FRANCHISE DISCLOSURE DOCUMENT

NC DENTAL U FRANCHISE GROUP, LLC
a North Carolina limited liability company
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The franchisee will own and operate a dental assistant training school. Franchisor, NC DENTAL U FRANCHISE GROUP, LLC, provides services to franchisees including assistance with training, operations, advertising, purchasing and promotional techniques.

The total investment necessary to begin operation of a DENTAL ASSISTANT U franchise is between $80,175 and $218,875 to open a school at a new location and between $46,175 and $87,875 to open a school at an existing location. This includes $30,000 that must be paid to us or our affiliates.

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, franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

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

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

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

Issuance Date: April 30, 2025

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits B-1 and B-2.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only DENTAL ASSISTANT U business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be an DENTAL ASSISTANT U franchisee?	Item 20 or Exhibits B-1 and B-2 list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation and arbitration only in North Carolina. Out-of-state mediation or arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or arbitrate with the franchisor in North Carolina 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 PROVISIONS APPLY ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

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

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

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful 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 subfranchisor.

(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 the notice should be delivered to the Department of the Attorney General, Department of Licensing and Regulatory Affairs, Corporations, Securities and Commercial Licensing Bureau, 2501 Woodlake Circle, Okemos, MI 48864, Telephone: (517) 241-6470.

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EXHIBITS

Exhibit A	DENTAL ASSISTANT U Franchise Agreement with Attachment 1 (Franchise Rider), Attachment 2 (Lease Rider), Attachment 3 (Internet, Social Media, and Telephone Assignment), Attachment 4 (Guaranty), Attachment 5(a) (Noncompetition Agreement), Attachment 5(b) (Nondisclosure and Non-solicitation Agreement), and Attachment 6 (Authorization to Copy Franchisor on Communications)
Exhibit B-1	Business Directory/Listing of Current Franchisees
Exhibit B-2	Listing of Certain Past Franchisees
Exhibit C	Financial Statements
Exhibit D	State Specific Addendum
Exhibit E	Federal and State Regulators and Agents for Service of Process
Exhibit F	Sample General Release Agreement
Exhibit G	ACH/EFT Transfer Agreement
Exhibit H	First Addendum to Renewal Franchise Agreement
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Exhibit L Form of Franchise Compliance Certification
Exhibit M Receipt

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

THE FRANCHISOR

To simplify the language in this Disclosure Document, "we," "DENTAL ASSISTANT U," "our," or "us" means NC DENTAL U FRANCHISE GROUP, LLC. "You" means the person or company that buys the franchise, including, if any, such company's owners, partners, members, shareholders, and guarantors. The use of the term "affiliate" shall mean an entity's subsidiary or parent and an entity controlled by, controlling, or under common control with, another entity. We are a North Carolina limited liability company, formed under the name "NC DENTAL U FRANCHISE GROUP, LLC," on March 12, 2020. Our principal business address is 123 Capcom Dr., Suite 4, Wake Forest, North Carolina 27587.

Our sole business since inception is selling DENTAL ASSISTANT U franchises and providing training and other services to DENTAL ASSISTANT U franchisees. Our franchisees conduct business using the name "DENTAL ASSISTANT U" and "NC DENTAL U." We began selling DENTAL ASSISTANT U franchises in 2020. We are not currently engaged in any other business activities and have never offered franchises in any other line of business. We have never operated a DENTAL ASSISTANT U location, although affiliates of ours do.

PARENTS, PREDECESSORS, AND AFFILIATES

Our predecessor, CAROLINA DENTAL CONSULTANTS, LLC, doing business as DENTAL ASSISTANT U, was formed on October 19, 2007 in the State of North Carolina and was dissolved on August 31, 2013. CAROLINA DENTAL CONSULTANTS, LLC had as its principal place of business 4904 S. Main Street, Suite 116, Wake Forest, North Carolina, 27587. CAROLINA DENTAL CONSULTANTS, LLC, formerly operated DENTAL ASSISTANT U locations but does not currently operate any businesses of the type offered in this disclosure document. CAROLINA DENTAL CONSULTANTS, LLC, does not offer and has never offered franchises in this or any line of business.

Our affiliate, EVOLVE DENTAL MANAGEMENT GROUP, LLC, was formed on October 12, 2009 in the State of North Carolina. EVOLVE DENTAL MANAGEMENT GROUP, LLC has as its principal place of business 123 Capcom Drive, Suite 4, Wake Forest, North Carolina 27587. EVOLVE DENTAL MANAGEMENT GROUP, LLC has operated DENTAL ASSISTANT U locations since 2009 and currently operates 3 businesses of the type offered in this disclosure document. EVOLVE DENTAL MANAGEMENT GROUP, LLC does not offer and has never offered franchises in this or any line of business. EVOLVE DENTAL MANAGEMENT GROUP, LLC shares certain employees with us.

Our affiliate, THE DENTAL ASSISTANT ACADEMY OF CHARLOTTE, LLC, was formed on October 8, 2009 in the State of North Carolina. THE DENTAL ASSISTANT ACADEMY OF CHARLOTTE, LLC has as its principal place of business 3707 Latrobe Dr. Suite 420, Charlotte, North Carolina 28211. THE DENTAL ASSISTANT ACADEMY OF CHARLOTTE, LLC has operated a DENTAL ASSISTANT U location since 2010 and currently operates 1 business of the type offered in this disclosure document. THE DENTAL ASSISTANT ACADEMY OF

CHARLOTTE, LLC does not offer and has never offered franchises in this or any line of business. THE DENTAL ASSISTANT ACADEMY OF CHARLOTTE, LLC shares certain employees with us.

Exhibit E lists our agent for service of process in your state.

THE FRANCHISE OFFERED

As a DENTAL ASSISTANT U franchisee, you will own and operate a dental assistant training program (a "School"). The DENTAL ASSISTANT U Schools are characterized by a unique system that includes specifically designed dental assisting curriculum, distinctive design, décor, color scheme, hardware and software programs, standards, specifications, procedures for operations, training and assistance, and advertising and promotional programs; all of which we may improve, amend, and further develop from time to time. You will be required to operate using our Marks and in accordance with our confidential manuals, including our brand standards manual and other proprietary manuals we may loan to you (collectively, the "Brand Standards Manual"), standards and specifications, marketing and sales programs, and other research and development connected with the establishment and operation of a DENTAL ASSISTANT U School (collectively, the "System"), which we may modify from time to time as we deem appropriate in our sole discretion. The typical DENTAL ASSISTANT U School is operated within medical villages or Class B office spaces. We offer qualified franchisees the opportunity to sign a unit Franchise Agreement. We have the right to accept your location and designate the Territory associated with the location applying our current standards for site selection and Territory designation.

You will compete with other DENTAL ASSISTANT U franchisees and DENTAL ASSISTANT U Schools owned by our affiliate, colleges and universities, trade schools, and other similar businesses or education providers. These include national and regional chains, as well as local operations. Your ability to succeed with this franchise will in part be determined by your ability to compete with these other establishments.

This franchise relies on the availability of government programs that are subject to changes in law and may vary by state or local jurisdiction. State and local jurisdictions have enacted laws, rules, regulations, and ordinances that will apply to the operation of your School, including those that (a) accredit your dental assisting training program and (b) license your dental assisting training program and its instructors. You must be properly accredited and licensed to operate your School. State and local laws, rules, regulations, and ordinances that may apply to the operation of your School include those that (u) establish general standards, specifications, and requirements for the construction, design, and maintenance of the School premises; (v) regulate matters affecting the health, safety, and welfare of your students; restrictions on smoking; and the availability of and requirements for public accommodations, including restrooms; (w) set standards pertaining to employee health and safety; (x) set standards and requirements for fire safety and general emergency preparedness; (y) govern labor practices for your employees; and (z) govern the application of the Affordable Care Act. The Americans with Disabilities Act also may apply to the operation of your School. Since you accept credit cards as a method of payment, you must comply with payment card infrastructure ("PCI") industry and government requirements. PCI security standards are technical and operational requirements designed to protect cardholder data.

The standards apply to all organizations that store, process or transmit cardholder data and cover technical and operational payment system components involving cardholder data You should investigate whether there are regulations and requirements that may apply to the geographic area in which you are interested in locating your franchise and should consider both the effect and cost of compliance.

We have not researched any of these laws to determine their applicability to your School. You should consult with your own attorney to ensure that the laws of the state where your DENTAL ASSISTANT U School is located permits you to provide the approved products and services we require. Before and after you sign a franchise agreement with us, it is your sole responsibility to investigate any other regulations in your area, including those related to the establishment and operation of a DENTAL ASSISTANT U School generally. You alone are responsible for complying with all applicable laws and regulations, despite any advice or information that we may give you.

ITEM 2. BUSINESS EXPERIENCE

Name	Position	Principal Occupation During the Past 5 Years
Tammy Hughes	Director and Manager	Since March 2020, Ms. Hughes has served as our Co-Director and Manager. Additionally, from August 2007 to present, she has served as an Owner and Director of DENTAL ASSISTANT U headquartered in Wake Forest, North Carolina. From October 2009 to present, she serves as a Dental Practice Consultant and Educator for Evolve Dental Management Group based in Wake Forest, North Carolina. From February 2005 to present, Ms. Hughes has worked for Carolina Dental Management, Inc. based in Wilson, North Carolina and currently serves as Director of Business Operations. From March 2006 to present she has also been a North Carolina licensed real estate broker with Hughes Properties based in Wake Forest, North Carolina.
Robyn Klose	Director and Manger	Since March 2020, Ms. Klose has served as our Co-Director and Manager. From July 2005 to November 2024, Ms. Klose worked for Carolina Dental Management, Inc. based in Wilson, North Carolina as Director of Clinical Operations. Additionally, from August 2007 to present, she has served as an Owner, Director, and Operator of DENTAL ASSISTANT U headquartered in Wake Forest, North Carolina. Beginning in October 2009 to present, she serves as a Dental Practice Consultant and Educator for Evolve Dental Management Group based in Wake Forest, North Carolina. From January 2018 to present, she has also served as a Member of the North Carolina State Board of Proprietary Schools.

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

The initial franchise fee to open a DENTAL ASSISTANT U School is $30,000 ("Initial Franchise Fee"). Of this amount, $18,000 is due when you sign the Franchise Agreement. A portion of this initial payment may be refundable under the circumstances below. The balance of $12,000 will be due and payable in three equal monthly installments of $4,000 by the fifth day of each month following the opening of your School. We offer an additional discount of 5% for your first School if you pay the entirety of such discounted initial franchise fee when you sign the Franchise Agreement.

We offer a reduced initial franchise fee of $25,000 for a second new School that is opened for business (if the ownership group is the same as the first franchise) ("Second Reduced Initial Franchise Fee"). Of this amount, $15,000 is due when you sign the second Franchise Agreement. A portion of this initial payment may be refundable under the circumstances below. The balance of $10,000 will be due and payable in three equal monthly installments of $3,333.33 by the fifth day of each month following the opening of your School. We offer an additional discount of 5% of the Second Reduced Initial Franchise Fee for your second School if you pay the entirety of such discounted Second Reduced Initial Franchise Fee when you sign a new franchise agreement for such school.

We offer a reduced initial fee of $20,000 for a third or subsequent new School that is opened for business (if the ownership group is the same as the first franchise) ("Third or Subsequent Reduced Initial Franchise Fee"). Of this amount, $12,000 is due when you sign the third or subsequent Franchise Agreement. A portion of this initial payment may be refundable under the circumstances below. The balance of $8,000 will be due and payable in three equal monthly installments of $2,666.67 by the fifth day of each month following the opening of your School. We offer an additional discount of 5% of the Third or Subsequent Reduced Initial Franchise Fee for your third or subsequent School if you pay the entirety of such discounted Third or Subsequent Reduced Initial Franchise Fee when you sign a new franchise agreement for such school.

Any amount you save because of any reductions or discounts to the initial franchise fee becomes due to us if and when you sell, transfer, or assign your second or subsequent location before, or within one year after, you commence operating it.

If you and we agree that we will assist in locating a local real estate broker, assist in the location of a site that meets our general standards, size, layout, and other physical characteristics, review rental, lease and purchase terms and help negotiate rental, lease or purchase terms, you will be required to pay us a real estate coordination fee of $3,000. This assistance will also include one

visit to review potential sites including travel expenses with you. Your participation in and attendance with all phases of the real estate process is required. This fee is not refundable.

If you and we agree that we will assist with the development or upfit of your location, you will be required to pay us a facility coordination fee of $10,000. Your participation in and attendance with all phases of the development process is required. This fee is not refundable.

If you do not receive your initial accreditation and approvals to open a DENTAL ASSISTANT U School, we will terminate the Franchise Agreement and refund the amount paid of the Initial Franchise Fee, Second Reduced Initial Franchise Fee, or, Third or Subsequent Reduced Initial Franchise Fee, as applicable and irrespective of any discounts applied to such fee, minus $5,000. Otherwise, we do not refund the Initial Franchise Fee under any circumstances.

The Initial Franchise Fee includes the cost of training and an opening package of instructional tools.

If you have not received all of the required licenses and approvals to open a DENTAL ASSISTANT U School in your state within 120 days after signing a Franchise Agreement, you will pay a $5,000 fee to extend your time to receive approvals for another 60 days ("Extension Fee"). If you have not received all licenses and approvals after the 60-day extension, we have the right to terminate the Franchise Agreement. The Extension Fee is non-refundable.

Except as provided for in this Item, all fees mentioned were uniformly applied to our franchisees in the last fiscal year. Except as otherwise stated, these fees are non-refundable and deemed earned upon payment.

ITEM 6. OTHER FEES

Name of Fee[1]	Amount	Due Date	Remarks
Royalty	The greater of $1,000 per month or 20% of Billings per month	Monthly on the 15th of each month; the minimum will commence after you have had the licensure of your School for 6 months, but you must pay the stated percentage Royalty during the intervening period	At the time you sign your Franchise Agreement, you may select one of two options for your Royalty payment. You will pay us the greater of $1,000 per month or 20% of Billings[2] per month

Name of Fee[1]	Amount	Due Date	Remarks
Local Advertising, Marketing and Promotional Expenditures	1% of Billings per month	As incurred by you; measured monthly	Local Advertising, Marketing and Promotional expenditures are to be spent on approved local advertising. We have the right to require you to spend your required minimum local advertising amount with specific suppliers and on specific services or products and we may require you to submit a marketing plan for our approval. We have the right to require you to pay this amount to us or our affiliate to use on your behalf.
Renewal Fee	50% of the then current franchise fee	Upon signing a then-current form franchise agreement	Payable in immediately available funds.
Transfer Fee	Greater of $10,000 or 50% of the then current franchise fee	The transfer fee is paid upon application to transfer	The fee must be deposited with us on a non-refundable basis upon notification to us of a proposed transfer and prior to our undertaking any review, drafting of documents, training, or other activities. If we do not approve the transfer, the transfer fee will be returned minus our expenses incurred (including legal fees) for review and consideration of the transfer.
Phone Service	Currently $10 per month	Monthly on the 15th of each month	Payable to us to reimburse our costs associated with allocating one phone line to your School through our designed supplier. We can change this fee with 30 days' notice.
Audit Fee	Costs and expenses	As incurred	Audit Fee is paid by you if the difference in reported royalties is 2% or greater
Relocation Fee	Costs and expenses; minimum of $5,000	As incurred	Payable to us to defray our costs associated with evaluating and approving/rejecting your relocation proposal.
Interest	1.5% per month or highest rate allowed by law	As incurred	Interest accrues from the original due date until payment is received in full.
Insufficient Funds Fee	$50 per violation	As incurred	Failure to have sufficient funds available for payments to us.

Name of Fee[1]	Amount	Due Date	Remarks
Testing or Supplier Approval Fee	Costs and expenses	Upon request	If requested by you, you will pay all fees and costs incurred by us to obtain the necessary information and evaluate suppliers prior to giving approval for new suppliers and products.
Advertising Cooperative Fee	There are currently no plans for an advertising cooperative, but one may be formed in the future.	When designated by cooperative	Any percentage contribution would be set by the cooperative on a vote of a majority of its members. Each franchisee and each affiliate-owned school is entitled to one vote. The maximum fee that can be imposed by the advertising cooperative is 2% of Billings.
Conferences and Conventions	$500 to $1,000 per attendee	Upon invoicing	We reserve the right to charge you an attendance fee for conferences and conventions.
Additional Training	Currently $200 per trainee per day plus expenses of the trainer incurred	As incurred prior to beginning of additional training	In addition, you remain responsible for paying lodging, transportation, and food expenses incurred by you and your representatives for additional training.
New School Director Training	Currently $500 plus expenses of the trainer incurred	As incurred if there is a change to your designated School Director; prior to beginning of new School Director training	In addition, you remain responsible for paying lodging, transportation, and food expenses incurred by you and your representatives for new school director training.
Work Schedule /Operating Hours Modification Approval Fee	Currently $250 per requested modification to your operating hours or work schedule	As incurred	We reserve the right to charge you a fee, per occurrence, to review any modifications to your work schedule or operating hours
Legal fees and expenses	Costs and expenses, including but not limited to attorneys' fees for any failure to pay amounts when due or failure to comply in any way with the Franchise Agreement	As incurred	Loser pays winner's fees and costs to discourage meritless litigation. We could have to pay your fees.

Name of Fee[1]	Amount	Due Date	Remarks
Hold Harmless; Indemnification	Any and all types of damages, liabilities, losses, costs, and expenses we incur as a result of third parties claims or from your ownership and operations of the School. Amount will depend on unknown factors.	Defense cost when suit occurs. Indemnification when payment required.	Defense cost when suit occurs. Indemnification when payment required. You, your owners, and your guarantors must defend, indemnify, and hold us and related parties harmless for a broad range of claims related to your actions, omissions, ownership, and operations of the School.
Early Termination Damages	Our damages, costs, and expenses	As incurred.	If the Franchise Agreement is terminated early, we have the right to seek damages from you.
Post-Termination or Post-Expiration Expenses	Costs and expenses	As incurred	You must pay all costs and expenses related to de-identifying the School or otherwise complying with your post-termination or post-expiration obligations.
Fines	$1,000 per occurrence; plus inspection and re-inspection costs	As incurred	Fines can be levied for each instance where you fail to obtain prior approval for advertisements, fail to attend required training or franchisor sponsored conventions, offer unauthorized products or services, fails to timely submit reports, or otherwise fail to comply with the DENTAL ASSISTANT U system's operating standards.
Refurbishment Fee	Our costs, plus an administrative fee of 15% of the total expenses incurred by us.	As incurred	This is applicable only if you delay, refuse, or fail to make repairs or modifications to the Premises or the School that we require and we do this work for you.
Insurance Premium Reimbursement	Our costs and expenses	Varies according to plan and provider. If we purchase, reimbursement to us due immediately on notice.	If you do not purchase the required insurance and we must purchase it on your behalf, you will reimburse us.

Name of Fee[1]	Amount	Due Date	Remarks
Continuing Operation Fee	Greater of $1,000 or 150% of the Royalty due for the same week for every week of month-to-month operations after expiration of Franchise Agreement	As incurred	This is applicable only if you continue to operate as a DENTAL ASSISTANT U franchisee after expiration of the Franchise Agreement. This fee in no way limits our rights to obtain other damages we may recover against you under the Franchise Agreement.
Goods and Services Prices and Fees	Current prices and fees	As incurred	We or our affiliates may be approved or designated suppliers. You will pay us our then-current rates for these items.
Third Party Vendor Charges	Your share of any charges billed to us on behalf of your business	After 30 days' notice, billed by EFT	Sometimes it may be in the best interest of brand for vendors to bill us a system-wide charge for a product or service. We will then divide the invoice among our franchisees and charge you for your share.
Quality Control Review Services	Our costs and expenses	As incurred.	If we hire a secret shopper to visit your store or implement other customer satisfaction verification programs, you will pay your share of our costs.
Data Inspections and Reimbursement	Our costs and expenses	Upon demand.	If you repeatedly violate the required data privacy and security obligations under the Franchise Agreement, we reserve the right to charge you our costs and expenses to inspect your business. Additionally, you are responsible for our costs and expenses that arise from your non-compliance or a security breach caused by you or your personnel.
Legal Fees	Our costs and expenses	Upon demand.	If we incur legal expenses while providing assistance to you in legal compliance or negotiation circumstances, we may require you to reimburse us for the legal expenses we incur.
Customer Complaint Fee	Our costs and expenses	Upon demand.	If a customer complains to us and you fail to satisfactorily remedy the complaint, you will pay us our costs to respond to the complaint.

Name of Fee[1]	Amount	Due Date	Remarks
Default Damages	Damages, costs, losses, and expenses	As incurred.	You must promptly reimburse us for any damages, costs, losses, and expenses, including reasonable attorneys' fees, we incur as a result of any default under the Franchise Agreement.
Liquidated damages	An amount equal to royalty fees and marketing fund contributions for the lesser of (i) 2 years or (ii) the remaining weeks of the franchise term.	On demand	Payable if we terminate your franchise agreement because of your default, or if you terminate the franchise agreement without the right to do so.
Transfer Damages	15% of the price paid by the transferee or $25,000, whichever is greater.	Within 15 days of our demand.	Due only if you breach your transfer obligations to us. These are liquidated damages and not a penalty.

Note 1. All fees and expenses described in this Item 6 are non-refundable and, unless otherwise indicated in this Item, are imposed uniformly by, collected by, and are payable to, us. In our last fiscal year, we discounted the Royalty to 16% of Billings per month for one of our franchisees with whom we had an existing professional relationship. Otherwise, all fees mentioned above were applied uniformly to all of our franchisees in our last fiscal year.

Note 2: "Billings" means the total of amount that you invoice students and other customers of the School for the services rendered by the School and from the sale of products, whether for cash or credit and regardless of the collection thereof or later adjustments made or refunds issued. Business continuation insurance processed are considered "Billings" in the month in which they are received. Sales taxes collected and remitted to the taxing authority are excluded. The Royalty is collected on the amounts invoiced in the month, not when students and other customers pay the invoice.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TABLE 1 - NEW SCHOOL[1]

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	LOW	HIGH			
PRE-OPENING COSTS					
Initial Franchise Fee	$30,000	$30,000	Lump sum	At signing of Franchise Agreement	Us
Real Estate Coordination Fee	$0	$3,000	Lump sum	Before opening	Us or our affiliates
Facility Coordination Fee	$0	$10,000	Lump sum	Before opening	Us or our affiliates
Construction, Leasehold Improvements [2]	$5,000	$80,000	As incurred	Before opening	Contractor/Third-party providers
Equipment, Furniture, and Fixtures [3]	$26,000	$46,000	Lump sum	Before opening	Third-party providers
Signage (interior and exterior) [4]	$800	$3,500	As incurred	Before opening	Third-party providers
Computer and Software System [5]	$1,500	$2,000	Lump sum	Before opening	Third-party providers
Student Materials [6]	$800	$2,800	As incurred	Before opening	Third-party providers
Lease Payments [7]	$3,000	$6,600	As incurred	Before opening	Landlord

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	LOW	HIGH			
Utility Deposits [8]	$0	$400	As incurred	Before opening	Utility providers
Insurance [9]	$875	$3,325	As arranged	Before opening	Insurance company
Pre-opening Wages, Travel and Living Expenses [10]	$0	$3,000	As incurred	Before opening	Airline, hotel, restaurants
Grand Opening Advertising [11]	$3,000	$4,500	As incurred	Before opening	Third-party providers
Digital/Online Marketing [12]	$1,300	$1,750	As incurred	Before opening	Third-party providers
Professional Fees[13]	$200	$1,500	As arranged	Before opening	Attorneys, accountants
Architectural Fees[14]	$0	$500	As arranged	Before opening	Accepted architect
Business Permits and Licenses [15]	$200	$1,000	As incurred	Before opening	Licensing Authorities
School Licensure[16]	$5,000	$5,000	As incurred	Before opening	Licensing Authorities
Additional funds – 3 Months (Working Capital)[17]	$2,500	$14,000	As incurred	After opening	Various
TOTAL	$80,175	$218,875			

All of the fees described in this Item that are payable to us are non-refundable, except that we will refund $25,000 of the Initial Franchise Fee if you fail to obtain all initial accreditations and approvals necessary to open the School. Individual vendors, suppliers, utilities, and landlords will have their own refund policies. The above table represents your estimated initial investment through the third month of operation of your business. Neither we nor our affiliate offer direct or indirect financing for your Initial Franchise Fee or for any other payments you must make or costs you must incur in starting and operating your business.

