "State Effective Dates."

2. States which have refused, by order or otherwise, to register these Franchises are:

None

3. States which have revoked or suspended the right to offer the Franchises are:

None

4. States in which the proposed registration of these Franchises has been withdrawn are:

None

ILLINOIS

Sections 4 and 41 and Rule 608 of the Illinois Franchise Disclosure Act states that court litigation must take place before Illinois federal or state courts and all dispute resolution arising from the terms of this Agreement or the relationship of the parties and conducted through arbitration or litigation shall be subject to Illinois law. The FDD, Franchise Agreement and Supplemental Agreements are amended accordingly.

The governing law or choice of law clause described in the FDD and contained in the Franchise Agreement and Supplemental Agreements is not enforceable under Illinois law. This governing law clause shall not be construed to negate the application of Illinois law in all situations to which it is applicable.

Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." The Franchise Agreement is amended accordingly. To the extent that the Franchise Agreement would otherwise violate Illinois law, such Agreement is amended by providing that all litigation by or between you and us, arising directly or indirectly from the Franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements, and Illinois law will pertain to any claims arising under the Illinois Franchise Disclosure Act.

Item 17.v, Choice of Forum, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

Item 17.w, Choice of Law, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

The termination and non-renewal provisions in the Franchise Agreement and the FDD may not be enforceable under Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Under Section 705/27 of the Illinois Franchise Disclosure Act, no action for liability under the Illinois Franchise Disclosure Act can be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to you of a written notice disclosing the violation, whichever shall first expire. To the extent that the Franchise Agreement is inconsistent with the Illinois Franchise Disclosure Act, Illinois law will control and supersede any inconsistent provision(s).

INDIANA

Item 8 of the FDD is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Franchise Agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.

Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.r. of the FDD is deleted and the following is inserted in its place:

No competing business for two (2) years within the Territory.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

Litigation regarding Franchise Agreement in Indiana; other litigation in Franchisor's Choice of Law State. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

Indiana law applies to disputes covered by Indiana franchise laws; otherwise Franchisor's Choice of Law State law applies.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the FDD, the Franchise Agreement, or Franchisor's Choice of Law State law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Franchise Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.

3. Any provision in the Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement for any reason is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Franchise Agreement:

No Limitation on Litigation. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

IOWA

Any provision in the Franchise Agreement which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Franchise Agreement:

NOTICE OF CANCELLATION

_______________ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three (3) business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten (10) business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within twenty (20) days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Wanna Play Playcare Franchising, LLC, 14010 North Hwy 183, Suite 535, Austin, TX 78717not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

Franchisee: ___________________________

By: _________________________________

Print Name: __________________________

Its: _________________________________

Date: _______________________________

MARYLAND

AMENDMENTS TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

Item 17 of the FDD, the Franchise Agreement is amended to state: "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

Item 17 of the FDD and sections of the Franchise Agreement is amended to state: "A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise."

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

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.).

FRANCHISOR	**FRANCHISEE**
WANNA PLAY PLAYCARE FRANCHISING, LLC	______________________________
By: ____________________________	By: ___________________________
Print: ____________________________ ___________________________	Print:
Title: ____________________________	Title: ___________________________
Date: ____________________________	Date: ___________________________

MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on your right to join an association of franchisees.

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

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

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

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

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

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

(i) the failure of the proposed transferee to meet our then-current reasonable qualifications or standards.

(ii) the fact that the proposed transferee is a competitor of us or our subfranchisor.

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

(iv) your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us a right of first refusal to purchase the assets of a Franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants us the right to acquire the assets of a Franchise for the market or appraised value of such assets if you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in subdivision (c).

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

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
525 W. Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

MINNESOTA

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.

2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the FDD or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any agreement relating to Franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Franchise Agreement relating to arbitration.

4. With respect to Franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement; and that consent to the transfer of the Franchise will not be unreasonably withheld.

5. Item 13 of the FDD is hereby amended to state that we will protect your rights under the Franchise Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Franchise Agreement and our System standards.

6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the FDD and the Franchise Agreement, which require you to sign a general release prior to renewing or transferring your Franchise, are hereby deleted from the Franchise Agreement to the extent required by Minnesota law.

7. The following language will appear as a new paragraph of the Franchise Agreement:

No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in the dispute resolution section of this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

8. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three (3) years after the cause of action accrues. To the extent that the Franchise Agreement conflicts with Minnesota law, Minnesota law will prevail.