Note 1. This table describes estimates for opening a School from scratch, with no equipment or lease in place. The estimates assume that you will need to lease space from a commercial landlord and purchase all equipment.

Note 2. The low estimate assumes you will be improving a Class B office space or medical village space that is approximately 1,800 square feet. Costs will increase if you lease a space with more square footage, a Class A space, or purchase property. You must finish your space to have sufficient storage. You must lease or provide a suitable facility for the operations of the franchised DENTAL ASSISTANT U School. You may choose a larger facility, but it will increase your operating costs. Your cost to lease or purchase space is difficult to quantify because there are many factors that will impact what you pay. These factors include the DENTAL ASSISTANT U School's location, its square footage, cost-per-square foot, renovation costs and any required maintenance fees. Your landlord, developer, or builder may refund your security deposit or other fees paid, but most will not refund rental payments or other payments made. You should ask your leasing agent or landlord about their refund policy before you sign a lease agreement.

Note 3. The equipment, furniture, and fixtures you will be required to purchase include dental chairs and medical equipment. You will need equipment for 20 students and our estimates reflect that. We assume you will be purchasing, not leasing, your equipment. Our estimated costs do not include transportation or set up charges.

Note 4. Your costs for signage will vary depending on the size of your façade. Our estimates include wall signage for the exterior of the building, interior signage such as logo graphics for windows, and interior brand identification such as wall graphics.

Note 5. The computer equipment you must purchase includes a television, laptop, desktop computer, printer, speakers, and accounting software. See Item 11 for a complete list of the hardware and software you will need for your School.

Note 6. The student materials you must purchase include textbooks, scrubs, and workbooks. Your student materials amounts will vary based on the number of students enrolled in each session. Textbooks, scrubs, and workbooks are included in the price of students' tuition.

Note 7. These estimates represent the costs for three months of rent. These estimates assume you will have free rent until you open your School for operation. Both estimates represent a site in a suburban location.

Note 8. These estimates are based on historical experience of our affiliate's school but will vary based on municipality and service provider.

Note 9. These estimates represent three months of premiums. These estimates are based on the experience of our affiliate and may vary based on your location, insurance provider, and other factors.

Note 10. These estimates represent travel and lodging expenses for three people to attend our two-day training in Wake Forest, North Carolina. These estimates do not include any labor costs.

Note 11. You must spend at least $3,000 for your grand opening marketing. This money must be spent on direct mail marketing to dentists within your Territory within the period that begins 30 days before and ends 30 days after the Launch of your first session. This amount does not count toward your required Local Advertising spend.

Note 12. These estimates represent the initial setup costs and three months of expenditures relating to your digital and online marketing, including search engine optimization and pay per click advertising. These estimates are based on the experience of our affiliate and may vary based on your location and other factors.

Note 13. These estimates represent fees for initial reviews and advisory services for an attorney and an accountant. You may incur greater costs if you engage an accountant or attorney to perform other or additional services or if you use service providers who charge high fees.

Note 14. These estimates represent fees for modification of our standard plans by an accepted architect. You may incur greater costs if you engage an architect to perform other or additional services or if you use an architect who charges high fees.

Note 15. The licenses you are required to obtain include a local business license and building permits. You may need to obtain other licenses and permits, and you are responsible for determining whether you need to do so.

Note 16. You must obtain state and local accreditation and licensure, which will vary widely by jurisdiction and may be subject to change. The high and low estimates provided here are for accreditation and licensure in North Carolina only. The actual accreditation and licensure fees in your jurisdiction will vary.

Note 17. You should have a three-month cash reserve to cover the operations of the DENTAL ASSISTANT U business. Our estimates for the cash reserve you should have on hand include our estimates for three months of rent, utilities, insurance, initial staffing, technology, royalties, and advertising expenses, offset by the revenues we estimate you will collect in the first three months of operation. Our estimates do not include any other charges or expenses, including finance charges, interest or debt service obligations or any other expenses. Your costs, and the amount you should have in reserve, will be affected by factors in the local market, your technical, marketing and general business skills, local economic conditions, local competition, local cost factors and where your School is located. You may need to have more or less money in your cash reserve than what we have estimated. You may need to have additional working capital to cover lower than estimated sales or higher than estimated operating costs. You should speak with a financial advisor to get a more accurate estimate of the amount you should have in reserve. The operating costs for which you may use the cash reserve are typically non-refundable, but you

should ask about refund policies before you patronize any vendor. The payments made to third parties may be refundable depending on the terms offered by each third party. The amounts shown in these and all other estimates in Item 7 are based on the experience of our affiliate.

TABLE 2 - EXISTING LOCATION [1]

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	LOW	HIGH			
PRE-OPENING COSTS					
Initial Franchise Fee	$30,000	$30,000	Lump sum	At signing of Franchise Agreement	The Initial Franchise Fee is paid to us
Construction, Leasehold Improvements [2]	$0	$0	As incurred	Before opening	Contractor/Third-party providers
Equipment, Furniture, and Fixtures [3]	$0	$8,500	Lump sum	Before opening	Third-party providers
Signage (interior and exterior) [4]	$800	$3,500	As incurred	Before opening	Third-party providers
Computer and Software System [5]	$1,500	$2,000	Lump sum	Before opening	Third-party providers
Student Materials [6]	$800	$2,800	As incurred	Before opening	Third-party providers
Lease Payments [7]	$0	$6,600	As incurred	Before opening	Landlord
Utility Deposits [8]	$0	$400	As incurred	Before opening	Utility providers
Insurance [9]	$875	$3,325	As arranged	Before opening	Insurance company

TYPE OF EXPENDITURE	AMOUNT		METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS MADE
	LOW	HIGH			
Pre-opening Wages, Travel and Living Expenses [10]	$0	$3,000	As incurred	Before Opening	Airline, hotel, restaurants
Grand Opening Advertising [11]	$3,000	$4,500	As incurred	Prior to opening	Third-party providers
Digital/Online Marketing [12]	$1,300	$1,750	As incurred	Before opening	Third-party providers
Professional Fees[13]	$200	$1,500	As arranged	Before opening	Attorneys, accountants
Business Permits and Licenses [14]	$200	$1,000	As incurred	Before opening	Licensing Authorities
School Licensure[15]	$5,000	$5,000	As incurred	Before opening	Licensing Authorities
Additional funds – 3 Months [16]	$2,500	$14,000	As incurred	After opening	Various
TOTAL	$46,175	$87,875			

All of the fees described in this Item that are payable to us are non-refundable, except that we will refund $25,000 of the Initial Franchise Fee if you fail to obtain all accreditations and approvals necessary to open the School. Individual vendors, suppliers, utilities, and landlords will have their own refund policies. The above table represents your estimated initial investment through the third month of operation of your business. Neither we nor our affiliate offer direct or indirect financing for your Initial Franchise Fee or for any other payments you must make or costs you must incur in starting and operating your business.

Note 1: This table describes estimates for opening a School at an existing dental office. The estimates assume that you are either a dentist who has already leased and upfitted the space you will be using for your School, or that you are subleasing space from a dentist who has already leased and upfitted the space you will be using for your School.

Note 2. These estimates assume you will not need to upfit a space to meet the needs of your School because the space will have already been built out and largely equipped for a dental office. You must have sufficient space in your premises for storage. There is no square footage requirement, but we retain the discretion to determine if the size and specifications of your space are adequate.

Note 3. The low estimate assumes that you already have all of the dental, medical, and instructional equipment you need. The high estimate assumes you will purchase NOMAD dental equipment but have the other required dental and medical equipment. The high estimate also assumes you will need to purchase instructional equipment, such as a computer, desks, chairs, and a TV. You will need sufficient equipment for 20 students and our estimates reflect that. We assume you will be purchasing, not leasing, your equipment. Our estimated costs do not include transportation or set up charges.

Note 4. Your costs for signage will vary depending on the size of your façade. Our estimates include wall signage for the exterior of the building, interior signage such as logo graphics for windows, and interior brand identification such as wall graphics.

Note 5. The computer equipment you must purchase includes a television, laptop, desktop computer, printer, speakers, and software. See Item 11 for a complete list of the hardware and software you will need for your School.

Note 6. The student materials you must purchase include textbooks, scrubs, and workbooks. Your student materials amounts will vary based on the number of students enrolled in each session. Textbooks, scrubs, and workbooks are included in the price of students' tuition.

Note 7. The low estimate assumes you are already leasing space for your existing dental practice and thus do not need to rent any additional space for the School. The higher estimate assumes you will be subleasing space from an existing dental practice. These estimates represent the costs for three months of rent.

Note 8. These estimates are based on historical experience of our affiliate's School, but will vary based on municipality and service provider.

Note 9. These estimates represent three months of premiums. These estimates are based on the experience of our affiliate and may vary based on your location, insurance provider, and other factors.

Note 10. These estimates represent travel and lodging expenses for three people to attend our two-day training in Wake Forest, North Carolina. These estimates do not include any labor costs.

Note 11. You must spend at least $3,000 for your grand opening marketing. This money must be spent on direct mail marketing to dentists within your Territory within the period that begins 30 days before and ends 30 days after the Launch of your first session. This amount does not count toward your required Local Advertising spend.

Note 12. These estimates represent the initial setup costs and three months of expenditures relating to your digital and online marketing, including search engine optimization and pay per click

advertising. These estimates are based on the experience of our affiliate and may vary based on your location and other factors.

Note 13. These estimates represent fees for initial reviews and advisory services for an attorney and an accountant. You may incur greater costs if you engage an accountant or attorney to perform other or additional services or if you use service providers who charge high fees.

Note 14. The licenses you are required to obtain include a local business license and building permits. You must obtain state and local accreditation and licensure, which will vary widely by jurisdiction and may be subject to change. You may need to obtain other licenses and permits, and you are responsible for determining whether you need to do so.

Note 15. You must obtain state and local accreditation and licensure, which will vary widely by jurisdiction and may be subject to change. The high and low estimates provided here are for accreditation and licensure in North Carolina only. The actual accreditation and licensure fees in your jurisdiction will vary.

Note 16. You should have a three-month cash reserve to cover the operations of the DENTAL ASSISTANT U business. Our estimates for the cash reserve you should have on hand include our estimates for three months of rent, utilities, insurance, initial staffing, software, royalties, and advertising expenses, offset by the revenues we estimate you will collect in the first three months of operation. Our estimates do not include any other charges or expenses, including finance charges, interest or debt service obligations or any other expenses. Your costs, and the amount you should have in reserve, will be affected by factors in the local market, your technical, marketing and general business skills, local economic conditions, local competition, local cost factors and where your School is located. You may need to have more or less money in your cash reserve than what we have estimated. You may need to have additional working capital to cover lower than estimated sales or higher than estimated operating costs. You should speak with a financial advisor to get a more accurate estimate of the amount you should have in reserve. The operating costs for which you may use the cash reserve are typically non-refundable, but you should ask about refund policies before you patronize any vendor. The payments made to third parties may be refundable depending on the terms offered by each third party. The amounts shown in these and all other estimates in Item 7 are based on the experience of our affiliate.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Required Vendors, Products, and Services. To the extent we have standards, specifications, or approved suppliers, you must purchase all dental equipment, dental tools, marketing materials and services, and other supplies, furnishings, fixtures, equipment, goods, and services you offer and sell or use in the operation of the School that meet our standards and specifications and must purchase them from the vendors we approve or designate, which may include us or our affiliates, in strict conformance with our Brand Standards Manual and proprietary guidelines. We have developed and may develop additional standards and specifications for these items that we make available to you through the Brand Standards Manual, pre-opening materials, and other communications. We and our affiliates reserve the right to be an approved or exclusive supplier of any of the equipment, marketing, instructional materials, technology, goods and services you use in the operation of the School.

You are required to purchase the hardware and other software as we require from an approved supplier. We reserve the right to change the required systems or vendor, or to require you to use a proprietary system. We may access your computer system or the reports on it at any time.

You are also required to purchase all instructional materials from vendors we approve.

You are required to use our approved real estate broker if you not operating your business from an existing dental practice.

If the existing dental practice you select needs updating in its décor to comply with our brand standards, we will require you to use our designated supplier of decorating services.

You must use our designated vendor for digital marketing.

You are required to use our approved provider of phone and sales services. We (or our affiliate) are currently the exclusive provider of these services. Currently, we provide these services from a central location at no additional cost to you. See Item 6.

You are required to use a designated insurance provider for student liability insurance.

We reserve the right to recommend or designate a vendor that can provide financing for your students' tuition.

You are required to use the school management system that we designate, which is currently poliSchool.

You are required to use a designated e-learning platform to provide asynchronous self-learning instruction, which is currently LearnDash. We (or our affiliate) are currently the exclusive provider of this product. Currently, we maintain a corporate license for which we are billed a system-wide charge. We will then divide the invoice among our franchisees and charge you for your share which will include an implementation fee and an ongoing fee determined by student usage. See Item 6.
You are required to use the credit card processing service we approve. Our designated vendors of credit card payment processor are currently PayPal Merchant Services and Stripe. Both vendors charge a transaction fee.

We must accept your location. If you do not own your business premises, we must approve the lease or sublease of your DENTAL ASSISTANT U space or the existing location. It is your responsibility to select your own location. We have the right to require you and your landlord to provide in the lease that we shall have the right at our option and without compensation to you to take assignment of the lease should you materially default under the lease or should your franchise terminate or not be renewed for any reason. You are not allowed to relocate the business premises without our prior written approval.

Within 30 days of opening your School, you must submit to us a teach-out plan to be used in the event that you cease to operate your School before your students have been able to fully complete the sessions for which they registered. We must approve the teach-out plan. We may require you

to use us, our affiliate, or our other franchisees as the teach-out instructor. We will maintain the teach-out plan on file and you may not alter the plan without our approval.

Unauthorized Suppliers. Where we have a designated or approved supplier, you must use that supplier. Not purchasing your dental tools, equipment, marketing materials, supplies, computer hardware and software, services, or any other items where we have designated an approved supplier would put you in violation of the Franchise Agreement.

Insurance. You are obligated to obtain and maintain at your own expense the types and amounts of insurance that we designate in our Brand Standards Manual or otherwise in writing. You must obtain student liability insurance from our designated supplier. All policies (except any workers' compensation insurance) must name us as an additional insured. These policies must expressly protect both you and the additional insureds and will require the insurer to defend both you and us in any action while reserving the additional named insured's right to involve counsel of their own choosing in protection of their own and system wide interests. Additionally, your insurance policy must waive on behalf of the insurer any right of subrogation by the insurance company against us, the additional named insureds, our officers, shareholders, and employees. Your insurance must apply as primary and non-contributory. In addition to any other insurances that may be required by applicable law or by your landlord, you must procure:

(a) Commercial general liability insurance with the following coverages:
  i. General Aggregate with limits of at least $2,000,000
  ii. Each Occurrence with limits of at least $1,000,000
  iii. Medical Expenses with limits of at least $5,000 for any one person
  iv. Products Liability with limits of at least $2,000,000
  v. Property Damage with limits of at least $100,000 in each occurrence
  vi. Person and Advertising Liability Injury with limits of at least $1,000,000
(b) Business Personal Property insurance with limits of at least $35,000
(c) Building Insurance with limits of at least $90,000
(d) Private Proprietary School Guaranty Bond that complies with the statutory requirements of the state in which your business is located
(e) Student Liability Insurance with limits of at least $1,000,000 per claim and $5,000,000 in aggregate
(f) Professional Liability Insurance with limits of at least $1,000,000 per claim and $3,000,000 in aggregate
(g) Worker's compensation insurance that complies with the statutory requirements of the state in which your business is located
(h) Business interruption insurance with coverage for a loss period of at least 6 months

The Franchise Agreement also outlines the types, amounts, terms and conditions of insurance coverage required for your School, including, but not limited to, standards for underwriters of policies providing required insurance coverage; our protection and rights under such policies as an additional named insured; required or impermissible insurance contract provisions; assignment of policy rights to us; periodic verification of insurance coverage that must be furnished to us; our right to obtain insurance coverage at your expense if you fail to obtain required coverage; our right to defend a claim; and similar matters relating to insured and uninsured claims. If a lease or any other contract you enter into requires more insurance than listed above, you must purchase and

maintain such additional insurance, but you must never have less insurance than that listed above. You are required to purchase business interruption insurance and must use the proceeds received from your business interruption insurance to pay Royalties during any period your business is interrupted by any Force Majeure. As used in this Item, the term "Force Majeure" shall mean any act of God (including, but not limited to, flood, earthquake, hurricane, tornado, snow storm or ice storm), strike, lockout or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government and any other similar cause not within your control.

The cost of this coverage will vary depending on the insurance carrier's charges, terms of payments and your history. From time to time in our sole discretion, we may increase or modify such limits of liability or require additional types of coverage, including coverage for cyber liability. If you fail to purchase or maintain required insurance, we may, but are not obligated to, obtain such insurance for you and keep the same in force and effect, and you shall pay us, on demand, all premiums charged for such insurance policies together with a reasonable fee for the expenses we incur in doing so.

Method of Approving Suppliers and Vendors. To use a supplier, product, service, or vendor that we have not already approved, you must first submit to us certain information including product specifications, costs, product components, performance history, product samples or photographs, and any other relevant information. We will evaluate the proposed good, service, or supplier based upon certain criteria and determine if you are approved to use the alternate good, service, or supplier. We do not make the criteria available to you. If the good, service, or supplier meets our criteria, you may use it. We do inform you that we generally evaluate technical and performance properties of the good, service, or supplier, including design, appearance, product reliability, durability, the manufacturer's warranties, quality control methods, financial ability of the product's producers and distributors, supplier history and reputation, and supplier capacity. Our review is generally completed in 90 days. If we do not approve of the supplier, good, or service within 120 days, then that good, service, or supplier is deemed not approved and you must not use that supplier, good, or service. We will advise you in writing of our decision. We impose these restrictions to safeguard the integrity of both the System and our Marks. We reserve the right to revoke approval for any good, service, or or supplier for any reason, and you must cease to use the good, service, or supplier upon 30 days' notice from us. If you request that we evaluate an good, service, or supplier, you will pay all fees and costs incurred by us to obtain the necessary information and to conduct the evaluation.

Even with approved suppliers, only certain items are approved. We have the right to change our business relationship with our approved suppliers as well as the right to add and/or remove approved suppliers from the approved supplier list.

Required Purchase Percent of Revenue. The cost of the items that you must purchase from us, our affiliates or from suppliers designated by us, represents between 10% and 30% of your total purchases in connection with the establishment of your School. The cost of the items that you must purchase from us, our affiliates or from suppliers designated by us represents between 40% and 50% of your total purchases in operating your School.

Revenue Derived. In the last fiscal year, we did not receive any revenue from our franchisees' required purchases or leases. We may in the future derive revenue or other consideration such as

rebates from the products and services you are required to purchase or lease from us or from other vendors and suppliers.

Interest in Suppliers. Our owners Tammy Hughes and Robyn Klose own an interest in us and our affiliates EVOLVE DENTAL MANAGEMENT GROUP, LLC and THE DENTAL ASSISTANT ACADEMY OF CHARLOTTE, LLC, which entities may be approved to supply you with certain goods and services. Tammy Hughes owns an interest in an approved real estate supplier, Hughes Properties. Otherwise, none of our affiliates, officers, or owners own any interest in any approved supplier of goods or services to our franchisees. We reserve the right to become, or approve our affiliates to become, approved suppliers in the future or receive benefits from required purchases that we do not currently receive. We do not share any revenue or benefit received with you as a result of your purchases or leases and we are under no obligation to share any revenues or benefits received with you.

Purchasing or Distribution Cooperatives. Currently you are not required to participate in a purchasing or distribution cooperative, but we have the right to require you to participate in one in the future.

Miscellaneous. We may negotiate purchase agreements with suppliers, including price terms, for the benefit of the franchisees; however, we are not required to do so. Because of the volume of business franchisees may bring in the future to our suppliers, you may enjoy lower prices than you could receive from other suppliers, or on the other hand, you may encounter higher prices than you would otherwise encounter if you were not required to purchase from the authorized supplier. We may, but are under no obligation to, negotiate with these suppliers to your benefit. We do not provide franchisees with any material benefits based upon a franchisee's use of approved suppliers.

ITEM 9. FRANCHISEE'S OBLIGATIONS

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

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	Franchise Agreement §§ 1, 2(b)(viii), 2(b)(ix), and 10; Franchise Rider	Items 7, 8, and 11
b. Pre-opening purchases/leases	Franchise Agreement §§ 4, 10, 11, and 12; Lease Rider	Item 8
c. Site development and other pre-opening requirements	Franchise Agreement §§ 2(b)(viii), 7, 8(a)(i), 8(e), 9, 10, 11(a), 11(b), 11(c), 11(h), 12(a)-(c) and Attachment 2 (Lease Rider)	Items 7, 11
d. Initial and ongoing training	Franchise Agreement §§ 4(a), 11(a) and 11(c)	Item 11

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
e. Opening	Franchise Agreement §§ 1, 3, 4 and 8(a)(i),	Items 5, 7, 11
f. Fees	Franchise Agreement §§ 2(b)(vi), 2(e), 3, 8, 11(c), 11(o)(iv), 13(d)(viii), Attachment 1 (Franchise Rider), Attachment 5(a) (Noncompetition Agreement) and Attachment 5(b) (Nondisclosure and Non-Solicitation Agreement)	Items 5, 6, 7, and 17
g. Compliance with standards and policies/operating manual	Franchise Agreement §§ 2(b)(iv), 4; 11; and Brand Standards Manual	Items 13 and 15
h. Trademarks and proprietary information	Franchise Agreement §§ 7 and 11(d), 11(e); Brand Standards Manual	Items 13 and 14
i. Restrictions on products/services offered	Franchise Agreement §§ 11(d), 11(e) and 12	Items 8 and 16
j. Warranty and customer service requirements	Franchise Agreement §§ 11(k) and (v), and 17(c)(iv)	Item 15
k. Territorial development and sales quotas	Not Applicable	Not Applicable
l. Ongoing product/service purchases	Franchise Agreement § 12	Not Applicable
m. Maintenance, appearance and remodeling requirements	Franchise Agreement §§ 10, 11(d) - (e)	Item 8 and 11
n. Insurance	Franchise Agreement § 16	Item 8
o. Advertising	Franchise Agreement §§ 8 and 10(b)	Items 6, 7, and 11
p. Indemnification	Franchise Agreement § 19(b)	Item 6
q. Owner's participa-tion/management/staffing	Franchise Agreement § 11	Item 15
r. Records/reports	Franchise Agreement § 11(o)	Items 6 and 17
s. Inspections/audits	Franchise Agreement §§ 11(o) and 11(p)	Item 6
t. Transfer	Franchise Agreement §§ 13 and 14	Item 17
u. Renewal	Franchise Agreement § 2(b) - (c)	Item 17

OBLIGATION	SECTION IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
v. Post-termination obligations	Franchise Agreement §§ 7(d), 11(h), 14, 15, 17, 18, 19 and Attachment 5(a-b)	Item 17
w. Non-competition covenants	Franchise Agreement §§ 11(h), 14, 15, 18, and Attachment 5(a)	Item 17
x. Dispute resolution	Franchise Agreement §§ 19 and 21	Items 6 and 17

ITEM 10. FINANCING

Neither we nor any of our affiliates offer financing. Neither we nor any of our affiliates will guarantee your lease, note, 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.

Pre-Opening Assistance:

After you sign your Franchise Agreement, but before you open your School:

1. Initial Training. We will offer you a training program as described in more detail below.

2. Instructional Tools. We will provide you with an opening package of instructional tools, including typodonts, visual aids, training videos, and samples of instructional materials.

3. Brand Standards Manual. We will lend you a set of our Brand Standards Manual.

4. Site Selection. It is your responsibility to select and outfit your own location. You will be required to use our accepted real estate broker. Otherwise, we are not required to provide or assist you in locating a site or obtaining your School premises. We do not lease or sell properties or premises to our franchisees nor assist you in modifying the location to meet local ordinances and codes. However, if requested, we will advise you on recommended locations, remodeling of the premises, and the purchase or lease of equipment, signs, and fixtures. We must accept the site location and approve the lease if you do not own the premises. As part of the acceptance process, we can require you to make updates or upgrades to the site to comply with the brand standards, including standards for décor and interior design. You must execute your premises lease within 120 days of signing the Franchise Agreement. Generally, we accept or reject a site within 30 days of receiving the request. In the event we do not accept a proposed site within said 30 days, such site shall be deemed rejected by us. Our acceptance of your site may be based on various criteria, including but not limited to business, count, traffic count, accessibility, parking, visibility, competition, interior design and décor of the site, and license availability. It is your responsibility

to ensure that your premises conforms to local ordinances and building codes as well as to obtain any required permits. Your premises must conform to our required standards. If you are opening a School within a new premises not already being used as a dental office, you must secure a space with at least 1,800 square feet. Size requirements are subject to our discretionary approval if you are opening a School at a location with an existing dental office. If you fail to execute a lease or purchase contract for the site within a reasonable amount of time after our acceptance of the site, we reserve the right to refer it to another franchise applicant or develop it as a company-owned business. If you fail to select a site that we accept and begin operations within 12 months (for any reason other than failure to obtain all accreditations and approvals necessary to open the School), you will be in default under the franchise agreement and we may, in our sole discretion: (1) allow more time; or (2) terminate your franchise agreement without any refund to you. (Franchise Agreement Sections 1, 4, and 10.)

5. List of Approved Vendors and Suppliers and Specifications. Before you open your location and to the extent we have them, we will provide you with a copy of our list of approved vendors and suppliers or specifications and standards for all required or recommended dental equipment, dental tools, marketing materials, supplies, signage, décor and other goods and services. You will be responsible for obtaining all items necessary to operate your School.

6. Other Advice. We are not required to provide you other supervision, assistance or services prior to the opening of the School. (Franchise Agreement Section 4.) However, if requested, we will advise on additional topics related to the opening of your School. We do not hire your employees. We generally set the prices for the courses you offer, but you may deviate from these prices if you receive our prior approval.

Ongoing Assistance:

During the operation of the School under your Franchise Agreement:

1. System Improvements. We will make available to you from time to time all improvements and additions to the franchise System to the same extent and in the same manner as they are made available to DENTAL ASSISTANT U franchisees generally. These improvements may include opportunities to offer new goods and services. There is no limit to the maximum amount required to be spent on improvements. (Franchise Agreement Section 4(a)(v).)

2. Online Presence. We will maintain an Online Presence for the brand, as discussed below.

3. Pricing. To the extent permissible under applicable law, we reserve the right to set promotional and maximum and minimum prices for certain products and services. We will advise you regarding pricing strategy.

4. Central Services. You are required to use our approved provider of phone and sales services ("Central Services"). We (or our affiliate) are currently the exclusive provider of the Central Services. Currently, we provide the Central Services from a central location at no additional cost to you. Currently, the Central Services include the processing of student inquires and applications by way of text, email, phone, and our online portal with a focus on conversion and admissions, the implementation of compliant enrollment processes, management of student

payment plans and related accounts receivable, and the provision of support resources relating to regulatory compliance. The provider of, and the services included in, the Central Services are subject to change in our sole discretion and any such change shall not entitle you to any reduction in any fees relating to the Central Services.

Optional Assistance:

1. Advice. We may provide advice and consultation services to you. We may provide our recommendations on resolving operating problems you encounter. We can establish and reserve the right to modify systems for administration, bookkeeping, accounting, and inventory control. We do not assist you in hiring your employees. If you request a level of assistance greater than what we provide to other franchisees, we have the right to charge you our then-current additional training fee. (Franchise Agreement Section 4.)

2. Advertising. We may make available to you from time to time advertising materials we prepare for use by DENTAL ASSISTANT U franchisees generally. We may also review advertisements that you propose to use. (Franchise Agreement Section 8.) We reserve the right to use our own funds from time to time to conduct advertising. We have the sole discretion to determine the advertising products, media, source of advertising, and geographical markets for the advertising. We have no obligation to supply you with any advertising material produced for us at our sole expense.

3. Additional Training. We may offer additional training as we see fit or as you request. We charge you for this at the rate of $200 per person, per day plus expenses incurred. You must pay for it at the time of the training, unless alternative billing arrangements are agreed to. Also, you bear all indirect training costs and expenses, such as salary expenses of your employees and all expenses of travel, lodging, meals and other living expenses you and your designee incur. While most additional training is optional, you may be required to attend the additional training.

4. Conferences and Conventions. While we are not required to do so, from time to time we may offer conferences and other training courses relating to our industry and to the conduct of the School. Franchisees are required to attend all conferences and other required training courses. These courses may be conducted by our employees and/or by other trainers and will address various aspects of our business and other topics of interest to franchisees. We have the right to charge you a tuition fee for each attendee, whether or not the attendee is required to attend. Additionally, you will be responsible for all transportation, lodging, food, and other costs incurred by any of your attendees in attending such seminar.

5. Franchise Advisory Council. While we are not required to do so, we reserve the right to maintain a Franchise Advisory Council ("FAC"). The FAC would provide advice to us on various matters, including advertising. The FAC would serve in an advisory capacity only and would have no operational or decision-making power. We would appoint the members of the FAC and have the power to change or dissolve it at any time.

DEVELOPMENT SCHEDULE

We expect you to receive all required licenses, approvals, or accreditation within four months of signing the Franchise Agreement and have the right to terminate the Franchise Agreement if you fail to open within one year after you sign the Franchise Agreement. You must receive all federal, state, and local approvals, licenses, and permits to operate the School within 120 days after executing the Franchise Agreement unless we agree to an extension. If you do not timely obtain the approvals, we can terminate the Franchise Agreement. The factors that affect your opening timeline include the amount of time and effort you commit to the licensure, accreditation, and site development processes; your ability to obtain a lease; and your ability to obtain financing.

TRAINING

The initial pre-opening training program for an owner, your School Director, and an instructor will be approximately 16 hours, covered over the course of two days, at our headquarters in Wake Forest, North Carolina. During this time, an owner, School Director, and instructor will spend time learning the day-to-day operations and management of the business according to DENTAL ASSISTANT U standards. We will train up to three people as part of this pre-opening training program for new franchise owners. We plan to schedule training classes on an as needed basis. The owner, your instructor, and your School Director, as applicable, must complete our training to our satisfaction prior to launching your School. You will be responsible for the compensation, travel, lodging, and board expenses associated with the initial training.

All training is provided by trainers with at least 12 months of experience with the DENTAL ASSISTANT U franchise system and who have been certified by us.

This program is designed to help you obtain a first-hand understanding of what it takes to open, manage, and develop your School. We will review all aspects of operating your School. You will learn about School operations, admissions, licensure, and our curriculum. Refer to the chart below for a summary of the topics covered.

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Communication 101	0.5	0	Wake Forest, NC
Use of Facilities for Instructional Purposes	2	0	Wake Forest, NC
Dental Equipment Instruction	2	0	Wake Forest, NC
Curriculum Review	2	0	Wake Forest, NC
Clinical Instruction Review	4	0	Wake Forest, NC
Leadership and Operations	1	0	Wake Forest, NC
Marketing	0.5	0	Wake Forest, NC
Admissions	1	0	Wake Forest, NC
Recordkeeping	1	0	Wake Forest, NC
Compliance	1	0	Wake Forest, NC

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Licensure	0.5	0	Wake Forest, NC
Corporate Rapport	0.5	0	Wake Forest, NC
Total	**16**	**0**	

In addition to the pre-opening training program, a Field Consultant will inspect your School at your location at least two weeks before the start of the first session. This Launch Inspection will last for approximately four hours and you and your School Director must be in attendance. On the Launch day of your first session, a Field Consultant will be on-site at your school to provide Go-Live! assistance. You will pay our additional training fees of $200 per person per day per day plus expenses incurred for our help with the Launch Inspection and Launch Go-Live!

BRAND STANDARDS MANUAL

The Brand Standards Manual contain mandatory and suggested specifications, standards, and procedures. They are confidential and remain our property. Your employees are to see them only on a need to know basis, subject to confidentiality agreements. We may modify this material from time to time and its modified terms are binding on you. The Brand Standards Manual currently contains a total of 381 pages. The table of contents for our Brand Standards Manual is in Exhibit K. (Franchise Agreement Section 11(h).)

ADVERTISING

You must use only advertising materials we have approved or prepared for your use. You may not use any unapproved advertising. (Franchise Agreement Section 8(d).) You may develop marketing materials for your own use at your own cost. We encourage the sharing by franchisees of marketing ideas and materials. We require you to submit marketing and promotional materials to us in advance and to obtain our approval before using them. If we do not approve of your marketing materials within 20 days after you submit them to us, then they are deemed disapproved, and you may not use such materials. You can only advertise your School on websites approved in advance by us. You are required to follow our instructions in connection with any marketing or promotional materials we provide for your use. (Franchise Agreement Section 8(d).)

Brand Fund. We have not implemented a separate or dedicated brand fund or other advertising fund and we do not have the right to require you to contribute to one in the future.

Advisory Council. We currently do not have an advisory council composed of franchisees that advises us on topics, including advertising policies. If we form or approve an advisory council, you must participate. Any advisory council would not have decision-making power. It would be advisory only. We have the right to form, change or dissolve any advisory council.

Local Advertising Requirement. We require that you spend at least 1% of your Billings per month on local advertisement. This requirement begins the date your School opens. We will require that you submit documentation at least quarterly to us to verify to us that you are meeting this

requirement. We may designate the manner in which you use your local advertising expenditure and the vendors you use. We may require that you remit this amount to us or our affiliates to provide you with services related to local advertising. You may choose to spend more than the required amount on local advertising services and materials.

You must spend at least $3,000 on grand opening advertising, marketing, promotional items, and giveaways during the time period that begins 30 days before you launch your first session and ends 30 days after. This amount will not count toward the 1% of Billings you must spend on local advertising per month. You must spend this $3,000 on grand opening as we require. You may choose to spend more money. (Franchise Agreement Section 8(a)(i).)

Local Advertising Cooperatives. While we have not yet established any local advertising cooperatives, we have the right to require that advertising cooperatives be formed, changed, dissolved, or merged. Each local advertising cooperative would be required to adopt written governing documents. Each cooperative would determine its own voting procedures; however, each franchisee and each company-owned DENTAL ASSISTANT U School would be entitled to one vote in any local advertising cooperative. The maximum fees that can be imposed by the cooperative are 2% of Billings. The members and their elected officials would be responsible for administration of the cooperative. Advertising cooperatives would be required to prepare quarterly and annual financial statements prepared by an independent CPA which would be required to be made available to all franchisees in the advertising cooperative. Any cooperative formed is not a trust fund. We would have no fiduciary duty to you or any franchisee in connection with the collection or use of the cooperative monies or any aspect of the operation of the cooperative. (Franchise Agreement Section 8(b).)

ONLINE PRESENCE

We may maintain a website in order to promote the Marks, or any or all of the Schools within the System. We may also develop and maintain any other type of online, internet, virtual, or digital presence (each an "Online Presence") as we see fit. An Online Presence includes but is not limited to (1) the brand website, other webpages, or domain names; (2) accounts, pages, or profiles on social media sites; social networking sites; news sites and groups; online, internet, or digital directories; video, audio, photography, and messaging services; blogs; or forums; (3) e-commerce sites or accounts; (4) digital or online advertising and marketing content and services; (5) mobile applications; (6) virtual reality platforms; or (7) any identifiers of an Online Presence; or (8) a presence on any other type of online, internet, virtual, or digital tool, good, or service that may be developed. We will have the sole right to control all aspects of each Online Presence, including its design, content, functionality, links to any other Online Presence, legal notices, and policies and terms of usage. We will also have the right to discontinue operation of any Online Presence at any time without notice to you. You may not establish or operate an Online Presence (including a website, webpage, domain name, Internet address, social media account, blog, forum, advertisement, e-commerce site, podcast, digital distribution platform account, or email address) that in any way concerns, discusses or alludes to us, the System or your School without our written consent. The Marks may not be used as part of, in conjunction with, to establish, or to operate any Online Presence, except as specifically approved by us. You may not post, and must take such steps as necessary to ensure that your employees do not post any information on an Online Presence relating to us, the System, the Marks, or the School that (a) does not comply with our

brand, social media, or Online Presence guidelines described in the Brand Standards Manual, (b) is derogatory, disparaging, or critical of us, the System, or the Marks, (c) is offensive, inflammatory or indecent, or (d) harms the goodwill and/or public image of the System and/or the Marks. Subject to the terms of the Franchise Agreement and Brand Standards Manual, we may make available to you a subpage on our website that will be located at a sub-domain of the website to be specified by us (or on a subpage of another Online Presence) (the "Subpage"). Upon the termination, non-renewal, or expiration of the Franchise Agreement for any reason or a default under the Franchise Agreement for any reason, we will not upload content for you, you may not use the Subpage and we may cease to make the Subpage available to you. For any Online Presence or email address you are approved to create, use, or maintain, we reserve the right to be exercised at our option to have the Online Presence or email address directly owned by us or to require it to be transferred to us after the expiration or termination of the Franchise Agreement. (Franchise Agreement Section 8(g).) We have the right to require that any Online Presence or email address we permit you to use, create or maintain be registered in our name. Upon request, you must provide us with any login credentials for any Online Presence or email address you are authorized to use. We have the right to access any Online Presence to take corrective action if any content or post on the Online Presence is in violation of our policies and we may take ownership of any Online Presence upon expiration or termination of the Franchise Agreement or during the term of the Franchise Agreement and operate it as we see fit.

COMPUTER SYSTEMS

You must purchase or lease the required computer systems, hardware, software, and POS systems ("Computer Systems") as designated by us and from our designated supplier(s). The current required equipment consists of a television (a minimum size of 55"), a laptop computer (purchased within the last three years), a desktop computer (purchased within the last three years), Microsoft Office Suite, QuickBooks Online, high-speed internet, a color printer, and speakers. The exact number of consoles and other equipment you will purchase will likely vary depending on the capacity and layout of your School. The initial cost to purchase the equipment is estimated to be $1,500 to $2,000. You will be required to use PayPal Merchant Services and Stripe, our designated credit card processors. The cost to use these services is a fee based upon a percentage of the transaction, and is currently 2.9% plus $0.30 per transaction for PayPal Merchant Services and Stripe.

Current Computer Systems requirements are also updated from time to time in the Brand Standards Manual. As the Computer Systems requirements change, you may be required to upgrade, update, or replace your Computer Systems. There are no restrictions on our ability to change the Computer Systems and there is no limitation on the costs you may incur as a result of upgrading, updating, or replacing your Computer Systems. Neither we nor our affiliate have any contractual obligation to upgrade, maintain, or update Computer Systems. Your individual contracts with third-party suppliers may contain obligations for those third-party suppliers to provide updates, maintenance, and upgrades. We will not be liable to you for any updates, maintenance, or upgrades or failures to provide updates, maintenance, or upgrades by the approved Computer Systems suppliers. We reserve the right to require you to use and pay for proprietary software. (Franchise Agreement Section 11(q).)

We will have the right at all times to independently access your Computer Systems to retrieve, analyze, and use the information, including your financial information. You agree that we will have the free and unfettered right to retrieve any data and information from your computers or cloud-based computer software solutions as we, in our sole discretion, deem appropriate, including electronically accessing the sales data, customer lists, and other data of the School. There is no contractual limit on our right to access and use data. (Franchise Agreement Section 7(h) and 11(q).)

We recommend that you back up your data locally, which may require you to purchase a "back-up" subscription service. We are not responsible under any circumstances for any malfunction or "crash" of the Computer Systems we require, recommend, provide, or approve, including for any School data lost as a result of that malfunction or "crash."

Despite the fact that you must buy, use, and maintain the Computer Systems according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer Systems; (2) the manner in which your Computer Systems interface with our and any third party's technology; and (3) any and all consequences if the Computer Systems are not properly operated, maintained, and upgraded.

ITEM 12. TERRITORY

We will grant to you an exclusive, protected territory that we designate in Attachment 1 to the Franchise Agreement ("Territory"). Typically, that Territory will consist of the greater of: (i) an area containing approximately 300,000 people, as determined by the latest U.S. Census data or other data we deem reliable or (ii) a 15-mile radius of the School. We reserve the right to grant you a Territory with a smaller or greater population, as mutually agreed upon by you and us. We will not operate nor allow any other party to operate a DENTAL ASSISTANT U School within your Territory, as long as you are not in default under your Franchise Agreement. Your Territory is protected only to the extent that no one may locate a DENTAL ASSISTANT U School within its geography. We cannot modify your territorial rights during the term of the Franchise Agreement, but we can modify your Territory upon renewal.

You may not sell products or provide services to anyone off-site of your location unless we provide you prior approval. If you receive any permission to sell goods and services off-site or outside of your Territory, you do not gain any territory or exclusivity right. We have the right to terminate or suspend your approval to conduct any off-premises or out-of-Territory activities. You may not advertise or market outside your Territory. The School is to be operated as a brick and mortar School providing dental assisting training, and you agree not to sell any items or services through any other channel of distribution, including online sales, or offsite events, without our prior, written permission. You shall have no right to sell or provide your courses and materials online, by publication, by mail order catalog sales, telemarketing, mobile application, and/or internet marketing or by any other fashion other than classes provided to your students at your specific business location or at approved off-site events.

Reserved Rights: Regardless of either proximity to your Territory or your School, or any actual or threatened impact on sales of your School, we retain all rights not expressly granted to you, including, among others, to: (a) use the Marks and System in connection with establishing and

operating DENTAL ASSISTANT U businesses at any location outside the Territory; (b) use the Marks or other marks in connection with selling or distributing any goods or services anywhere in the world (including within the Territory), whether or not you also offer them, through channels of distribution other than a permanent, physical DENTAL ASSISTANT U-branded School that offers dental assisting courses in your Territory, including, for example, other temporary retail locations, mobile applications, catalogs, mail order, the Internet or other electronic means, events within your Territory, or directly to students, prospective students, or businesses within your Territory; (c) acquire, establish or operate, without using the Marks, any business of any kind at any location anywhere in the world (including within the Territory); (d) use the Marks in connection with soliciting or directing advertising or promotional materials to customers anywhere in the world (including within the Territory); (e) use the Marks and the System in connection with establishing and operating schools that offer educational programs, including dental programs other than dental assisting courses, anywhere in the world (including within the Territory); and (f) engage in any other activity, action or undertaking that we are not expressly prohibited from taking under the Franchise Agreement.

If we decide in the future to exercise these rights, we will not be obligated to compensate you for such sales made inside or outside your Territory.

Use of Alternate Trademark. In some cases we may permit you to operate a School selling the same products and services as the other franchisees under the NC DENTAL U name, or another Trademark of our designation, if you will operate inside the state of North Carolina. A School using an alternate name will execute our standard Franchise Agreement and will abide by the same practices and procedures as all other DENTAL ASSISTANT U franchisees. We are still the franchisor for these businesses and will operate at the same office as we do for DENTAL ASSISTANT U franchisees. The Territory granted to a DENTAL ASSISTANT U franchisee, regardless of the mark used by the franchisee to operate, remains exclusive to the franchisee. If there is any confusion or conflict between the franchisees using different Trademarks, we will seek to resolve them informally and if necessary through the dispute resolution provisions in the Franchise Agreement.

Miscellaneous: You may not establish more than one DENTAL ASSISTANT U business in your Territory without entering into a separate Franchise Agreement. We do not grant under this disclosure document any option, right of first refusal, or similar right to acquire additional franchises. You may not relocate the business premises without our written approval. Except in cases of emergency, you must occupy the new premises and open your business in the new premises before vacating your original premises. Your rights to the Territory granted under the Franchise Agreement are not contingent upon achieving a certain sales volume, market penetration, nor any other contingency and cannot be altered during the term of the Franchise Agreement, unless you breach the Franchise Agreement. In the event of breach under the Franchise Agreement, we have the right to modify your Territory and its protections.

ITEM 13. TRADEMARKS

Our affiliate EVOLVE DENTAL MANAGEMENT GROUP, LLC owns all of the trademarks and service marks used by us and our franchisees (the "Marks"). EVOLVE DENTAL MANAGEMENT GROUP, LLC has granted us the exclusive license to use and sublicense the

Marks on a worldwide basis (the "Trademark License Agreement"), which license continues until either side terminates by delivering written notice to the other or an earlier breach occurs. Upon termination, existing franchise agreements would be automatically assigned to EVOLVE DENTAL MANAGEMENT GROUP, LLC and remain in force. The Trademark License Agreement grants us the right to license to franchise locations. All rights in and goodwill from the use of our Marks ultimately accrue to EVOLVE DENTAL MANAGEMENT GROUP, LLC as the trademark owner. If this license agreement terminates, you will be able to continue to use the Marks through the duration of your Franchise Agreement and any applicable renewal terms. The Trademark License Agreement is for one-year terms that automatically renew and may be canceled or modified upon mutual agreement or if we breach our obligations. There are no other agreements currently in effect that significantly limit our rights to use or license the use to franchisees of the trademarks in any manner material to you.