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NY 10005, 212-416-8285. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

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

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

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

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

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

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

4. The following language replaces the **"Summary"** section of Item 17(d), titled **"Termination by Franchisee"**:

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

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

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

NORTH DAKOTA

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Item 17(r) of the FDD, Article 19 of the Franchise Agreement discloses the existence of certain covenants restricting competition to which Franchisee must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statue, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The FDD and the Franchise Agreement are amended accordingly to the extent required by law.

OHIO

The following language will be added to the front page of the Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Initials_______________ Date___________

NOTICE OF CANCELLATION

_______________ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five (5) business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten (10) business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Wanna Play Playcare Franchising, LLC, 14010 North Hwy 183, Suite 535, Austin, TX 78717 not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

Franchisee:

Date: ___________________

By: _____________________
Print Name: ______________
Its: _____________________

RHODE ISLAND

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The FDD, the Franchise Agreement, and the Supplemental Agreements are amended accordingly to the extent required by law.

The above language has been included in this FDD as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement and the Supplemental Agreements, including all choice of law provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement, the Supplemental Agreements, and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

VIRGINIA

Item 17(h). The following is added to Item 17(h):

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

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD for Wanna Play Playcare Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

Additional Disclosure. The following statements are added to Item 8 and Item 17.h.

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

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, FRANCHISE DISCLOSURE QUESTIONNAIRE, AND RELATED AGREEMENTS

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

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

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

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("Addenda") is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

☐ California	☐ Michigan	☐ Rhode Island
☐ Hawaii	☐ Minnesota	☐ South Dakota
☐ Illinois	☐ New York	☐ Virginia
☐ Iowa	☐ North Dakota	☐ Washington
☐ Indiana	☐ Ohio	☐ Wisconsin
☐ Maryland		

Dated: ___________________

FRANCHISOR:

WANNA PLAY PLAYCARE FRANCHISING, LLC

By: __________________________________

Title: ________________________________

FRANCHISEE:

____

____

By: __________________________________

Title: _______________________________________

EXHIBIT H
ITEM 23 – RECEIPT TO THE DISCLOSURE DOCUMENT
(Keep this copy for your records)

This Federal Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Wanna Play Playcare Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, Wanna Play Playcare Franchising, LLC or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, we must give you this disclosure document at the earlier of our 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

If we do not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the applicable state agency(ies) listed in Exhibit A.

The franchise seller for this is Adrian Maguire, President, whose address is 14010 North Hwy 183, Suite 535, Austin, TX 78717; 844-752-7529. There are no sub franchisors or franchise brokers offering this franchise for us. Wanna Play Playcare Franchising, LLC authorizes the respective state agencies identified in Exhibit A to receive service of process for it in the particular state.

The issuance date of this Federal Franchise Disclosure Document is May 10, 2023.

The undersigned, personally and/or as a duly authorized officer or a partner of the prospective Franchisee, does acknowledge receipt from Wanna Play Playcare Franchising, LLC of the Franchise Disclosure Document for prospective franchisees (to which this Receipt is attached), including the following Exhibits:

A. State Administrators	B. Franchise Agreement	C. Area Developer Agreement
D. Financial Statements	E. List of Franchisees	F. Sample General Release
G. State Addendums		

Received Date:______________________.

____
Individually

____
Print Name

____
as an officer, member or partner of

____
name of entity
a____________________state corporation, LLC or partnership
(circle one)

EXHIBIT H
ITEM 23 – RECEIPT TO THE DISCLOSURE DOCUMENT
(Return this copy to Us)

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If we do not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the applicable state agency(ies) listed in Exhibit A.

The franchise seller for this is Adrian Maguire, President, whose address is 14010 North Hwy 183, Suite 535, Austin, TX 78717; 512-971-6970. There are no sub franchisors or franchise brokers offering this franchise for us. Wanna Play Playcare Franchising, LLC authorizes the respective state agencies identified in Exhibit A to receive service of process for it in the particular state.

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A. State Administrators
B. Franchise Agreement
C. Area Developer Agreement
D. Financial Statements
E. List of Franchisees
F. Sample General Release
G. State Addendums

Received Date:________________________.

____
Individually

____
Print Name

as an officer, member or partner of:

____
(Name of Entity)

____

a____________state corporation, LLC or partnership
(circle one)

Please sign this copy of the receipt, print the date on which you received this Disclosure Document and return by email to: franchise@wannaplayplaycare.com