Upon execution of our Franchise Agreement, we will sublicense to you the limited right to use the Marks in your School in accordance with our standards. The Marks you are to use in the School include the following:

REGISTRATION / SERIAL NO.	REGISTRATION / APPLICATION DATE	MARK
Application #: 97841875	Application Date: March 16, 2023	DENTAL ASSISTANT
Registration #: 6451365	Registration Date: August 17, 2021	NC DENTAL U

We do not have a federal registration for the second of our principal trademarks. Therefore, this trademark does not have as many legal benefits and rights as a federally registered trademark. If our right to use this trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

In the event that you operate a School inside the state of North Carolina, we may license to you, and permit you to operate under, the "NC DENTAL U" name, or another Trademark of our designation.

Except for the license agreement detailed above, presently, there are no agreements in effect that significantly limit our rights to use or license the use of the Marks in a manner material to the franchise.

In the event that our trademarks are successfully registered, we intend to file or to cause EVOLVE DENTAL MANAGEMENT GROUP, LLC to file all necessary affidavits of use and renewal applications when they become due. There are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, or the Trademark Administrator of any state or any court; nor are there any pending infringement, opposition, or cancellation proceedings or material litigation, involving the above Marks. We know of no infringing use of the Marks that could materially affect your use of them.

Even if Marks are not successfully registered with the USPTO, a federal or state trademark or service mark registration does not necessarily protect the use of the concerned mark against a prior user in a given relevant market area. Prior to entering into the Franchise Agreement, you should check and be sure that there are no existing uses of our marks or names or any marks or names confusingly similar to any of them within the market area where you want to do business. If you find any similar names or marks, you must immediately notify us. Any action to be taken in that event is strictly within our discretion. We are not aware of any infringing uses or superior uses that could materially affect your use of the Marks.

Your right to use the Marks is derived solely from Franchise Agreements entered into between you and us for the purpose of operating an DENTAL ASSISTANT U School. You must follow our rules and regulations with respect to the use of the Marks. You may not use any Mark in connection with any business or activity, other than the business conducted by you according to Franchise Agreements entered into between you and us, or in any other manner not explicitly authorized in writing by us. You cannot use any of the Marks or any other marks, names, or indicia of origin that are or may be confusingly similar to the Marks as part of a corporate name or other legal name. After the termination, non-renewal, or expiration of the Franchise Agreement, you may not, except with respect to Schools operated by you according to Franchise Agreements granted by us, at any time or in any manner identify yourself or any business as a franchisee or former franchisee of, or otherwise associated with, us or use in any manner or for any purpose any Mark or other distinguishing signs of our Schools or any colorable imitation of same.

You must immediately notify us of any unauthorized use of the Marks, any challenge to the validity of the Marks, any claim of apparent infringement or challenge to your use of any Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Marks. You may not communicate with any person other than us and our counsel in connection with any such infringement, challenge or claim. We or our affiliate has the right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. We or our affiliate has the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks. We may but are not obligated to participate in your defense in infringement proceedings and we are not obligated to protect your rights or defend you against claims of infringement or unfair competition related to use of the Marks. We will indemnify and reimburse you for damages obtained by a third party based on your use of the Marks provided you have at all times fully complied with the Franchise Agreement. However, you would be responsible for any rebranding expenses. If there is any litigation relating to your use of the Marks,

you must sign all documents and do all things as may be necessary to carry out a defense or prosecution, including becoming a nominal party to any legal action.

We reserve the right to substitute different proprietary marks for use in identifying the System and the business operating under it if we, in our sole discretion, determine that substitution of different marks as Marks will be beneficial to the System. You must comply with such change, revision, or substitution and bear all expenses associated with them.

ITEM 14. PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent registration or copyright registration, but you can use the proprietary information in our Brand Standards Manual, and business processes all of which are trade secrets owned by us. Although we have filed no applications for a copyright registration for the Brand Standards Manual and instructional materials, we claim a copyright and the information is proprietary.

Our Brand Standards Manual and other materials contain our and our affiliates' confidential information (some of which constitutes trade secrets under applicable law) (the "Confidential Information"). This information includes any information, not generally known to the public, in any form, relating to the System and the School and its operations, including all trade secrets of the School; all knowledge, know-how, standards, methods, and procedures related to the establishment and operation of the School not generally known to the public; all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the School (such as all names, addresses, phone numbers, e-mail addresses for customers and suppliers; customer purchase records and mail lists); curriculums, lesson plans, student lists, instructional materials and methods; electronic code, designs, marketing materials, and business, sales, and marketing strategies; financial information; databases; training materials; knowledge of the franchise system; and any other data and information that we or our affiliates designates as confidential, including all information contained in the Brand Standards Manual.

You must strictly limit your employees' access to the Confidential Information. You must share Confidential Information with them only to the extent they have a "need to know" to perform their jobs. All persons to whom you grant access to the Brand Standards Manual or any other Confidential Information and any person who attends any training program we conduct must sign our form of confidentiality agreement. You must use the Confidential Information only in the manner required by us. You must fully and strictly comply with all security measures required by us for maintaining the confidentiality of the Confidential Information.

If you or your owners, officers, managers, or employees conceive, invent, create, design and/or develop any ideas, techniques, methods, processes or procedures, curriculums, lesson plans, student lists, instructional materials and methods, formulas, products, packaging or other concepts and features relating to School operations, business practices or the development, marketing, or sale of dental assisting courses, or related or services and goods in connection with the School ("Innovations"), you (or they) will be deemed to have assigned all of your (or other) rights, title and interests in the Innovations, including any intellectual property rights, to us. You and your owners, officers, managers and employees also must cooperate with us in connection with

protecting the Innovations, including executing any and all instruments and do any and all acts necessary to establish our ownership of the Innovations.

You will not have the exclusive right to use the Innovations or any of our patents or patent applications, copyrights or Confidential Information, nor will you acquire, by use or otherwise, any right, title or interest in or to the Innovations, the copyrights or the Confidential Information, other than as expressly contained in, and limited by, the Franchise Agreement. Your right to use the Innovations, the claimed subject matter of any patents or patent applications, the copyrights and the Confidential Information is limited and temporary. Upon expiration, non-renewal, or termination of the Franchise Agreement, you may not, directly or indirectly, use the Innovations, the claimed subject matter of any patents or patent applications, the copyrights or the Confidential Information in any manner or for any purpose whatsoever.

You must immediately notify us of any conduct that could constitute infringement of or challenge to the Innovations, the patents or patent applications, the copyrights, and the Confidential Information. We will decide, in our sole discretion, whether to institute any action in connection with infringement of or challenge to the Innovations, the patents or patent applications, the copyrights and the Confidential Information, and will control any proceedings and litigation. We are not required to protect your right to use the Innovations, the patents or patent applications, the copyrights, or the Confidential Information. We will not indemnify you for losses arising out of use or misuse of the Innovations, patents or patent applications, copyrights, or Confidential Information. There are no material determinations of any administrative body or court, no pending proceedings in any administrative body or court, nor any agreements that limit our ability to license to you the copyrights. We do not know of any patent or copyright infringement that could materially affect you.

We may, in our sole discretion, modify or discontinue use of the Innovations, the claimed subject matter of any patents or patent applications, the copyrights and the Confidential Information and/or use other information and/or rights in their place. If we decide to modify or discontinue use of the Innovations for any reason, you must do so also, at your expense.

During the term of the Franchise Agreement, you must maintain, to the extent collected, a current list of the names, home addresses, work addresses, e-mail addresses and telephone numbers of the students and prospective students who supply you this information (the "Customer List"). You must provide the Customer List to us upon request. The Customer List will be our property at all times, and you must not disclose the Customer List to any person or entity other than us, or sell the Customer List (or any portion of it) to any person or entity without our express written consent.

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

We encourage but do not require you to personally supervise the School and prefer to select franchisees who favor and appear committed to a "hands on" and well-informed approach to the business. We strongly recommend that you devote a substantial amount of time to your DENTAL ASSISTANT U business, whether or not you hire a non-owner to manage the business. Franchisees who do not devote their full time and efforts to the establishment and operation of

their businesses may have lower revenues and billings, higher operating costs and lesser name recognition in their areas than those franchisees who do devote their full efforts to the business.

The business must be directly supervised and managed by a "School Director" who is a person identified to us and accepted by us. The School Director must successfully complete our initial training program and pass a background check before assuming any managerial responsibility, unless we have waived these requirements. The School Director must execute a confidentiality and non-solicitation agreement and a non-competition agreement similar to those you will execute if you purchase a franchise from us. We do not require that your School Director have any equity in the franchisee entity or receive any percentage of your revenues or profits, but the School Director can be an owner. The School Director must receive all licenses that are necessary to operate the School. If at any time for any reason the School Director no longer qualifies to act as such, you shall promptly designate another School Director subject to the same qualifications and shall pay the New School Director Training Fee of $500 plus expenses incurred. You bear all indirect training costs and expenses, such as salary expenses of your employees and all expenses of travel, lodging, meals and other living expenses you and your designee incur.

You are responsible for ensuring that your employees comply with the brand standards. The people you retain to work in your School will be your agents and employees. They are not our agents or employees and we are not a joint employer of such persons. You will be solely responsible for recruiting and hiring the persons you employ to operate the School and must determine whom to hire, how many people to hire, retain, and train, and how you will compensate such persons. You are responsible for your employees' and agents' training, wages, taxes, benefits, safety, schedules, work condition, assignments, discipline, and termination. You must comply with all applicable employment laws. We will not operate your School, direct your employees, or oversee your employment policies or practices.

You must keep your DENTAL ASSISTANT U School open to the public during the hours we designate in the Brand Standards Manual.

All owners, officers, and owners' spouses must sign our form of non-competition, non-solicit, and non-disclosure agreements. Owners and spouses will sign personal guarantees.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Under the Franchise Agreement, you must offer and sell all and only products and services required by us, as periodically revised by us in our sole discretion. This also prohibits you from offering any other services and merchandise, as periodically revised, without first obtaining our written permission. We impose these requirements to control the quality and uniformity of the courses, services and goods you and other franchisees may offer through use of our trade name and trademarks. We have the right to add and delete items from the list of approved services and products. There are no limits on our right to make these changes. We reserve the right to charge you a fine up to $1,000 per occurrence if you sell unapproved services or products or fail to follow our system standards.

A DENTAL ASSISTANT U franchise relates to the operation of a single School at a specified location. You may operate the School solely as a brick-and-mortar business, and you agree not to

sell or provide any goods or services through telemarketing, computer marketing, internet sales, online classes, mobile applications, mail order catalogs, off-location events or any other such system without our prior approval. Although there are no restrictions on the students or trade area you may serve from your School, as a practical matter, you will be limited to serving students who choose to attend the School.

You will be obligated to offer and sell those new products and to participate in all local, regional and promotional program initiatives and campaigns adopted by us in which we require you to participate. There is no limit on the number of promotions you may be required to offer during a year or on the amount you would be required to spend. You will not receive any credits or offsets for campaign participation. We have the right to designate which of our franchisees may, or will be required to, participate in new product or service tests, new or modified product or service offerings and other programs and initiatives that we may, from time to time, develop. If we designate you for participation in any such program, initiative or campaign, you must participate when and as required by us. There are no limits on rights to require you to offer and sell those new products or to participate in those programs, initiatives and campaigns.

ITEM 17. RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

PROVISION	SECTION IN AGREEMENT	SUMMARY
a. Length of the franchise term	Franchise Agreement § 2(a)	Initial term is 10 years from the date that you sign your Franchise Agreement.
b. Renewal or extension of the term	Franchise Agreement § 2(b)	One 10-year renewal term provided you remain a franchisee in good standing.
c. Requirements for franchisee to renew or extend	Franchise Agreement § 2(b)	You must be in good standing and exercise your option within a window of time. You must agree to the terms of the Franchise Agreement then being offered, make required upgrades to your School, secure a sufficiently long lease term, sign a release, and pay your renewal fee of 50% of the then-current initial franchise fee. You may be asked to sign a contract with materially different terms and conditions than your original contract.

PROVISION	SECTION IN AGREEMENT	SUMMARY
d. Termination by franchisee	Franchise Agreement §§ 2(c) and 17(e)	For cause, if we breach a material provision of the contract and fail to cure 90 days after written notice, then you can terminate if you are compliant with the terms of your agreement. Also upon expiration of the franchise term if you do not exercise your option to renew.
e. Termination by franchisor without cause	Franchise Agreement not applicable	We cannot terminate except for cause.
f. Termination by franchisor with cause	Franchise Agreement §§ 17(a), 17(b), and 17(c)	Section 17(a) deals with automatic termination. Section 17(b) describes causes for termination without an opportunity to cure. Section 17(c) describes causes for termination for default and an opportunity to cure. A default under any Franchise Agreement will be a default under all Franchise Agreements with us. The laws of your state may provide additional rights to you concerning termination of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
g. "Cause" defined–defaults which can be cured	Franchise Agreement § 17(c)	Non-compliance, failure to commence operations or obtain premises timely; non-payment; unauthorized transfer; health or safety issues; unauthorized use of the Marks or System; false records or reports; non-willful under-reporting; failure to make payments to third parties; failure to have sufficient funds; failure to use authorized suppliers or use of unauthorized suppliers; repeated student complaints; failure to obtain approval of a teach-out plan. Unless otherwise specified, you have 15 days to totally cure after we deliver you a notice of default.

PROVISION	SECTION IN AGREEMENT	SUMMARY
h. "Cause" defined non-curable defaults	Franchise Agreement §§ 17(a) and 17(b)	Abandonment; loss of right to operate; unauthorized transfers; certain criminal conduct or convictions; two otherwise curable defaults within 12 months or three defaults in a three year period; failure to timely transfer after death or disability; failure to comply with covenants; material misrepresentations; actions that materially impair the value of the trademarks and system; dishonest conduct with employees or students; failure to obtain or loss of required licenses; abusive actions; certain pre-opening defaults; liability for discrimination; repeating the same act of default within six months; use of unauthorized trademarks; opening of the school without approval; bankruptcy, receivership, attachment and the like. A provision in the Franchise Agreement that terminates the franchise upon the bankruptcy of the franchise may not be enforceable under Title 11, U. S. Code Section 101.
i. Franchisee's obligations on termination/ non-renewal	Franchise Agreement §§ 11(h), 14, 15, and 18	Pay liquidated damages and all amounts due without set-off; cease operations, use of information, and the Marks; return our property including Brand Standards Manual and student/customer data; cooperate with our lease assignment and asset purchase rights; remove all signs with Marks immediately; cease representing self as a present or past DENTAL ASSISTANT U franchisee; destroy or surrender marks, names, indicia, or any Online Presences; discontinue ads; assign us phone numbers; cancel assumed names; and comply with the approved teach-out plan.
j. Assignment of contract by franchisor	Franchise Agreement § 13(a)	We may freely assign our rights and duties under the Franchise Agreement.
k. "Transfer" by franchisee - definition	Franchise Agreement § 13(b)	Broadly defined to include sales, assignments, gifts, pledges, mortgages, encumbrances, or transfer by operation of law.
l. Franchisor's approval of transfer by franchisee	Franchise Agreement § 13(c)	Our prior written approval is required for all transfers. The franchise can be terminated for non-compliance. We will not unreasonably withhold approval.

PROVISION	SECTION IN AGREEMENT	SUMMARY
m. Conditions for Franchisor's approval of transfer	Franchise Agreement § 13(d)	Transferee must assume your obligations under the Franchise Agreement, attend and successfully complete our training, and execute Franchise Agreement and collateral agreements in the then-current form. You must release us of all claims, pay the transfer fee which is the greater of $10,000 or 50% of the then-current initial franchise fee, and refurbish the School if required. Guarantees and share restriction agreements are required if transfer is to a corporation or LLC. If a sale is involved, you must offer us a 45-day right of first refusal. A transferee must have a credit rating, moral character, reputation and business qualifications satisfactory to us, and must meet all then current requirements of new franchisees.
n. Franchisor's right of first refusal to acquire franchisee's business	Franchise Agreement § 13(c)	45 days. We may assign it to another.
o. Franchisor's option to purchase franchisee's business	Franchise Agreement: §§ 13(c), 18(j) and 18(k)	We have an option to purchase all or a portion of your School's assets upon termination, expiration, or non-renewal of the Franchise Agreement. Upon termination, expiration, or non-renewal, you may have to assign your lease, phone numbers, and certain accounts or listings to us without compensation.
p. Franchisee's death or disability	Franchise Agreement § 13(g)	Your interest must be transferred to an approved party within 9 months after your death or disability.
q. Non-competition covenants during the term of the franchise	Franchise Agreement § 14(a) and 14(b)	You must not own or otherwise engage in any business that sells or provides dental assisting courses. You will be required to get your managerial staff to agree to follow this same covenant. There are also non-solicit covenants. There are separate confidentiality and non-solicitation covenants as well.

PROVISION	SECTION IN AGREEMENT	SUMMARY
r. Non-competition covenants after the franchise is terminated/ expires	Franchise Agreement § 14(c) and 14(d)	For 2 years after termination or expiration of the Franchise Agreement, you must not own or engage in any business that we engage in or were engaged in during the term of your Franchise Agreement, near your School or any business location licensed by us that that sells or provides dental assisting courses. You will be required to get your managerial staff to enter into the same covenant. There are also non-solicit covenants. There are separate confidentiality and non-solicitation covenants as well.
s. Modification of the agreement	Franchise Agreement § 11(n) and 23(e)	We reserve the right to amend the Franchise Agreement if a change is agreed to by 70% of the then-current franchisees. Otherwise no modifications to the Franchise Agreement other than in writing.
t. Integration/ merger clause	Franchise Agreement § 23(c)	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. Nothing in any franchise agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u. Dispute resolution by arbitration or mediation	Franchise Agreement § 21(a)	Except for certain claims, all disputes not first settled informally or by mediation must be arbitrated in Raleigh, North Carolina.
v. Choice of forum	Franchise Agreement §§ 21(a), 21(b) and 21(e)	Arbitration; Raleigh, North Carolina; North Carolina courts (if any), which provision is subject to individual state laws.
w. Choice of law	Franchise Agreement § 21(i)	North Carolina law, except federal Lanham Act and Federal Arbitration Act, which choice of law is subject to individual state laws.

Refer to the state law addendums in Exhibit D for information specific to the laws of your state.

ITEM 18. PUBLIC FIGURES

We use no public figures to promote the franchise.

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

This financial performance representation discloses historical information regarding the annual Billings of the three (3) DENTAL ASSISTANT U Schools owned and operated by our affiliated company, EVOLVE DENTAL MANAGEMENT GROUP, LLC, in Wake Forest, North Carolina, Greenville, North Carolina, and Fayetteville, North Carolina and the one DENTAL ASSISTANT U School owned and operated by our affiliated company THE DENTAL ASSISTANT ACADEMY OF CHARLOTTE, NC, in Charlotte, North Carolina for the 2024 calendar year. The Wake Forest location has operated since 2007, the Greenville location has operated since 2009, the Fayetteville location has operated since 2017, and the Charlotte location has operated since 2010.

The financial performance representation also discloses historical information regarding the annual Billings of the five franchisee-owned DENTAL ASSISTANT U schools that were open for at least 12 months prior to December 31, 2024. One other franchisee-owned DENTAL ASSISTANT U school is not included at this time because they had not been open for at least 12 months prior to December 31, 2024.

The affiliate-owned and operated and franchisee-owned and operated DENTAL ASSISTANT U businesses included in this financial performance representation are substantially similar to the DENTAL ASSISTANT U businesses for which we are offering franchises in this disclosure document, and its services and products are the same as those to be offered and sold by franchised DENTAL ASSISTANT U businesses. Actual results will vary from franchisee to franchisee and from location to location, and we cannot estimate the results of a particular franchise.

Affiliate-owned schools and the franchisee-owned schools received revenue from government-funded programs, including from the United States Department of Veterans Affairs and state of North Carolina. We have no reason to think that equivalent programs and revenue will not be available to you. 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 prior to executing the franchise agreement.

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

Affiliates' Financial Performance – January 1, 2024 to December 31, 2024

	Location 1	Location 2	Location 3	Location 4
***Gross Revenue**	**315,596**	**191,182**	**152,037**	**473,022**

Franchisee's Financial Performance – January 1, 2024 to December 31, 2024

	Location 5	Location 6	Location 7	Location 8	Location 9
***Gross Revenue**	**$205,568**	**$85,603**	**$145,452**	**$128,095**	**$98,932**

*For purposes of the charts above, "Gross Revenue" means the total amount of revenue derived from the sale of goods or services that was derived from the operation of the DENTAL ASSISTANT U business, including, but not limited to, revenue from the sale of classes and products, and whether from sales for cash or credit and regardless of the collection thereof. No part of the Gross Revenue reflects payment of Royalty payments, local advertising expenditures, or similar payments you must make under your Franchise Agreement.

We have not audited these results, which have been reported to us by our affiliate, but we have no reasonable basis to question their reliability.

Operating results are subject to numerous risks and uncertainties, including duration and severity of economic conditions both locally and nationally, supply and demand changes for the products sold by franchisees, competitive conditions and consumer preferences, relationships with students and property owners, and the availability of capital.

Some outlets sold this amount. Your individual results may differ. There is no assurance you will sell as much.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting our CEO, in writing at 123 Capcom Dr., Suite 4, Wake Forest, North Carolina, 27587, (877) 432-3555, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For Years 2022, 2023, and 2024

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE
Franchised	2022	2	4	+2
	2023	4	5	+1
	2024	5	6	+1
Company Owned	2022	4	4	0
	2023	4	4	0
	2024	4	4	0
Total Outlets	**2022**	**6**	**8**	**+2**
	2023	**8**	**9**	**+1**
	2024	**9**	**10**	**+1**

Table 2
Transfers from Franchisees to New Owners (Other than the Franchisor)
For Years 2022, 2023, and 2024

STATE	YEAR	NUMBER OF TRANSFERS
North Carolina	2022	0
	2023	0
	2024	0
Totals	**2022**	**0**
	2023	**0**
	2024	**0**

Table 3
Status of Franchised Outlets
For Years 2022, 2023, and 2024

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERM-INATIONS	NON-RENEWALS	OUTLETS REACQUIRED BY FRANCHISOR	CEASED OPERATIONS—OTHER REASONS	OUTLETS AT END OF THE YEAR
North Carolina	2022	2	2	0	0	0	0	4
	2023	4	1	0	0	0	0	5
	2024	5	1	0	0	0	0	6
Totals	**2022**	**2**	**2**	**0**	**0**	**0**	**0**	**4**
	2023	**4**	**1**	**0**	**0**	**0**	**0**	**5**
	2024	**5**	**1**	**0**	**0**	**0**	**0**	**6**

Table 4
Status of Company-Owned Outlets
For Years 2022, 2023, and 2024

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEE	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEE	OUTLETS AT END OF THE YEAR
North Carolina	2022	4	0	0	0	0	4
	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
Totals	**2022**	**4**	**0**	**0**	**0**	**0**	**4**
	2023	**4**	**0**	**0**	**0**	**0**	**4**
	2024	**4**	**0**	**0**	**0**	**0**	**4**

Table 5
Projected Openings as of December 31, 2024
For Year 2025

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED	PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLETS IN THE NEXT FISCAL YEAR
North Carolina	0	3	1
TOTALS	**0**	**3**	**1**

Among the attached Exhibits you will find:

Exhibit B-1 (Listing of Current Franchisees) lists the names of all current franchisees and the addresses and telephone numbers of their outlets as of **December 31, 2024**.

Exhibit B-2 (Listing of Certain Past Franchisees) lists the name, city, state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this FDD.

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

There are no independent franchisee organizations that have been asked to be included in this disclosure document.

Within the past three years, we have not signed any confidentiality agreements with our franchisees limiting their communication with you.

ITEM 21. FINANCIAL STATEMENTS

Attached as Exhibit C are our audited balance sheets for the periods ending December 31, 2024, December 31, 2023 and December 31, 2022. Our fiscal year ends in December.

ITEM 22. CONTRACTS

A copy of the following contracts or documents are also attached as Exhibits hereto:

Exhibit A DENTAL ASSISTANT U FRANCHISE AGREEMENT with Attachment 1 (Franchise Rider), Attachment 2 (Lease Rider), Attachment 3 (Internet, Social Media, and Telephone Assignment), Attachment 4 (Guaranty), Attachment 5(a) (Noncompetition Agreement), Attachment 5(b) (Nondisclosure and Non-solicitation Agreement), and Attachment 6 (Authorization to Copy Franchisor on Communications)
Exhibit F Sample General Release Agreement
Exhibit G ACH Transfer Agreement
Exhibit H Sample First Addendum to Renewal Franchise Agreement
Exhibit I Sample Agreement and Conditional Consent to Transfer

ITEM 23. RECEIPT

You will find copies of a detachable receipt in Exhibit M at the very end of this disclosure document. Please sign both acknowledging receipt of this disclosure document and return one of them to us for our files.

EXHIBIT A

FRANCHISE AGREEMENT

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Attachment 1 Franchise Rider
Attachment 2 Lease Rider
Attachment 3 Internet, Social Media, and Telephone Assignment
Attachment 4 Guaranty
Attachment 5(a) Noncompetition Agreement
Attachment 5(b) Nondisclosure and Non-solicitation Agreement
Attachment 6 Authorization to Copy Franchisor on Communications

NC DENTAL U FRANCHISE GROUP, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered into as of _____ by and between NC DENTAL U FRANCHISE GROUP, LLC, a North Carolina limited liability company ("Franchisor"), and _____, a _____, ("Franchisee"). If the Franchisee is a corporation, partnership, limited liability company or other legal entity, certain provisions to this Agreement also apply to its owners, members, shareholders, or partners (each an "Owner").

RECITALS:

A. Franchisor has expended time, money and effort to develop a unique system for operating a dental assistant training school. (The methods, know how, experience, and form of operation acquired, devised and/or established by Franchisor are referred to herein as the "System"; the chain of current and future DENTAL ASSISTANT U Schools are referred to herein as the "Chain.")

B. The distinguishing characteristics of the System include the name "DENTAL ASSISTANT U," unique curriculum; distinctive design, décor, color scheme, hardware and software programs, standards, specifications, procedures for operations, training and assistance, and advertising and promotional programs all of which may be improved, amended and further developed by Franchisor from time to time.

C. Franchisor identifies its goods and services with certain service marks, trade names and trademarks, including, but not limited to, the "DENTAL ASSISTANT U" trademark as well as certain other trademarks, service marks, slogans, logos and emblems which have been and which may hereafter be designated by Franchisor for use in connection with the System (the "Marks").

D. Franchisee desires to obtain a license from Franchisor for use of the Marks and the System solely for the operation of a business at the location listed below ("School"), and Franchisee desires to use the Marks, System, and other benefits derived from this franchise relationship strictly in accordance with the provisions set forth below.

NOW, THEREFORE, in consideration of the recitals and the mutual agreements set forth below and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Grant.

Franchisor hereby grants to Franchisee, on the terms and conditions contained in this Agreement, and Franchisee accepts from Franchisor, a license ("License") to establish, own, and operate under the System, one School at the location ("Location") specified in the Franchise Rider ("Franchise Rider") attached hereto as Attachment 1. Franchisee agrees to identify the School and all of the items Franchisee sells or offers for sale only by the Marks. Franchisee has no right to use the System or the Marks for any purpose other than as expressly provided herein.

Pursuant to this grant, Franchisee, at its own expense, shall construct or remodel, and equip, staff, open and operate the School at the Location, in accordance with this Agreement. Unless otherwise agreed in a writing executed by Franchisor, Franchisee shall commence operating the School within one (1) year after the execution of this Agreement, and shall diligently operate such business in accordance with this Agreement for the Initial Term stated herein. Failure to timely open the School shall constitute an event of default under the Agreement. Franchisee shall receive all federal, state, and local approvals, licenses, and permits to operate the School within one hundred twenty (120) days after the execution of this Agreement, and if Franchisee does not, then Franchisor has the right to terminate this Agreement or offer an extension period to Franchisee for an additional fee. If Franchisee fails to receive all federal, state, and local approvals, licenses, and permits within the extension period, Franchisor has the right to terminate this Agreement.

Franchisee shall always operate the School in accordance with the terms of this Agreement, which terms expressly require compliance with the Brand Standards Manual (as defined in Section 11(h)) and Franchisor's standards and specifications. Franchisee covenants that during the Initial Term and any applicable Renewal Term, it will at all times faithfully, honestly and diligently perform its obligations under this Agreement, and that it will continuously exert its best efforts to promote and enhance the business of the School.

Franchisor and Franchisor's affiliates reserve any and all rights not expressly granted to Franchisee under this Agreement, including, without limitation, the right to sell anywhere (including within the protected Territory) products and services, including courses, (including to Franchisee's students) under the "DENTAL ASSISTANT U" name, or under any other name, through any channel of distribution other than a brick-and-mortar DENTAL ASSISTANT U School in the protected Territory. For the purposes of this Agreement, the use of the term "affiliate" shall mean an entity's subsidiary or parent and an entity controlled by, controlling, or under common control with, another entity.

2. Term, Expiration, and Additional License Period.

(a) Initial Term. The initial term of this Agreement shall commence upon the execution of this Agreement, and shall expire at midnight on the day preceding the tenth (10^{th}) annual anniversary date of the execution of this Agreement ("Initial Term"), unless this Agreement has been sooner terminated in accordance with the terms and conditions herein.

(b) Additional License Period. Upon expiration of the Initial Term, Franchisee will have the right to be granted a renewal of the License for one (1) additional consecutive period of ten (10) years from the date of expiration of the Initial Term (the "Renewal Term"), provided the following conditions have been met:

(i) Notice. Franchisee has given Franchisor written notice of its intent to renew the License not less than nine (9) months nor more than twelve (12) months prior to the expiration of the Initial Term;

(ii) Compliance. Franchisee is not in default of any of the provisions of this Agreement or any other agreement between Franchisee and Franchisor or its affiliates, both

at the time Franchisee gives notice of its intent to exercise its rights under the terms of this Section 2(b) and at the commencement of the Renewal Term;

(iii) Debts Current. All debts and obligations of Franchisee under this Agreement shall be current, including but not limited to Franchisee's obligations to make contributions to each Cooperative (as defined herein) of which Franchisee is a member;

(iv) Notices of Default. Franchisee has not received more than three (3) notices of default during any consecutive twelve-month (12) month period during the Initial Term;

(v) Renewal Agreement. Franchisee, its Owners, and its guarantors execute and deliver to Franchisor, within thirty (30) days after delivery to Franchisee, the then-current form of DENTAL ASSISTANT U franchise agreement and Franchisor's other then-current ancillary agreements, which agreements shall supersede this Agreement in all respects, and the terms, conditions, obligations, rights, and other provisions of which may be substantially and materially different from those spelled out in this Agreement (including for example, different performance standards, fee structures, increased fees, and/or reduced territory protections) (collectively, the "Renewal Agreement");

(vi) Renewal Fee. Franchisee has paid to Franchisor a renewal fee equal to Fifty Percent (50%) of the then-current initial franchise fee, which renewal fee shall be due in immediately available funds upon the execution of the Renewal Agreement;

(vii) Release. Franchisee; Owners; guarantors of the Franchisee; for themselves and on behalf of their respective predecessors, affiliates, shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, personal representatives, heirs, executors, administrators, successors, and assigns (collectively, "Releasors") execute and deliver to Franchisor a general release, in the form prescribed by Franchisor, releasing, to the fullest extent permitted by law, all claims that Releasors may have against Franchisor; Franchisor's predecessors, and affiliates; and their respective shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, guarantors, successors, and assigns, in both their corporate and individual capacities;

(viii) Refurbishing. Franchisee shall make or provide for in a manner satisfactory to Franchisor, such renovating, upgrading, or re-equipping of the School as Franchisor may require, including, without limitation, renovation or replacement of signs, equipment, tools, furnishings, technology, computer hardware or software, fixtures, colors, and decor, to reflect the then-current standards and image of the System; and

(ix) Continued Possession. Franchisee presents satisfactory evidence that Franchisee has the right to remain in possession of the Premises for the duration of the Renewal Term, unless Franchisor determines that the location of Franchisee's business is no longer viable for the operation of Franchisee's School, in which case Franchisor may condition Franchisee's right to renew on Franchisee's obtaining a new site for Franchisee's School that Franchisor accepts.

(c) Failure to Act. If Franchisee fails to perform any of the acts set forth in subsections (i) through (ix) of Section 2(b) in a timely fashion, such failure will be deemed an election by Franchisee not to exercise its right to renew, and will cause Franchisee's right to renew to expire without further notice or action by Franchisor.

(d) Expiration. Renewal of the License after the Initial Term shall not constitute a renewal or extension of this Agreement, but shall be conditioned upon satisfaction of the above provisions and shall, upon expiration of the Initial Term, be governed by the Renewal Agreement then executed by Franchisee. If Franchisee fails to meet any of the conditions under Section 2(b) with respect to renewal of the License, then the License shall automatically expire at the end of the Initial Term. Subject to the requirements of this Section 2, Franchisee may only be granted a maximum of one (1) Renewal Term. Franchisee will have no further rights to operate the School following the expiration of the final Renewal Term unless Franchisor grants Franchisee another franchise or agrees to further renewals, in Franchisor's sole discretion. As necessary, the renewal franchise agreement may be amended to reflect this provision. If this Agreement is a renewal agreement, the renewal provisions in Franchisee's original franchise agreement will dictate the length of the term of this Agreement as well as Franchisee's remaining renewal rights, if any.

(e) Continued Operation Following Expiration. Unless Franchisee exercises its option to renew the License granted under this agreement in accordance with this Section, Franchisee has no right to continue to operate the School after the expiration date. If Franchisor permits Franchisee to continue to operate the School after the expiration date, but before the execution by Franchisee of a Renewal Agreement for a new term as required by Section 2(b) above, then the temporary continuation of the operations of the School will be structured as a month-to-month extension of this Agreement and all of its terms, and will be terminable at Franchisor's will by giving Franchisee written notice of termination at least thirty (30) days before the termination is effective. If Franchisor permits Franchisee to continue to operate the School on a month-to-month continuation of the School's operations and associated extension of this Agreement and all of its terms, then Franchisee must pay to Franchisor weekly an additional fee equal to the greater of One Thousand Dollars ($1,000) or One Hundred Fifty Percent (150%) of the Royalty due for the same week for every week of month-to-month operation after the Expiration Date, up to Franchisor's then-current initial franchise fee, which fee shall be in addition to Royalty and any other payments due to Franchisor under this Agreement. If applicable law requires a longer notice period, the thirty (30) day period will be deemed modified to be the shortest notice period required by such laws. If applicable law requires that Franchisor gives notice of expiration or non-renewal to Franchisee prior to the expiration of the Initial Term or any Renewal Term, this Agreement shall be deemed to remain in effect on a month-to-month basis until Franchisor has given to Franchisee that notice of expiration or non-renewal so required and the applicable period required to pass before the notice becomes effective shall have expired.

(f) Force Majeure. As used in this Agreement, the term "Force Majeure" shall mean any act of God (including, but not limited to, flood, earthquake, hurricane, tornado, snow storm or ice storm), strike, lockout or other industrial disturbance, war (declared or undeclared), riot, epidemic, fire or other catastrophe, act of any government and any other similar cause not within the control of Franchisee.

Should Franchisee be unable to commence operating the School within one (1) year after the execution of this Agreement solely as the result of Force Majeure, which Franchisee could not by the exercise of due diligence have avoided, the timeline to commence operations shall be adjusted to extend by the amount of time during which such Force Majeure shall exist.

3. Required Franchise Fees and Payments.

(a) Initial Franchise Fee, Royalties, and Other Payments. In consideration of Franchisor's execution of this Agreement and the services that Franchisor will perform, Franchisee agrees to pay to Franchisor the following fees in such manner as Franchisor may from time to time designate and on the due dates (each a "Due Date") specified below, in the Franchise Rider, or otherwise designated by Franchisor:

(i) Initial Franchise Fee. An initial franchise fee in the amount set forth on Attachment 1 hereto ("Initial Franchise Fee") for the initial grant of the License and Franchisor's associated pre-opening obligations. The Initial Franchise Fee shall primarily compensate Franchisor for Franchisor's pre-opening obligations under this Agreement. The parties recognize the value of the Initial Franchise Fee approximates the market value of the pre-opening services. The Initial Franchise Fee shall be deemed earned upon receipt. If Franchisee fails to obtain the required licenses, approvals, or accreditation needed to open the School, Franchisor shall retain Five Thousand Dollars ($5,000) and then refund the remainder of the Initial Franchise Fee.

(ii) Royalty. In further consideration of the grant of the License and in consideration of Franchisor's ongoing services to Franchisee, Franchisee agrees to pay to Franchisor a monthly continuing royalty fee ("Royalty"), as set forth on Attachment 1 attached hereto. The Royalty is due and payable in monthly installments on the fifteenth (15^{th}) of each month during the Initial Term for revenue Franchisee accrued in the immediately preceding month, or on such other Due Date Franchisor designates with thirty (30) days' advanced written notice to Franchisee.

(iii) Supplier Fees. If Franchisor or any of its affiliates is the designated supplier for any required product or service for the School (including but not limited to equipment, Computer Systems or marketing or Online Presence services), Franchisee shall pay Franchisor's or its affiliate's then-current rates for such products or services.

(iv) Shared Fees. Franchisor reserves the right to have suppliers bill it or an affiliate for goods and services that benefit the system of DENTAL ASSISTANT U franchisees. Franchisee agrees to pay Franchisor its pro rata share of these goods and services costs and fees.

(b) Account. On each Due Date, Franchisee must pay Franchisor the fees set forth above, as well as any other amounts due to Franchisor under this Agreement or any other agreement between Franchisor and Franchisee. Franchisor may transfer these amounts due from Franchise's bank operating account ("Account"). If a transfer from Franchisee's Account is refused, an administrative fee of Fifty Dollars ($50) will be assessed, as well as reimbursement to Franchisor of any fee its bank charges for uncollected deposit funds. If Franchisee has not reported

Billings (defined in Attachment 1) or other revenues to Franchisor for any fiscal period, Franchisor will transfer from the Account an amount calculated in accordance with Franchisor's estimate of the Billings during the fiscal period. If, at any time, Franchisor determines that Franchisee has underreported its Billings, or underpaid the Royalty or other amounts due to Franchisor under this Agreement, or any other agreement, Franchisor shall initiate an immediate transfer from the Account in the appropriate amount in accordance with the foregoing procedure, including interest as provided in this Agreement. Any overpayment will be credited to the Account effective as of the first reporting date after Franchisor and Franchisee determine that such credit is due. Alternatively, Franchisor shall have the right in lieu of the Royalty report submission procedure outlined above to obtain the Billings directly by accessing Franchisee's Computer Systems or requiring Franchisee to submit reports to Franchisor from Franchisee's Computer Systems. Franchisor may require Franchisee to remit payment of the Royalty and other fees by electronic funds transfer ("EFT"). In connection with payment of the Royalty by EFT, Franchisee shall: (1) comply with procedures specified by Franchisor in the Brand Standards Manual; (2) perform those acts and sign and deliver those documents as may be necessary to accomplish payment by EFT as described in this Section; (3) give Franchisor an authorization in the form designated by Franchisor to initiate debit entries and/or credit correction entries to the Account for payments of the Royalty and other amounts payable under this Agreement, including any interest charges; (4) make sufficient funds available in the Account for withdrawal by EFT no later than the Due Date for payment thereof; and (5) maintain a single bank account to make all payments required by this Agreement. Franchisee must advise Franchisor at least fifteen (15) business days prior to any change in Franchisee's bank account or financial institution; no such change will be permitted without the prior written authorization of Franchisor. To ensure the orderly electronic transfer of the Royalties and all other fees as outlined in this Section 3, Franchisee will enter into and maintain a banking agreement with the financial institution which will be responsible for the transfer and payment of the fees owed by Franchisee to Franchisor, and a copy of that agreement will be submitted to Franchisor prior to the effective date of this Agreement. Franchisee shall not withhold any payments required to be made under this Agreement on any grounds, including any allegations of Franchisor's non-performance. Failure by Franchisee to have sufficient funds in the Account shall constitute a default of this Agreement and may subject this Agreement to termination for cause as hereinafter set forth.

(c) Application of Funds. If Franchisee is delinquent in the payment of any obligation to Franchisor, its affiliates or designees, then Franchisor (or such affiliates or designees), will have the right to apply any payment from Franchisee to any obligation due, including the oldest obligation due, whether under this Agreement or otherwise, notwithstanding any contrary designation by Franchisee as to such application. For the avoidance of doubt, Franchisor has the right to offset the payments owed to or amounts collected on behalf of Franchisee.

(d) Inflation Adjustments. Franchisor and its affiliates reserve the right to increase the amount of any fee provided for hereunder, including, without limitation, the Royalty or other fees, due Franchisor or an affiliate under this Agreement or a related agreement ("Inflation Adjustment"). An Inflation Adjustment shall be in relation to the changes in the Consumer Price Index (U.S. Average, all items) maintained by the U.S. Department of Labor, the cost-of-living-adjustment ("COLA") using the COLA factors determined by the United States Department of Labor, or such other measure determined reliable by Franchisor. Franchisor will notify Franchisee of the amount or percentage adjustment thirty (30) days prior to their effective date.

(e) No Offset or Retention of Funds. Franchisee may not offset or withhold payments owed to Franchisor or any of its affiliates for amounts purportedly due to Franchisee as a result of any dispute of any nature or otherwise, but will pay such amounts to Franchisor or its affiliates and only thereafter seek reimbursement. Franchisor and its affiliates will have the right to offset any amounts due to Franchisor or its affiliates from amounts that Franchisor or its affiliates may owe Franchisee or its affiliates.

(f) Interest. If Franchisee fails to pay the full amount of any payment on the Due Date, or Franchisee has insufficient funds to cover the electronic transfer when initiated by Franchisor, Franchisee shall pay interest on the amount due and unpaid at an interest rate equal to the lower of one and one-half percent (1.5%) or the maximum interest rate allowed by law.

4. Franchisor Services.

(a) Franchisor Services. During the Initial Term, Franchisor agrees to provide to Franchisee the following services:

(i) Design. Franchisor shall provide Franchisee with specifications for the design of the School;

(ii) Specifications and Approved Suppliers. To the extent Franchisor has recommendations or specifications, approved suppliers, or designated suppliers, Franchisor shall provide Franchisee with recommendations or specifications and/or a list of required or approved suppliers for the any required or recommended good or service to be used in connection with the School; provided that Franchisor reserves the right to amend and/or modify such specifications or supplier lists at any time;

(iii) Training Program. Franchisor shall provide Franchisee with a pre-opening training program for the School Director (as defined in Section 11(a)), and such other persons as Franchisor may reasonably designate, and such other training for employees of Franchisee at the locations and for such periods as may be designated by Franchisor from time to time; provided that Franchisee shall be responsible for all expenses incurred by such persons in connection with training, including, without limitation, all cost of travel, lodging, meals and wages and for any further fees required by Franchisor;

(iv) Advice. At Franchisee's reasonable request, Franchisor will promptly provide such advice and information as it considers reasonably appropriate to assist Franchisee with all methods and procedures associated with the System marketing and advertising; management and administration, the use of the System or any changes to it and the use and application of products and services. Franchisee understands and agrees that such advice and information may be rendered by phone, electronically, through the Brand Standards Manual, training and/or by such other means as Franchisor deems appropriate in its sole discretion. Franchisor may, in its discretion, convene meetings of franchisees as it considers necessary or appropriate, in its discretion. If Franchisee requests advice, information, or assistance at a level greater than what is provided to other franchisees, Franchisor reserves the right to charge Franchisee its then-current training fee;

(v) Information. Franchisor shall communicate to Franchisee information relating to the operation of a DENTAL ASSISTANT U School, and to the extent necessary or pertinent to the operation of the School, Franchisor's know-how, new developments, techniques and improvements in the areas of School management, employee training, marketing and service; and

(vi) Additional Training. In Franchisor's sole discretion and/or at the request or Franchisee, Franchisor may offer additional or supplemental training, conferences, or conventions. Franchisee shall be responsible for all expenses incurred by such persons in connection with additional or supplemental training, including, without limitation, all cost of travel, lodging, meals and wages. Franchisor also reserve the right to charge an additional fee and to require attendance at additional trainings, conferences, or conventions.

(b) Legal Expenses. Franchisor may in certain situations incur legal expenses while providing assistance to Franchisee with respect to, without limitation, lease negotiations, or other legal compliance issues. Such assistance may be at the request of Franchisee or required by Franchisor and may be provided by Franchisor in-house or by outside counsel; provided however, that Franchisor shall have the sole discretion as to whether or not to provide legal assistance. In the event Franchisor does incur legal expenses on behalf of Franchisee, Franchisee shall reimburse Franchisor for such expenses immediately upon notice from Franchisor. Franchisor may, at its option, be reimbursed by EFT.

(c) Acknowledgement. FRANCHISEE AGREES THAT FRANCHISOR IS NOT OBLIGATED TO PROVIDE ANY TRAINING OR ASSISTANCE TO FRANCHISEE'S PARTICULAR LEVEL OF SATISFACTION, BUT AS A FUNCTION OF FRANCHISOR'S EXPERIENCE, KNOWLEDGE AND JUDGMENT. FRANCHISEE ALSO ACKNOWLEDGES THAT FRANCHISOR IS NOT OBLIGATED TO PROVIDE ANY SERVICES TO FRANCHISEE THAT ARE NOT SET FORTH IN THIS AGREEMENT. IF FRANCHISEE BELIEVES FRANCHISOR HAS FAILED TO ADEQUATELY PROVIDE ANY PREOPENING SERVICES TO FRANCHISEE, WHETHER WITH RESPECT TO SITE SELECTION, SELECTION AND PURCHASE OF EQUIPMENT AND SUPPLIES, TRAINING, OR ANY OTHER MATTER AFFECTING THE ESTABLISHMENT OF FRANCHISEE'S SCHOOL, FRANCHISEE MUST NOTIFY FRANCHISOR IN WRITING WITHIN THIRTY (30) DAYS FOLLOWING THE OPENING OF FRANCHISEE'S SCHOOL OR FRANCHISEE WILL BE DEEMED TO CONCLUSIVELY ACKNOWLEDGE THAT ALL PRE-OPENING SERVICES REQUIRED TO BE PROVIDED BY FRANCHISOR WERE SUFFICIENT AND SATISFACTORY IN FRANCHISEE'S JUDGMENT, AND COMPLIANT WITH ALL REPRESENTATIONS MADE TO FRANCHISEE. IF FRANCHISEE FAILS TO SO NOTIFY FRANCHISOR, FRANCHISEE WILL BE DEEMED TO HAVE WAIVED ALL CLAIMS RELATING TO OR ARISING FROM FRANCHISOR'S OBLIGATIONS TO PROVIDE PRE-OPENING ASSISTANCE.

5. Territorial Provisions.

(a) Territory. Subject to the provisions of this Section 5, provided Franchisee is in compliance with its obligations under this Agreement, Franchisor agrees that during the Initial

Term it will not establish and operate, nor license any party other than Franchisee to establish and operate, a DENTAL ASSISTANT U School within the territory set forth in Attachment 1 hereto (the "Territory"). Until such time as the Location is identified and agreed upon in the Franchise Rider or in the Site Selection Acceptance Letter (as defined in the Franchise Rider), no Territory will be granted to Franchisee and Franchisor shall have the right to locate other franchises anywhere Franchisor determines without interfering with any territorial rights of Franchisee. Franchisee shall not solicit business from customers outside of its Territory without receiving Franchisor's prior, written permission. Notwithstanding the foregoing, Franchisor does not warrant or represent that no other DENTAL ASSISTANT U Schools will solicit or make any sales within the Territory, and Franchisee hereby expressly acknowledges and agrees that such solicitations or sales may occur within the Territory. Franchisor shall have no duty to protect Franchisee from any such sales, solicitations, or attempted sales. Franchisee recognizes and acknowledges that (i) it will compete with other DENTAL ASSISTANT U Schools which are now, or which may in the future be, located near or adjacent to Franchisee's Territory and (ii) that such schools may be owned by Franchisor, its affiliates, and/or third parties. Franchisee further acknowledges that only Franchisor shall be permitted to solicit business from customers by means of computerized or other electronic purchasing systems (such as, for example, the internet, phone, or mobile applications) capable of accepting orders placed from within or outside the Territory.

(b) Reservation of Rights. Franchisor grants franchises and the rights to develop and operate DENTAL ASSISTANT U Schools only pursuant to the express terms of written agreements and not orally. All rights that are not granted to Franchisee in this Agreement are specifically reserved to Franchisor, and Franchisor will not be restricted in any manner from exercising them nor will Franchisor be required to compensate Franchisee should Franchisor exercise them. This includes the right, directly or through others and regardless of either (a) proximity to Franchisee's School or Territory or (b) any actual or threatened impact on sales of Franchisee's School to:

(i) use the Marks and System in connection with establishing and operating DENTAL ASSISTANT U Schools at any location outside the Territory;

(ii) use the Marks or other marks in connection with selling or distributing any goods (including branded merchandise) or services anywhere in the world (including within the Territory), whether or not Franchisee also offers them, through channels of distribution other than a brick and mortar DENTAL ASSISTANT U-branded school (including, for example, events in the Territory, other temporary retail locations, catalogs, mail order, the internet or other electronic means, events within the Territory, or directly to students, prospective students, or businesses within the Territory);

(iii) acquire, establish or operate, without using the Marks, any business of any kind at any location anywhere in the world (including within the Territory); and

(iv) use the Marks in connection with soliciting or directing advertising or promotional materials to customers anywhere in the world (including within the Territory).

(c) Alternate Channels of Distribution. Franchisee may offer and sell approved products and services only on-site from the School, except as Franchisor otherwise approves in

advance, and in such event only in accordance with the requirements of this Agreement and the procedures set forth in the Brand Standards Manual. Franchisee may not offer or sell products through any other means or locations, including via the internet without obtaining Franchisor's prior approval. Unless Franchisee obtains Franchisor's prior written permission, Franchisee shall only offer or sell products and services to retail customers for their use and consumption and not for resale.

(d) No Right of First Refusal or Options. Franchisee has no right of first refusal or other options or rights to open any additional DENTAL ASSISTANT U businesses.

6. Premises.

(a) Premises. Franchisee shall obtain Franchisor's acceptance of the Location. Franchisor is not obligated to assist Franchisee in locating a site. Within one hundred twenty (120) days after the Effective Date of this Agreement, Franchisee shall acquire or lease, at Franchisee's expense, commercial real estate that is properly zoned for the operation of the School. Failure by Franchisee to acquire or lease a site for the School within the time required herein shall constitute a default under this Agreement, and Franchisor, in its sole discretion, may terminate the Franchise Agreement pursuant to the terms of Section 17 of this Agreement. FRANCHISEE EXPRESSLY ACKNOWLEDGES AND AGREES THAT FRANCHISOR'S ACCEPTANCE OF A SITE FOR FRANCHISEE'S SCHOOL IS NOT AND SHALL NOT BE CONSTRUED AS A GUARANTEE OR ASSURANCE THAT THE BUSINESS WILL BE PROFITABLE. If Franchisor does not accept a site proposed by Franchisee within thirty (30) days after receiving the proposal thereof, such site shall be deemed rejected by Franchisor and Franchisee shall not locate its School at such site. Franchisee is responsible for constructing, renovating or up fitting or causing to be constructed, renovated or up fitted, the School. The building at the accepted Location that will serve as the site for the School (the "Premises") is subject to the following:

(i) Leased Premises. Franchisee shall obtain Franchisor's acceptance of the lease. If Franchisee intends to lease the Premises, Franchisee shall submit to Franchisor executed copies of all such leases immediately after execution and at such other times as Franchisor may request. The term of the leases plus all options for Franchisee to renew shall together equal or exceed the Initial Term and the Renewal Term. All leases pertaining to the Premises shall also include an Addendum in the form of Attachment 2 attached hereto, or shall contain terms and conditions substantially similar to those contained in Attachment 2 which Franchisor has approved in writing. Franchisor shall not represent Franchisee in a legal capacity and advises Franchisee to seek independent legal counsel in the review and negotiation of its lease agreement.

(ii) Owned Premises. If Franchisee intends to own the Premises, Franchisee must obtain acceptance of the Premises from Franchisor, which acceptance may be withheld at Franchisor's discretion, and shall furnish Franchisor proof of ownership prior to the date Franchisee commences any construction, build-out or remodeling of the Premises. In the event that Franchisee proposes to lease the Premises from any Owner, affiliate, shareholder, member, manager, director, officer, guarantor or other principal of Franchisee, or from any person or entity related to or affiliated with Franchisee or one or more of Franchisee's Owners, affiliates, shareholders, member, managers, directors,

officers, guarantors or other principals (the "Related Party"), Franchisor may require the Related Party to sign this Agreement and/or separate agreements for the purpose of binding the Related Party to applicable provisions of this Agreement, as determined by Franchisor. Franchisee shall also execute a written lease agreement approved by Franchisor with the Related Party and deliver a copy to Franchisor. The terms of any such lease must comply with the terms set forth in Section 6(a)(i).

(iii) Suitability of Premises. Regardless of whether the Premises are owned or leased, it shall be the responsibility of Franchisee to determine that the Premises can be used, under all applicable laws and ordinances, for the purposes provided herein and that the Premises can be decorated, constructed or remodeled in accordance with the terms of this Agreement. Franchisee shall obtain all permits and licenses that may be required to construct, remodel and operate the School. Franchisee agrees that the Premises will not be used for any purpose other than the operation of the School in compliance with this Agreement. Franchisee is responsible for constructing, renovating or up fitting or causing to be constructed, renovated or up fitted, the School. FRANCHISEE EXPRESSLY ACKNOWLEDGES AND AGREES THAT FRANCHISOR'S ACCEPTANCE OF A SITE FOR FRANCHISEE'S SCHOOL IS NOT AND SHALL NOT BE CONSTRUED AS A GUARANTEE OR ASSURANCE THAT THE BUSINESS WILL BE PROFITABLE. Franchisor's acceptance of a site indicates only that Franchisor believes the site complies with acceptable minimum criteria established by Franchisor solely for its purposes as of the time of the evaluation. Both Franchisee and Franchisor acknowledge that application of criteria that may have been effective with respect to other sites and premises may not be predictive of potential for all sites and that, subsequent to Franchisor's acceptance of a site, demographic and/or economic factors, such as competition from other similar businesses, included in or excluded from Franchisor's criteria could change, thereby altering the potential of a site or lease. Such factors are unpredictable and are beyond Franchisor's control. Franchisor shall not be responsible for the failure of a site accepted by Franchisee to meet Franchisee's expectations as to revenue or operational criteria. Franchisee further acknowledges and agrees that its acceptance of a franchise for the operation of the School at the site is based on its own independent investigation of the suitability of the site. If Franchisor does not accept a site proposed by Franchisee within thirty (30) days after receiving the proposal thereof, such site shall be deemed not accepted by Franchisor and Franchisee shall not locate its School at such site.

(iv) Relocation. Franchisee shall not, without first obtaining Franchisor's written consent, which is subject to the Franchisor's sole discretion: (i) relocate the School; or (ii) renew or alter, amend or modify any lease, or make or allow any transfer, sublease or assignment of its rights pertaining to the Premises. If Franchisee relocates the Premises during the Initial Term, Franchisee shall pay Franchisor all costs Franchisor incurs as a result of evaluating and approving or rejecting Franchisee's relocation proposal, or a minimum payment of Five Thousand Dollars ($5,000).

7. Proprietary System and Marks.

(a) Ownership; Use by Others. Franchisor and its affiliates shall have and retain all rights associated with the Marks other than those expressly licensed herein, including, but not

limited to the following: (a) to use the Marks in connection with selling products and services; (b) to grant licenses to others to use the Marks, in addition to those licenses already granted to existing franchisees and affiliates; (c) to develop and establish other systems using the Marks, similar proprietary marks, or any other proprietary marks, and to grant licenses or franchises thereto without providing any rights therein to Franchisee; and (d) to sell and distribute products, merchandise, accessories and other items via alternate distribution channels bearing the Marks. Franchisee acknowledges that any unauthorized use of the System or the Marks is and shall be deemed an infringement of Franchisor's rights. Franchisee shall execute any documents deemed necessary by Franchisor, its affiliates, or its counsel for the protection of the System and the Marks or to maintain their validity or enforceability, or to aid Franchisor and its affiliates in acquiring rights in or in registering any of the System and the Marks or any trademarks, trade names, service marks, slogans, logos and emblems subsequently adopted by Franchisor. Franchisee shall give notice to Franchisor of any knowledge that Franchisee acquires regarding the use by others of the same or similar names or marks or of any claim or litigation instituted by any person or legal entity against Franchisee involving the System or any of the Marks. Franchisee shall cooperate with Franchisor and its affiliates in any suit, claim or proceeding involving the System or the Marks or their use to protect Franchisor's rights and interest in the System and the Marks. In the event of any settlement, award or judgment rendered in favor of Franchisor or its affiliates relating to the use or ownership of the System or the Marks, such settlement, award or judgment shall be the sole property of Franchisor or its affiliates and Franchisee shall not be entitled to or make any claim for all or any part of it. Provided Franchisee complies at all times with this Section 7, Franchisor shall indemnify Franchisee against and reimburse Franchisee for damages assessed against Franchisee, if any, based on Franchisee's use of the DENTAL ASSISTANT U mark or NC DENTAL U mark, as applicable. Otherwise, Franchisor shall not be required to indemnify Franchisee against or reimburse Franchisee for any loss or damages arising out of Franchisee's use or misuse of any Mark. Franchisor is not required to participate in Franchisee's defense or defend Franchisee's rights to use the Marks, but may choose to do so. Franchisor shall not indemnify Franchisee for any use or misuse of Franchisor's copyrights, patents, Customer Lists, Franchised Business Data, Confidential Information, Inventions and Ideas, or other proprietary information. Franchisee acknowledges and agrees that the restrictions set forth in this Agreement are reasonable and necessary for the protection of value of the Marks and the goodwill associated with the Marks and that any violation of this Agreement would cause substantial and irreparable injury to Franchisor, and that Franchisor would not have entered into a business relationship with Franchisee or enter into this Agreement without receiving Franchisee's unrestricted promise to use the Marks only in a the manner authorized by Franchisor.

(b) Use of Marks. During the Initial Term or thereafter, directly or indirectly, Franchisee shall not commit any act of infringement or contest or aid in contesting the validity or ownership of the System or the Marks, or take any other action to disparage them. Franchisee shall use the Marks only in connection with the operation of the School at the Location specified herein, and shall use them only in the manner authorized by Franchisor. Franchisee shall prominently display the Marks in the manner prescribed by Franchisor on all signs, merchandise, equipment, tools, instructional materials, and other supplies and packaging materials designated by Franchisor. Franchisee shall not fail to perform any act required under this Agreement, or commit any act which would impair the value of the Marks or the goodwill associated with the Marks. Franchisee shall not at any time engage in any business or market any products or service under any name or mark which is confusingly or deceptively similar to any of the Marks.

Franchisee shall not use any of the Marks as part of its corporate or trade name and shall not use any trademark, trade name, service mark, logo, slogan or emblem in connection with the School that has not been authorized by Franchisor. Franchisee has no right to use the Marks online except as Franchisor shall expressly allow and in accordance with Franchisor's Brand Standards Manual. Franchisee shall obtain such fictitious or assumed name registrations as may be required by Franchisor or applicable state law. Franchisee shall not use any of Franchisor's Marks, in connection with employee facing labor and employment materials. Franchisee shall not attempt to register or otherwise obtain any interest in any Online Presence containing or utilizing any of the Marks or any other word, name, symbol or device which is likely to cause confusion with any of the Marks. Franchisee also acknowledges that its use of the Marks pursuant to this Agreement does not give Franchisee any ownership or other interest in or to the Marks, except the license granted by this Agreement.

(c) Designation as Franchisee. Franchisee shall take such additional action as may be necessary under the laws of the state in which the School is operated to make clear to the public that Franchisee is an independent franchisee of Franchisor and not owned by Franchisor. Franchisee shall post in a conspicuous location at the business premises, as well as on invoices, purchase orders, marketing materials, Online Presences, and the like that their respective DENTAL ASSISTANT U or NC DENTAL U Franchise, as applicable, "is independently owned and operated by Franchisee under license from NC DENTAL U FRANCHISE GROUP, LLC."

(d) Discontinuance of Use: Additional Marks. Franchisor has the right to change, revise, or substitute different Marks for use in identifying the System, the School, and the products sold or offered for sale through the School, if Franchisor, in its sole discretion, determines that change, revision, or substitution of different Marks will be beneficial to the System. In such circumstances, the use of the substitute proprietary marks shall be governed by the terms of this Agreement. Franchisee shall comply with each such change, revision, or substitution and bear all expenses associated therewith. In the event that a court of competent jurisdiction should order, or if Franchisor in its sole discretion should deem it necessary or advisable, Franchisee shall modify or discontinue use of any Mark. Franchisee shall comply with Franchisor's directions regarding any such Mark within thirty (30) days after receipt of notice from Franchisor or, if such modification or discontinuance is court-ordered, immediately. Franchisor shall not be obligated to compensate Franchisee for any costs or expenses incurred by Franchisee in connection with any such modification or discontinuance. Franchisee shall also use such additional or substitute Marks as Franchisor shall direct.

(e) Changes in Law Affecting Marks. In the event that the trademark law is amended so as to render inapplicable any of the provisions of this Agreement, Franchisee shall sign any documents and do such other act and thing as in the opinion of Franchisor may be necessary to effect the intent and purpose of the provisions of this Agreement.

(f) Copyrights and Patents. Franchisee acknowledges that as between Franchisee and Franchisor, any and all present or future copyrights and patents relating to the System or the DENTAL ASSISTANT U concept, including, but not limited to, instructional materials, the Brand Standards Manual, construction plans and specifications and marketing materials, belong solely and exclusively to Franchisor, whether or not developed by Franchisee or Franchisor. Franchisee

has no interest in Franchisor's copyrights or patents beyond the nonexclusive License granted in this Agreement.

(g) Ideas and Innovations. All concepts, inventions, ideas, curriculums, lesson plans, student lists, instructional materials and methods, designs, applications, trademarks, service marks, enhancements, modifications, improvements or other processes, methods and designs, technologies, computer software, electronic code, original works or authorship, formulas, patents, copyrights, marketing and business plans and ideas, and all improvements and enhancements thereto that Franchisee or any of its Owners, affiliates, guarantors, directors, officers, or employees may develop, invent, discover, conceive or originate, alone or in conjunction with any other person or persons during the Initial Term or any Renewal Term that relate in any way, either directly or indirectly, to the School and/or the System (collectively referred to as "Inventions and Ideas"), either in whole or in part during the Initial Term, shall be the exclusive property of Franchisor. Franchisee must promptly disclose the existence of any and all Inventions and Ideas to Franchisor. To the extent any Invention or Idea does not qualify as a "work made-for-hire" for Franchisor, Franchisee, its Owners, and all guarantors of this Agreement hereby assign to Franchisor, without compensation, all right, title and interest in such Inventions and Ideas, and agree that they will execute any and all instruments and do any and all acts necessary or desirable to establish and perfect in Franchisor the entire right, title and interest in such Inventions and Ideas. Franchisor may incorporate such Inventions or Ideas into the System. As Franchisor may reasonably request, Franchisee shall, at Franchisor's expense, take all actions reasonably necessary 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.

(h) Customer and Other Data. Franchisee shall maintain a current list of the names, addresses, email addresses and telephone numbers of the students, prospective students, and past students who have provided such information to the School ("Customer List"). Franchisee shall provide the Customer List to the Franchisor upon request. Franchisee shall also use the Computer Systems that Franchisor designates to create, store, maintain, and share the Customer List. The Customer List shall be the property of Franchisor and Franchisor shall have the right to use the Customer List for any purposes, in Franchisor's sole discretion. Franchisee shall not collect, use, process, store, share, or sell any information from the Customer List to or with any person or entity other than Franchisor without the express written consent of Franchisor. Franchisee shall not delete any information that is in the Customer List without Franchisor's prior written consent or unless doing so is in accordance with the Data Protection and Security Policies. Likewise, other data collected by Franchisee or Franchisee's Computer Systems in connection with the School (Customer List and the other data collectively referred to herein as "Franchised Business Data") is deemed to be owned by Franchisor, and Franchisee agrees to furnish the Franchised Business Data to Franchisor at any time that Franchisor requests it. Franchisee shall also use the Computer Systems that Franchisor designates to create, store, maintain, and share the Franchised Business Data. Franchisor hereby grants Franchisee a non-exclusive, limited license to use Franchised Business Data while this Agreement or a successor franchise agreement is in effect, but only in accordance with the standards, specifications, procedures, and policies that Franchisor establishes periodically and applicable law. Upon termination, non-renewal, transfer, or expiration of this Agreement for any reason, Franchisor shall be the exclusive owner of Franchised Business Data and Franchisee shall not use or disclose the Franchised Business Data in any form or manner. Franchisee shall not be due any compensation based upon Franchisor's use of the Franchised

Business Data. Franchisee may not collect, sell, disclose, share, transfer, or use Franchised Business Data for any purpose other than operating the School. The Customer List and Franchised Business Data are expressly subject to the provisions of Section 11(s) and may constitute Personal Information.

(i) Artificial Intelligence Prohibition. Franchisee is expressly prohibited from utilizing any form of artificial intelligence (AI) technology in the operation, management, or marketing of the School without the express approval of Franchisor. This includes, but is not limited to, AI-driven customer service, data analysis, image generation, text generation, code generation, sound generation, and decision-making tools. Any breach of this provision will be considered a material violation of this Agreement.

8. Advertising.

(a) Contributions and Expenditures. Recognizing the value of advertising and the importance of the standardization of advertising to the furtherance of the brand, goodwill and public image of the System, Franchisor and Franchisee agree as follows:

(i) Grand-Opening Advertising. Franchisee is required to spend a minimum of Three Thousand Dollars ($3,000) for grand-opening advertising to publicize the existence and opening of the School, which advertising shall be in such form designated by Franchisor and which shall be conducted during the period that begins thirty (30) days prior to the opening of the School on the first day of class and ends thirty (30) days after the opening of the School. Franchisee may expend additional amounts on such advertising, provided the form and content is approved by Franchisor as provided in Section 8(d).

(ii) Minimum Local Advertising Spend. In addition to the grand opening requirements of Section 8(a)(i), Franchisee shall spend one percent (1%) of Billings of the School ("Minimum Local Advertising Spend") on local advertising in accordance with Franchisor's standards as set forth in the Brand Standards Manual. Franchisee shall submit verification of its local advertising expenditures at such times and in such form as may be requested by Franchisor from time to time. Franchisor has the right to require Franchisee to use the Minimum Local Advertising Spend to pay for specific advertising services, from suppliers approved or designated by Franchisor. Franchisor may require Franchisee to remit the Minimum Local Advertising Spend to the Franchisor or its affiliates in exchange for local advertising services the Franchisor or its affiliate will provide to Franchisee. All local advertising shall either have been prepared by Franchisor or approved by Franchisor pursuant to Section 8(d).

(b) Local Cooperative Advertising. Franchisee agrees that Franchisor shall have the right, in its sole discretion, to designate from time to time a geographical area in which the School is located for the purpose of establishing an advertising cooperative (the "Cooperative"). If a Cooperative has been established applicable to the School at the time Franchisee commences operations hereunder, Franchisee shall immediately become a member of such Cooperative. If a Cooperative applicable to the School is established at any later time during the Initial Term, Franchisee shall become a member of such Cooperative no later than thirty (30) days after the date on which the Cooperative commences operation. In no event shall the School be required to

contribute to more than one Cooperative. Franchisor has the sole discretion to create, change, dissolve, or merge a Cooperative. Franchisor also has the sole discretion to determine membership of a Cooperative. The following provisions shall apply to each Cooperative:

(i) Each Cooperative shall be organized and governed in a form and manner, and shall commence operation on a date, approved in advance by Franchisor in writing.

(ii) Each Cooperative shall be organized for the purposes of producing and conducting general advertising programs and activities for use in and around the applicable geographic area and developing standardized promotional materials for use by the members.

(iii) No advertising programs or materials may be used by the Cooperative or furnished to its members, and no advertising or promotional activities may be conducted by the Cooperative, without the prior written approval of Franchisor. All such programs, materials and planned activities shall be submitted to Franchisor for approval in accordance with the procedure set forth in Section 8(d).

(iv) Members of the Cooperative shall make contributions to the Cooperative in such amounts as are determined by the governing body of the Cooperative. Each member of the Cooperative shall make contributions to the Cooperative on the same basis as the other members, whether owned by Franchisee, another franchisee, Franchisor, or Franchisor's affiliates. In no event shall members be required to contribute more than Two Percent (2%) of monthly Gross Sales.

(v) Franchisee shall make its contributions to the Cooperative on the date and in the manner designated by the Cooperative. Franchisee shall also submit such statements and reports as may be designated from time to time by the Cooperative. The Cooperative shall submit to Franchisor such statements and reports as Franchisor may designate from time to time. The Cooperative shall prepare written governing documents that shall be available to Franchisee and Franchisor for review. These written governing documents are subject to Franchisor's approval. The Cooperative is responsible for determining its own voting procedures; however, each DENTAL ASSISTANT U School that is a member of the Cooperative is entitled to one vote. The Cooperative must prepare quarterly and annual financial statements and these statements must be made available to all members in the Cooperative. The members of the Cooperative and their governing body are responsible for administering the Cooperative.

(vi) Notwithstanding the foregoing to the contrary, Franchisor, in its sole discretion, may grant to any DENTAL ASSISTANT U School an exemption from the requirement of membership in a Cooperative. Such an exemption may be for any length of time and may apply to one (1) or more businesses owned by the exempted party.

(vii) The Cooperative is not a trust fund. Franchisor and its affiliates shall have no fiduciary duty to Franchisee in connection with the collection or use of the Cooperative monies or any aspect of the operation of any Cooperative..

(c) Supplemental Advertising. Franchisee shall have the right to conduct, at its separate expense, supplemental advertising in addition to the expenditures specified in this Section 8. All such supplemental advertising shall either have been prepared by Franchisor or approved by Franchisor pursuant to Section 8(d).

(d) Approval by Franchisor. Any and all advertising and promotional materials Franchisee uses must be approved by the Franchisor. Prior to their use by the Cooperative or by Franchisee, all advertising and promotional materials not prepared or previously approved by Franchisor within the ninety (90) day period preceding their intended use shall be submitted to Franchisor for approval. If approval is not received within twenty (20) days from the date of receipt by Franchisor of such materials, the materials shall be deemed disapproved by Franchisor. Franchisor may disapprove of any advertising or promotional materials at any time. Neither the Cooperative nor Franchisee shall use any disapproved advertising or promotional materials regardless of whether any such items had been previously approved by Franchisor.

(e) Franchisor Advertising. Franchisor will, from time to time expend its own funds to produce such promotional materials and conduct such advertising as it deems necessary or desirable. In any advertising conducted solely by or for Franchisor, Franchisor shall have the sole discretion to determine the products and geographical markets to be included, and the medium employed and Franchisor shall not have any duty or obligation to supply Franchisee with any advertising or promotional materials produced by or for Franchisor at its sole expense. Franchisor disclaims and Franchisee hereby acknowledges that Franchisee has not received or relied upon any warranty regarding the success of any advertising and/or promotional plans or materials recommended by Franchisor for use by Franchisee. Further, Franchisee acknowledges and agrees that all advertising and promotional plans and materials created in whole or in part by Franchisor are and remain the exclusive property of Franchisor. Franchisor shall have the right to include promotion of available franchises in all marketing and advertising materials, including, but not limited to, signage in School, Online Presences, print media, and TV or radio spots. Franchisor may from time to time expend its own funds to produce such promotional materials and conduct such advertising as it deems necessary or desirable. In any advertising conducted solely by or for Franchisor, Franchisor shall have the sole discretion to determine the products and geographical markets to be included, and the medium employed and Franchisor shall not have any duty or obligation to supply Franchisee with any advertising or promotional materials produced by or for Franchisor at its sole expense.

(f) Ownership of Advertising. Franchisor shall be the sole and exclusive owner of all materials and rights which result from advertising and marketing program produced and conducted, whether by Franchisee, Franchisor, or the Cooperative. Any participation by Franchisee in any advertising, whether by monetary contribution or otherwise, shall not vest Franchisee with any rights in the Marks employed in such advertising or in any tangible or intangible materials or rights, including, copyrights, generated by such advertising. If requested by Franchisor, Franchisee shall assign to Franchisor any contractual rights or copyright it acquires in any advertising.

(g) Use of Online Presence and Email. Franchisee will not, directly or indirectly, establish or operate an Online Presence that in any way concerns, discusses or alludes to the Franchisor, the System or the Franchisee's School without Franchisor's written consent, which

Franchisor is not obligated to provide. An "Online Presence" includes (1) a website, other webpages, URLs, or domain names, (2) accounts, pages, or profiles on social media sites, social networking sites, news sites and groups, online, internet, or digital directories, video, photography, audio, and messaging services, blogs, or forums, (3) e-commerce sites or accounts, (4) digital or online advertising and marketing content and services, (5) mobile applications, (6) virtual reality platforms, (7) identifiers of an Online Presence, or (8) a presence on any other type of online, internet, or digital tool, good, or service that may be developed. Further, the Marks may not be used as part of, in conjunction with, to establish or to operate any Online Presence or email address, unless specifically approved by the Franchisor, which approval Franchisor is not obligated to provide. Franchisee will not post, and will take such steps as necessary to ensure that its employees do not post, any information to an Online Presence relating to the Franchisor, the System, the Marks, or the School that (a) does not comply with the Franchisor's then-current brand, social media, or Online Presence guidelines described in the Brand Standards Manual, (b) is derogatory, disparaging, or critical of the Franchisor, the System or the Marks, (c) is offensive, inflammatory or indecent, or (d) harms the goodwill and/or public image of the System and/or the Marks. Franchisee shall not establish or permit or aid anyone else to establish any links to any Online Presence which Franchisor may create. Franchisee specifically acknowledges and agrees that any Online Presence will be deemed "advertising" under this Agreement, and will be subject to (among other things) Franchisor's approval under this Agreement. Franchisor alone has the right, but not the obligation, to establish, maintain, modify or discontinue all internet and electronic commerce activities pertaining to the System, including through any Online Presence. Franchisor shall not be liable for downtime that may occur to any such Online Presence or email address, whether such downtime is caused by Franchisor or a third-party. Franchisor alone will be, and at all times remain, the sole owner of the copyrights to all material which appears on any Online Presence, including any and all material Franchisee may furnish to Franchisor for use on an Online Presence. Ownership of all URLs and other identifiers with any such Online Presence shall vest exclusively in Franchisor. Franchisor shall have the right, but not the obligation, to designate one or more webpage(s) or other form of Online Presence to describe Franchisee and/or the School, with such webpage(s) or Online Presence to be located within Franchisor's website or another Online Presence. Franchisee shall comply with Franchisor's policies with respect to the creation, maintenance and content of any such web page(s) and any other Online Presence and email addresses; and Franchisor shall have the right to refuse to post and/or discontinue posing any content and/or the operation of any webpage or Online Presence. Franchisee shall not establish a separate website or Online Presence or business email address, without Franchisor's prior written approval (which Franchisor shall not be obligated to provide). If approved to establish an Online Presence or email address, Franchisee shall comply with Franchisor's policies, standards and specifications with respect to the creation, maintenance and content of any such Online Presence or email address. Franchisor shall have the right to modify the provisions of this Section 8(g) relating to any Online Presence as Franchisor shall solely determine is necessary or appropriate. Franchisee shall not use the Marks or any abbreviation or other name associated with Franchisor and/or the System as part of any Online Presence or email address of Franchisee, except as permitted by Franchisor's then-current policies. 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. For any Online Presence (and all URLS and other identifiers related to any Online Presence) or email address Franchisee is approved to create or use, Franchisor reserves the right, at its sole option and discretion, to have the Online Presence directly owned by Franchisor or to require any

such Online Presence or email address be transferred to Franchisor upon the termination, expiration, or non-renewal of this Agreement for any reason. Franchisor has the right to require that any Online Presence or email address Franchisee is permitted to create, use, or maintain be registered in Franchisor's name. Upon request, Franchisee must provide Franchisor with any login credentials for any Online Presence or email address Franchisee is authorized to create, use, or maintain. Franchisor has the right to access any Online Presence to take corrective action if any content or post on the Online Presence is in violation of Franchisor's policies and Franchisor may take ownership of any Online Presence upon expiration, non-renewal, transfer, or termination of this Agreement and operate it in Franchisor's sole discretion.

9. Telephone Number.

Franchisor shall establish a local telephone number for the School through its approved supplier. On the 15th day of each month, Franchisee shall reimburse Franchisor's costs associated with allocating an additional phone line to Franchisee's School for the then-current cost, which is currently TEN ($10) per month. This fee can be changed by Franchisor with thirty (30) days' prior written notice. In no event shall Franchisee use such number for any other business. Franchisee further covenants that in the event it obtains any additional or substitute telephone service or telephone number at the School, it will promptly notify Franchisor and such additional or substitute number shall be subject to the terms of this Section 9. If Franchisee or its Owners use personal cellphone numbers in connection with the operation of the Shop, Franchisee shall also disclose those to Franchisor and Franchisor has the right to require them to assign the numbers to Franchisor.

10. Construction, Design and Appearance: Equipment.

(a) Construction. Franchisee agrees that it will construct or remodel the Premises at the accepted Location in accordance with Franchisor's construction or remodel plans and design, layout and decor specification ("Construction Standards"). The Construction Standards will be provided by Franchisor at no cost to Franchisee. Franchisee shall purchase or lease the equipment, displays, fixtures, and furnishings that conform with Franchisor's Construction Standards. Franchisee is solely responsible for the construction of the Premises. Franchisee shall obtain Franchisor's acceptance of Franchisee's proposed plans for construction, remodeling, layout, design, and décor for the School. Franchisee will commence any required construction promptly after execution of a lease for or closing on the purchase of the Premises. Franchisee shall maintain continuous construction of the Premises until completion. Franchisee will complete construction in accordance with the plans for the School Franchisor has accepted. Except as may be required to have the accepted plans changed to comply with the Applicable Law, Franchisee shall not deviate from the accepted plans without the prior approval of Franchisor. Franchisor has no obligation to include the requirements of any Applicable Law in the Construction Standards. Franchisee also acknowledges that the requirements of the Construction Standards may exceed those required under the Applicable Law. "Applicable Law" means any law, rule, regulation, code or requirement applicable to the construction, remodeling, design, layout, building, permitting, and development of the School, including, without limitation the Americans With Disabilities Act ("ADA") or similar rules governing public accommodations for persons with disabilities. It is solely Franchisee's responsibility to make sure that the design and construction of the School and the Premises are in compliance with all Applicable Laws. Franchisee Indemnifying Parties (as defined

in Section 19 of this Agreement) shall indemnify and hold Franchisor Indemnified Parties (as defined in Section 19 of this Agreement) harmless against any and all claims, actions, causes of action, costs, fees, fines and penalties, of every kind and nature, should the design and/or construction of the Premises fail in any way to comply with any Applicable Laws. Franchisor has the right to require Franchisee to use an approved architect, general contractor, construction manager, or other supplier of design, engineering, construction, and related services. Franchisee agrees provide to Franchisor construction progress updates in a form approved by Franchisor at the intervals designated by Franchisor.

(b) Signs. Franchisee shall prominently display, at its own expense, both on the interior and exterior of the Premises, advertising signs in such form, color, number, location and size, and containing such Marks, logos and designs as Franchisor shall designate. Franchisee will be responsible for ordering any required signage, including an exterior signage for the School. Franchisee shall obtain all permits and licenses required for such signs and shall also be responsible for ensuring that all signs comply with all laws and ordinances. Franchisee shall not display in or upon the premises any sign or advertising of any kind to which Franchisor objects.

(c) Remodeling and Re-equipping. Franchisor reserves the right to require Franchisee to generally refurbish the School and/or the Premises at Franchisee's expense, in order to conform to the building design, trade dress, color schemes and presentation of the Marks in a manner consistent with the then-current image for DENTAL ASSISTANT U franchises, which include, without limitation, structural changes, updated décor, installation of new materials, and equipment, remodeling, redecoration, changing color schemes, and modifications and/or repairs to existing improvements. Such remodeling and re-equipping may include, without limitation, replacing worn out, obsolete, or dated décor, equipment, fixtures, furnishings and signs; structural modifications, redecorating; or purchasing more efficient or improved equipment and dental instruments. Franchisor may require Franchisee to perform remodeling and to purchase equipment at such times as Franchisor, in its sole discretion, deems necessary and reasonable. FRANCHISEE ACKNOWLEDGES THAT EQUIPMENT, ALTERATIONS AND RENOVATIONS REQUIRED BY FRANCHISOR MAY INVOLVE SUBSTANTIAL ADDITIONAL INVESTMENT BY FRANCHISEE DURING THE INITIAL TERM. In the event of Franchisee's delay, refusal, or failure to make repairs or modifications to the Premises as specified by this Section, Franchisor or its agents may enter the Premises, without further notice and without liability for trespass or other tort and with Franchisee's complete cooperation, and remove, repair, and/or replace, at Franchisee's expense, any items which do not conform to Franchisor's then-current standards and specifications or which are not in conformity with Franchisee's obligation to maintain the School and the Premises in the highest degree of repair and condition. In addition to any and all other remedies that Franchisor may have in law or in equity, Franchisee shall reimburse Franchisor for all out-of-pocket expenses incurred by Franchisor in connection with any refurbishing work performed by Franchisor pursuant to this Section, plus an administrative fee of Fifteen Percent (15%) of the total aggregate amount of expenses incurred by Franchisor. These remodeling and refurbishing obligations are in addition to Franchisee's general responsibility to maintain the condition and appearance of the Premises consistent with Franchisor's then-current standards. Franchisee must keep the Premises, including all of its fixtures, furnishings, equipment, materials, and supplies, in the highest degree of cleanliness, orderliness, and repair, as determined by Franchisor.

(d) Inspections. Franchisee hereby grants Franchisor and its agents the right to enter the Premises and/or the School at any time prior to occupancy by the Franchisee in order to inspect, photograph, and/or videotape on-going new construction or leasehold improvements, designs, purchased and installed equipment, operations and the performance of any and all services by Franchisee and/or Franchisee's employees, invitees or agents. Franchisee shall cooperate with Franchisor's representatives during those inspections by rendering whatever assistance they may reasonably request, including assistance necessary to enable Franchisor to contact and interview any architect, designer, vendor, contractor, subcontractor or Franchisee employee. Upon reasonable notice from Franchisor, and without limiting Franchisor's other rights under this Agreement, Franchisee, at its sole expense, shall take such steps as deemed to be necessary by Franchisor to immediately correct any and all deficiencies detected during any such inspection, including without limitation, correcting construction deficiencies or defects, replacing equipment and supplies, and requiring Franchisee to desist from the further use of any equipment, designs, advertising materials, products, and/or supplies that do not conform with Franchisor's then-current plans and specifications, standards or requirements.

11. Operations, Standards of Quality, Inspections.

(a) School Director. Franchisee shall designate an individual to serve as the "School Director" for the School, which may be Franchisee, an Owner of Franchisee or another Franchisee employee. The School Director shall meet the following qualifications:

(i) Management Responsibility. The School Director shall devote full time and best efforts to the management, supervision, and conduct of the development and operation of the School in order to ensure compliance with this Agreement and to maintain Franchisor's high standards. Management responsibility shall include, without limitation, maintaining the highest standards of service, sanitation, service quality and consistency, and supervising employees to ensure that the highest standard of service is provided and to ensure that Franchisee's employees deal with students, suppliers, Franchisor, and all other persons in a courteous and polite manner. The School Director should ensure that a trained manager or instructor is on-site at all hours of operation of the School.

(ii) Qualifications. The School Director shall be accepted by Franchisor, complete Franchisor's initial training requirements, participate in and complete to Franchisor's satisfaction all additional training as may be reasonably required by Franchisor. The School Director shall agree in writing to be bound by non-competition, non-disclosure and non-solicitation provisions substantially similar to those contained in Sections 14 and 15 of this Agreement. The School Director shall receive all licenses, training, and accreditation necessary to operate the School.

(iii) Change. If at any time for any reason the School Director no longer qualifies to act as such, Franchisee shall promptly designate another School Director subject to the same qualifications set forth in this Section 11 and shall pay the New School Director Training Fee of $500 plus expenses incurred. Franchisee shall bear all indirect training costs and expenses, such as salary expenses of Franchisee's employees and all expenses of travel, lodging, meals and other living expenses Franchisee and Franchisee's

designee incur. The Franchisor shall receive advanced written notice of any change in the School Director.

(b) Compliance with Franchisor's Standards. Franchisee shall operate the School through strict adherence to Franchisor's standards, specifications and policies as they now exist, and as they may from time to time be modified. Such standards and policies include, without limitation: (i) specifications related to products, courses, instructional materials, merchandise, products, and services; (ii) hours of operation as set forth in the Brand Standards Manual; and (iii) use of specified emblems and Marks on instructional materials, equipment, tools, signs, and other items. Franchisee agrees to follow the instructions of Franchisor as well as Franchisor's employees, agents, and/or Franchisor's area directors or developers. Franchisee understands and agrees that Franchisor may modify the System and any of its components from time to time in its sole discretion. Franchisor shall give Franchisee notice of all changes either by supplements to the Brand Standards Manual, in writing or electronically, or otherwise. Franchisee shall, at its own cost and expense, promptly adopt and use only those parts of the System specified by Franchisor and shall promptly discontinue the use of those parts of the System which Franchisor directs are to be discontinued. Franchisee shall not change, modify or alter the System in any way, except as Franchisor directs. Franchisee shall comply with all rules, regulations, and directives specified by Franchisor, as well as all mandatory standards, specifications and procedures contained in the Brand Standards Manual, as amended from time to time. Franchisee recognizes agrees that changes and modifications that Franchisor may make to the System may necessitate that Franchisee make capital expenditures during the Initial Term in amounts that Franchisor cannot forecast. Nothing in this Agreement limits the frequency or cost of future changes to the System that Franchisor may require. Franchisee understands and agrees that Franchisor has no ability to identify with specificity the nature of these future general improvements or their expected cost and accepts the risk that future general improvements may be imposed that will require significant capital expenditures in an amount that is unknown on the Effective Date of this Agreement and that cannot be fully amortized over the period of time then remaining in the Initial Term.

(c) Training. It will be solely Franchisee's responsibility to ensure that all new employees and current employees are trained to perform their duties in a proper manner at the School and Franchisee shall implement and maintain an employee training program, at Franchisee's expense. Franchisee shall ensure that all employees have all necessary certifications and credentials as required by applicable state laws and licensing regulations, and that all employees must satisfy all continuing educational training requirements as may be specified by applicable laws and regulations. In the event that Franchisor provides training to Franchisee's employees upon Franchisee's request, Franchisee Indemnifying Parties hereby release, indemnify and hold harmless the Franchisor Indemnified Parties of every kind arising out of or related to the training and/or the continuing education of Franchisee's employees as set forth herein. Franchisor reserves the right to assess a training fee or attendance fee for any conferences, conventions, retreats, or other training Franchisor or its approved suppliers provide.

(d) Compliance with Specifications and Procedures. Franchisee acknowledges that the Brand Standards Manual is designed to protect Franchisor's Marks, brand image, goodwill, and standards and systems, and not to control the day-to-day operation of the business. Franchisee shall comply with all rules, regulations, and directives specified by Franchisor, as well as all

mandatory standards, specifications and procedures contained in the Brand Standards Manual, as amended from time to time.

(e) Franchisee Control. Franchisee acknowledges that it is responsible for the day-to-day operation of its School, including hiring, setting the conditions of employment, supervision, discipline and termination of all personnel, purchases and maintenance of equipment and supplies, preparing Franchisee's own marketing plans and funding and implementing those marketing plans, maintenance of employment records, and daily maintenance, safety, security and the achievement of compliance with the Brand Standards Manual. Franchisor's ability to approve certain matters, to inspect the School and its operations and to enforce its rights exists only to the extent necessary to protect its interest in the System and the Marks. Neither the retention nor the exercise of these rights is for the purpose of establishing any control, or the duty to take control, over those matters that are clearly reserved to Franchisee. Franchisee expressly has control over the following for its employees: wages, benefits, and other compensation; hours of work and scheduling; hiring and discharge; discipline; workplace health and safety; supervision; assignment; and work rules and directions governing the manner, means, or methods of work performance.

(f) Employment Matters. Franchisee's employees are not Franchisor's agents or employees and Franchisor is not a joint employer of these individuals. Franchisee is solely responsible for performing all administrative functions at the School, including payroll and providing workers' compensation insurance. Franchisee acknowledges that it is not economically dependent on Franchisor, and that Franchisor does not provide facilities, equipment, housing or transportation for Franchisee's employees or provide to Franchisee's employees tools or materials required for Franchisee's employees to perform services for Franchisee. Franchisee shall comply with all employment laws and regulations. At all times, Franchisee shall ensure that Franchisee and Franchisee's employees are in compliance with federal, state, and local tax laws. Franchisee expressly has control over the following for its employees: wages, benefits, and other compensation; hours of work and scheduling; hiring and discharge; discipline; workplace health and safety; supervision; assignment; and work rules and directions governing the manner, means or methods of work performance.

(g) Employer Acknowledgment. Franchisee shall obtain from each of its employees an acknowledgment signed by such persons providing that such individual understands, acknowledges, and agrees that (i) he or she is an employee of Franchisee and not Franchisor and (ii) he or she shall look solely to Franchisee, and not to Franchisor or its affiliates, agents, or employees, for his or her compensation and for all other employment matters.

(h) Brand Standards Manual. Franchisor will provide Franchisee with one or more manuals, policy and procedure statements, or other written notice of standards and specifications which shall contain (i) the mandatory and suggested specifications, standards and operating procedures prescribed from time to time by Franchisor and (ii) information relative to other obligations of Franchisee hereunder and the operation of the School (collectively, the "Brand Standards Manual"). The Brand Standards Manual may be in print, video, audio, or other electronic forms. For purposes of this Agreement "Brand Standards Manual" also includes separate manuals and alternative or supplemental communications of Franchisor such as by bulletins, emails, video, audio, and other electronic or print methods. The Brand Standards Manual shall at all times remain the sole property of Franchisor and shall promptly be returned to

Franchisor upon the expiration or other termination of this Agreement. Franchisor may, from time to time, revise the contents of the Brand Standards Manual. To the extent that Franchisor shall deem it necessary or appropriate, Franchisor will provide Franchisee with policy and procedure statements or other written notice of specifications standards and procedures, policies, and other standards and specifications contained in the Brand Standards Manual, policy and procedure statements and other written notices as issued from time to time by Franchisor. Franchisee acknowledges and agrees that all information in the Brand Standards Manual, policy and procedure statements and other notices constitute confidential information and trade secrets, and shall not be disclosed at any time by Franchisee. **Franchisee shall not copy, disclose, duplicate, record or otherwise reproduce, in whole or in part, for whatever reason, the Brand Standards Manual or any other communication or information provided by Franchisor. Franchisor shall have the right to modify the policies and procedures of the Brand Standards Manual at any time, which modifications shall be binding upon Franchisee.**

(i) Variations in Standards. Because complete and detailed uniformity under varying conditions may not be possible or practical, Franchisor specifically reserves the right, in its sole discretion and as it may deem in the best interests of Franchisee or the Chain, to vary standards within the School or any other School in the Chain based upon peculiarities of particular location or circumstances, including, but not limited to, density of population and other demographic factors, size of a franchisee's territory, business practices or customs, or any other condition which Franchisor deems to be of importance to the operation of such School or the Chain. Franchisee acknowledges that because of these factors and others, there may be variations from standard specifications and practices throughout the Chain and that Franchisee shall not be entitled to require Franchisor to grant like or similar variations or privileges to Franchisee. Franchisee understands and agrees that Franchisor has no obligation to waive, make any exceptions to, or permit Franchisee to deviate from, the standards of the System.

(j) Compliance with Laws. Franchisee shall at all times during the Initial Term and any Renewal Term comply with all laws, ordinances, rules and regulations of all applicable governmental bodies, and pay any and all taxes, assessments, fines and penalties arising out of the operation of the School, including state and federal unemployment taxes and sales taxes.

(k) Courtesy, Cooperation, Fair Dealing and Ethical Business Practices. In all dealings with students, suppliers, Franchisor and others, Franchisee will act according to the highest standards of honesty, integrity, fair dealing and ethical conduct. At all times and under all circumstances, Franchisee and its employees shall treat all students and other persons, including Franchisor's agents, officers, and employees with the utmost respect and courtesy, and shall fully cooperate with Franchisor and its agents, officers, and employees in all aspects of the franchise relationship. Franchisee will operate Franchisee's business in full compliance with all applicable laws, ordinances and regulations, including all licensing requirements. Franchisee will not engage in any illegal discriminatory practices. Franchisor makes no representations as to what (if any) licenses, permits, authorizations or otherwise will be required in connection with Franchisee's establishment or operation of Franchisee's business. Franchisee is solely responsible for determining what licenses, permits, authorizations or otherwise are required and to obtain them, all at Franchisee's expense. Franchisee will refrain from any practice which may injure the goodwill associated with the Marks. Franchisee will notify Franchisor in writing within five (5) days of the commencement of any action, suit, or proceeding, and of the issuance of any order,

writ, injunction, award, or decree of any court, agency, or other governmental instrumentality, which relates to, or which may affect the operation or financial condition of, Franchisee, Franchisee's business and/or the Marks. Franchisee shall carbon copy or otherwise include Franchisor on all correspondence between Franchisee and any governmental or regulatory agency or authority relating to Franchisee, Franchisee's business and/or the Marks, and, to the extent Franchise is not already copied on such communications, shall send a copy of all incoming correspondence received from any governmental or regulatory agency or authority to Franchisor within two (2) days of receipt by Franchisee. Franchisee agrees to submit an Authorization to Copy Franchisor on Communications in the form of Attachment 6 attached hereto to the North Carolina Proprietary School Board within thirty (30) days prior to commencing operations of the School.

Franchisee agrees to comply with and/or assist Franchisor in Franchisor's compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise. Franchisee agrees to comply with and assist Franchisor in Franchisor's compliance efforts, as applicable, with any and all laws, regulations, Executive Orders or otherwise relating to anti-terrorist activities, including, without limitation, the U.S. Patriot Act, Executive Order 13224, and related U.S. Treasury and/or other regulations. In connection with such compliance efforts, Franchisee agrees not to enter into any prohibited transactions and to properly perform any currency reporting and other activities relating to Franchisee's business as may be required by Franchisor or by law. Franchisee confirms that Franchisee is not listed in the Annex to Executive Order 13224 and agrees not to hire any person so listed or have any dealing with a person so listed (the Annex is currently available at http://www.treasury.gov). Franchisee is solely responsible for ascertaining what actions must be taken by Franchisee to comply with all such laws, orders and/or regulations, and Franchisee specifically acknowledges and agrees that Franchisee Indemnifying Parties' indemnification responsibilities as provided in Section 19(b) of this Agreement pertain to Franchisee's obligations hereunder.

(l) Business Relations. Franchisee shall at all times operate the School in a financially sound, prudent and business-like manner and, without limiting the generality of the foregoing, pay all its bills and accounts promptly when due and shall take no action, or omit to take any action, the result of which would be to tend to disrupt, damage or jeopardize Franchisee's relationship with suppliers or students, Franchisor's good reputation, or the good reputation of Franchisor's other franchisees. Franchisee will not engage in any trade practice or other activity which is harmful to the goodwill or reflects unfavorably on the reputation of Franchisee, Franchisor, the School, the Marks, the services and/or products sold at the School, or constitutes deceptive or unfair competition or otherwise is in violation of any applicable laws.

(m) Crisis Situations. Franchisee shall notify Franchisor immediately upon the occurrence of any situation that may have a significant negative impact on Franchisee, Franchisor, the School, or which could have a deleterious effect on the DENTAL ASSISTANT U brand, Marks or System (a "Crisis"). Franchisee shall follow all of Franchisor's policies, procedures, and instructions in every such situation, including, without limitation, managing public relations and communications, as directed by Franchisor or as specified in the Brand Standards Manual, whether or not Franchisee has retained outside counsel or a public relations firm to assist with such matters. A Crisis includes, but is not limited to, any event that occurs at or about the School or in connection with the School that has or may cause harm or injury to students or employees. Examples include, but are not limited to, injuries to employees or students, contagious diseases, natural disasters,

terrorist acts, shootings, cyber-attacks, or any other circumstance which may damage the System, Marks, or image or reputation of the School, the System or Franchisor. Franchisee will cooperate fully with Franchisor with respect to Franchisor's response to the Crisis. In the event of the occurrence of a Crisis, Franchisor may establish emergency procedures which may require Franchisee to temporarily close the School to the public, in which event Franchisor shall not be liable to Franchisee for any loss or costs, including consequential damages or lost profits occasioned thereby. Franchisor will have the right to take control of the management of communications if Franchisor determines that the publicity surrounding the event is likely to have a material adverse effect on the reputation or goodwill of the School, Marks, System, or Franchisor. Franchisee will obtain Franchisor's consent before any press releases, interviews or public statements are issued by Franchisee, or anyone on its behalf, about events that are likely to receive or are receiving significant negative public attention related to the School, Marks, System, or Franchisor.

(n) Change in Marital Status. All Owners, including any new Owners added during the Initial Term, and their spouses shall sign the personal guaranty, non-compete, non-solicit, and confidentiality agreements. If Franchisee or one of its owners or guarantors has a change in marital status during the Initial Term, Franchisee shall promptly inform Franchisor of that change and Franchisee agrees that any new spouse will sign Franchisor's form guaranty, non-competition agreement, and confidentiality and non-solicitation agreement.

(o) Books and Records; Financial Reporting.

(i) Books and Records. Franchisee shall maintain during the Initial Term and any Renewal Term, and shall preserve for at least five (5) years from the dates of their preparation, and shall make available to Franchisor at Franchisor's request and at Franchisee's expense, full, complete and accurate books, records, and accounts in accordance with generally accepted accounting principles. Franchisee shall maintain such records at the Premises, unless otherwise authorized by Franchisor. Franchisee agrees at all times to use the chart of accounts, format for financial statements, and accounting procedures established from time to time by Franchisor. Franchisor has the right to require Franchisee to grant Franchisor unlimited, remote, 24/7 access to Franchisee's books, records, and accounts that are provided through Computer Systems.

(ii) Submission of Performance Reports. Franchisee shall submit to Franchisor, for review or auditing, financial statements, including a balance sheet and income statement prepared on a monthly basis, Billings reports and performance reports for monthly periods, and such forms, reports, records, information, and data as Franchisor may reasonably designate, in the form and at the times and places reasonably required by Franchisor, including without limitation, by electronic telecommunications data transmission methods, upon request and as specified from time to time in the Brand Standards Manual or otherwise in writing. If Franchisee prepares and submits to Franchisor monthly profit and loss statements, Franchisor may require Franchisee to have a certified public accountant review such statements on a quarterly basis, the expense of which shall be borne entirely by Franchisee, and then submit such quarterly reviews to Franchisor. Franchisee also shall immediately notify Franchisor in writing when one or

more liens or judgments are filed against Franchisee, the School and/or any of the personal guarantors (if any) under this Agreement.

(iii) Submission of Financial Statements and Tax Returns. Franchisee shall submit, within forty-five (45) days following the close of business of Franchisee's fiscal year, copies of a balance sheet, profit and loss statement, and cash flow report prepared and certified by a certified public accountant which cover the previous twelve (12) months of operations of the School. Franchisee also shall submit, within five (5) days of their filing, its federal and state tax returns for each year during the Initial Term or any applicable Renewal Term; provided, however, that if Franchisee is not a corporation or partnership, Franchisee may, at its option, submit only those schedules to its personal tax filings which reflect the revenues and expenses of the School.

(iv) Audit of Franchisee's Records. Franchisor or its designated agents shall have the right at all reasonable times to examine and copy, at Franchisor's expense, the books, records, and tax returns of the School and remove copies thereof from the School premises. Franchisor shall also have the right at any time, at Franchisor's expense, to have an independent audit made of the School books, records and accounts. If any inspection or audit reveals that an underpayment exists, Franchisee shall immediately pay to Franchisor the amount owing to Franchisor, as determined by the inspection or audit. Upon discovery of an understatement of two percent (2%) or more, in addition to prompt payment of the underreported amount, Franchisee shall reimburse Franchisor for any and all expense connected with such inspections or audits, including but not limited to reasonable accounting and legal fees as well as interest as provided for in Section 3(f) of this Agreement. Such payments shall be without prejudice to any other remedies Franchisor may have under this Agreement or otherwise at law. If a discrepancy of less than two percent (2%) is revealed, Franchisor will bear the costs of the audit.

(v) Forms. Franchisee will use only such forms, including, without limitation, those used in and generated by the required software, as are approved by Franchisor in the Brand Standards Manual or otherwise in writing. Franchisee will obtain all forms specified by Franchisor and/or the required software, at Franchisee's expense, from suppliers approved by Franchisor. Franchisor may maintain and make available to Franchisee all or a portion of such forms electronically, if any exists, in addition to, or in lieu of, providing hard copies to Franchisee.

(vi) Accounting Service Provider. Franchisor has the right to require Franchisee to use an accounting service provider or payroll services provider mandated by Franchisor. Franchisee will be responsible for all charges related to the accounting service or payroll service.

(vii) Initial Investment Report. Within one hundred twenty (120) days after opening for business, Franchisee shall submit to Franchisor a report detailing Franchisee's investment costs to develop and open the School, with costs allocated to the categories described in Item 7 of Franchisor's Franchise Disclosure Document and with such other information as Franchisor may request.

(p) Inspections. Franchisor and its agents have the right to enter the School, with or without notice, in person or remotely via communications technology, in order to inspect, photograph, and/or videotape on-going new construction or leasehold improvements, equipment and operations, and the performance of any and all services provided in and around the School and/or the Premises or any other operations of the School to ensure compliance with all requirements of this Agreement, at all times before or after Franchisee opens the School. Franchisee will cooperate with Franchisor's representatives in those inspections by rendering whatever assistance Franchisor may reasonably request, including using communications or audiovisual technology, such as a smartphone, to facilitate the remote inspection by Franchisor or Franchisor's agents and the assistance necessary to enable Franchisor to contact and interview architects, designers, employees, contractors, vendors and suppliers, as well as Franchisee's customers and former customers. Upon reasonable notice from Franchisor, and without limiting Franchisor's other rights under this Agreement, Franchisee will take such steps as may be necessary to correct the deficiencies detected during any such inspection, including without limitation immediately correcting any problems with construction or leasehold improvements, and immediately desisting from the further use of any equipment, advertising materials, products, or materials that do not conform to Franchisor's then-current plans and specifications, the Brand Standards Manual, or other standards or requirements, and to repair or replace anything in the School that does not so conform. Franchisee acknowledges and agrees that any and all inspections by Franchisor and all demands made by Franchisor to correct deficiencies and conform to Franchisor's standards and specifications will not constitute a representation or warranty by Franchisor that the School or its Premises comply with applicable laws, codes, ordinances, regulations or governmental standards. Upon reasonable written notification from Franchisor of a scheduled inspection, one of Franchisee's Owners must be present during such inspection. Franchisor may remove samples of inventory and equipment from the Premises during inspections.

(q) Computer System. Franchisee, at its expense, shall purchase or lease and thereafter maintain such computer hardware and software, mobile application(s), cloud-based systems and/or software, robotics, automation equipment, smartphone(s), tablet, broadband high-speed internet service, active e-mail account, required dedicated telephone and power lines, modem(s) printer(s), point-of-sale systems, scheduling systems, electronics, communications systems, student management systems, instructional systems, and other computer-related or technology-related accessories or peripheral equipment as Franchisor specifies ("Computer Systems"). Franchisor's requirements for the Computer Systems will be updated from time to time as deemed necessary by Franchisor in accordance with changing technology and industry standards and may include the requirement to purchase or lease new Computer Systems at Franchisee's expense. Franchisee must periodically update, as required by the Franchisor and/or the Computer Systems' suppliers, all Computer Systems solely at the Franchisee's expense. Franchisee may be required to license proprietary Computer Systems directly from Franchisor or Franchisor's affiliates. Franchisee may be required to enter into license agreement(s) with Franchisor or other suppliers to provide all or part of the Computer Systems. Franchisor and its agents shall have the right to access all information related to the operation of the School that is accessed or stored on the Computer Systems, whether in-person or from a remote location, without the need for Franchisee's consent, at the times and in the manner prescribed by Franchisor, which may be unlimited, remote, 24/7 access. Franchisor shall be granted access and may use data from the Computer Systems or from any source utilized by Franchisee which deviates from the Computer Systems in any way it deems fit and Franchisee agrees to furnish such data to Franchisor

at any time that Franchisor requests it. Franchisor has the right to require Franchisee to connect to Franchisor's own computer systems. Franchisee shall provide Franchisor with all required passwords or login credentials to access the Computer Systems and shall grant Franchisor any permissions necessary for Franchisor to view and access the data on the Computer Systems. Data relating to the School and/or the System that is generated by, stored on, saved to, downloaded or uploaded to, shared with the Computer Systems is part of the Franchised Business Data owned solely by Franchisor. Despite the fact that Franchisee agrees to buy, use, and maintain the Computer Systems according to Franchisor's standards and specifications, Franchisee will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of the Computer Systems; (2) the manner in which the Computer Systems interfaces with Franchisor's and any third party's computer system; and (3) any and all consequences if the Computer Systems is not properly operated, maintained, and upgraded. Franchisee may not install any software, other than authorized upgrades, or make any modifications to the Computer Systems that might hamper or interfere with the operation of the Computer Systems in the manner Franchisor requires. Franchisee acknowledges and agrees that Franchisor shall have no responsibility under any circumstances for any malfunction or "crash" of any Computer System provided by or approved by Franchisor, including, but not limited to, for any data lost as a result of such malfunction or "crash."

(r) Credit Card Processing. Franchisee agrees to use such credit card processing services approved by Franchisor and to purchase and maintain, at Franchisee's expense, any equipment necessary to permit such credit card processing functionality. Notwithstanding the credit card processing requirement, Franchisor does not represent, nor does it certify or warrant, to Franchisee or Franchisee's students that the credit card processing service approved by Franchisor is compliant, whether or not certified as such, with the PCI Data Security Standards.

(s) Data Protection; Privacy.

(i) Definition of Personal Information. As used in this Agreement, "Personal Information" shall mean (i) any information that can be used to identify, locate, or contact an individual or household, including but not limited to Franchisee's employees and students and (ii) information that is defined as protected, personal information under any Privacy Law.

(ii) Data Protection and Security Policies. Franchisee shall comply with, or, as applicable, adopt policies consistent with the then-current version of Franchisor's data protection and security policies as may be described in the Brand Standards Manual ("Data Protection and Security Policies"). Such policies may govern how Franchised Business Data and Personal Information contained in such data shall be collected, used, store, processed, shared, or destroyed. Franchisor has the right, but not the obligation to create such Data Protection and Security Policies. Franchisee acknowledges that Franchisor may supplement, modify, or amend the Data Protection and Security Policies from time to time in its sole discretion, and that Franchisee shall comply with such modifications or amendments within thirty (30) days of notice from Franchisor. Franchisor may require Franchisee to institute a data privacy policy for its School. Franchisee shall not publish, disseminate, implement, revise, or rescind a data privacy policy without Franchisor's prior written consent as to said policy.

(iii) Privacy Laws. Franchisee warrants and represents and covenants that it shall comply with (i) applicable prevailing industry standards concerning privacy, data protection, confidentiality and information security, including, without limitation, the then-current Payment Card Industry Data Security Standard of the PCI Security Standards Council ("PCI-DSS"), (ii) those mandatory Data Protection and Security Policies, if any, and (iii) all applicable international, federal, state, and local laws, rules, and regulations, as the same may be amended or supplemented from time to time, pertaining in any way to the privacy, confidentiality, security, management, disclosure, reporting, and any other obligations related to the possession or use of Personal Information (collectively, "Privacy Laws").

(iv) Marketing; Consumer Protection. Franchisee warrants and represents not to transmit or cause any other party to transmit advertisements or solicitations by e-mail, SMS text message, or other electronic media without first obtaining Franchisor's written consent as to: (a) the content of such e-mail, electronic, or SMS text message advertisements or solicitations; and (b) Franchisee's plan for transmitting such advertisements. In addition to any other provision of this Agreement, Franchisee shall be solely responsible for compliance with all laws pertaining to e-mails, including, but not limited to, the U.S. Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (known as the "CAN-SPAM Act of 2003"), and to use of automatic dialing systems, SMS text messages, and artificial or prerecorded voice messages, including but not limited to the Telephone Consumer Protection Act of 1991 ("TCPA"), as amended from time to time. Franchisee must comply with the Fair and Accurate Credit Transactions Act (FACTA) and all other consumer protection laws and regulations.

(v) Security; Security Breach. Franchisee shall establish, maintain, and comply with appropriate internal, physical, and technical security measures in order to protect Personal Information associated with the Franchised Business and the Franchised Business Data against unauthorized disclosure and access and accidental or unlawful destruction, loss, or alteration. Franchisee shall cooperate with Franchisor in any audit that Franchisor may conduct from time to time of its data storage and management systems and Franchisee's storage of Personal Information. In addition, if Franchisee becomes aware of any actual or suspected unauthorized access, processing, loss, use, disclosure, alteration, destruction, transfer, or other compromise or acquisition of or access to any Personal Information, whether such information is stored in paper or electronic form, or information that might reasonably expose Franchisor to any harm or prejudice of any type or actual or suspected intrusion by an unauthorized third party into Franchisee's or Franchisor's computers, networks, servers, IT resources, or paper files ("Security Breach"), Franchisee shall immediately notify the Franchisor's President via telephone of such matter and shall thereafter cooperate with Franchisor to investigate and remedy such matter. Except to the extent required by applicable law, no public disclosure of any instance of such unauthorized access or breach shall be made by Franchisee unless Franchisor has authorized the provision of notice and the form of such notice in writing. Franchisee shall reimburse Franchisor for all reasonable Notification and Remediation Related Costs (hereinafter defined) incurred by Franchisor arising out of or in connection with any such Security Breach that is directly or indirectly caused by Franchisee or its personnel. "Notification and Remediation Related Costs" shall include Franchisor's internal and external costs

associated with addressing and responding to the Security Breach, including but not limited to: (i) preparation and mailing or other transmission of legally required notifications to affected individuals, regulators and attorneys general; (ii) preparation and mailing or other transmission of such other communications to students, agents or others as Franchisor deems reasonably appropriate; (iii) establishment of a call center or other communications procedures in response to such Security Breach (e.g., customer service FAQs, talking points and training); (iv) engagement of information technology consultants, public relations and other similar crisis management services; (v) payment of legal and accounting fees and expenses associated with Franchisor's investigation of and response to the Security Breach; and (vi) payment of costs for commercially reasonable credit reporting services that are associated with legally required notifications or are advisable under the circumstances. Franchisee Indemnifying Parties (as defined in Section 19 of this Agreement) agrees to hold harmless, defend and indemnify Franchisor Indemnified Parties (as defined in Section 19 of this Agreement) from and against any and all losses, expenses, judgments, claims, attorney fees and damages arising out of or in connection with any claim or cause of action in which Franchisor Indemnified Parties shall be a named defendant and which arises, directly or indirectly, out of the operation of, or in connection with a Security Breach or Franchisee Indemnifying Parties', or their officers, directors, agents or employees' violation of any Privacy Law, Data Protection and Security Policies, consumer protection-related law or regulation, e-mail marketing and other marketing laws and regulations, and the PCI-DSS.

(vi) **Inspection**. Franchisor, through its employees and/or any agents designated by Franchisor from time to time, may at any time during business hours, and without prior notice to Franchisee enter upon and inspect the School and examine Franchisee's Computer Systems, databases, business records and other supporting records and documents in order to verify compliance with its Data Protection and Security Policies, and Privacy Laws. Any such inspection shall be made at Franchisor's expense, provided that if such inspection is necessitated by Franchisee's repeated or continuing failure to comply with the Data Protection and Security Policies, Privacy Laws, this Agreement, Franchisor may charge Franchisee for the costs of making such inspection, including without limitation, travel expenses, room and board, and compensation of Franchisor's employees and/or agents.

(vii) **Personal Information Consent and Requests**. Franchisee is responsible for obtaining any required consent to the collection, use, storage, processing, and sharing of Personal Information from its customers, employees, and other parties from which it is required to obtain consent under the Privacy Laws or Data Protection and Security Policies. Franchisee shall retain copies of the consent and store them and share them with Franchisor in the manner Franchisor requires. Franchisee shall fully comply with Data Protection and Security Policies and Privacy Laws as they relate to a person's exercise of his or her rights under the Privacy Laws. If any person contacts Franchisee seeking to exercise any right under law pertaining to Personal Information, Franchisee shall comply with such request in accordance with the terms of this Agreement, including the Data Protection and Security Policies, the Brand Standards Manual, the Privacy Laws, and as otherwise instructed by Franchisor. If requested by Franchisor, Franchisee must cooperate or coordinate with Franchisor to provide information about the way that Franchisee has collected, used, stored, processed, and shared Personal Information.

(viii) **Use of Personal Information**. Franchisee warrants and represents and covenants that it shall not collect, use, store, process, or share Personal Information unless such action is permitted by (i) the terms of this Agreement, (ii) the terms of the Data Protection and Security Policies, (iii) the standards in the Brand Standards Manual, (iv) Privacy Laws, and if, applicable, (v) written approval of Franchisor. Franchisee shall collect, use, store, process, and share Personal Information only for purposes of operating the School. Franchisee shall not sell Personal Information. Franchisee shall not re-identify any Personal Information that has been de-identified. If Franchisee engages any vendor that will collect, use, store, process, or share Personal Information, Franchisee must contractually bind the vendor to the data protection obligations that Franchisor requires.

(t) **Secret Shoppers; Toll-Free Number; Etc.** Franchisor may, at its sole discretion, institute various programs for verifying student satisfaction and/or Franchisee's compliance with all operational and other aspects of the System, including, without limitation, marketing research surveys, a toll-free number, student comment cards, secret shoppers, or otherwise. Franchisor will share with Franchisee the results of such programs as they pertain to Franchisee's business and Franchisee agrees to reimburse Franchisor for all costs associated with any and all such programs, which cost may be drafted by EFT at the sole discretion of Franchisor.

(u) **Franchise Advisory Council.** Franchisor may, but is not obligated to, form a Franchise Advisory Council selected by Franchisor in Franchisor's sole discretion, which shall provide Franchisor input as Franchisor may request from time to time ("FAC"). The FAC exists at Franchisor's pleasure, and Franchisor is not obligated or bound by any input provided by the FAC. The FAC will consist of franchisees in full compliance with this Agreement and/or Franchisor's representatives. Franchisor has the right to add or remove members of the FAC in Franchisor's sole discretion.

(v) **Warranty and Student Service**. Franchisee must guaranty the satisfaction of students. Franchisee must follow the procedures for student complaints found in the Brand Standards Manual. Resolution of customer concerns may involve discounting products or services and other such measures that affect the Billings of the Franchisee.

(w) **Instructors**. Franchisee is solely responsible for hiring qualified dental assisting instructors. Instructors must follow Franchisor's standards and requirements for instruction contained in the Brand Standards Manual.

(x) **Teach-Out Plan**. Within thirty (30) days of launching the School's first classes, Franchisee shall provide to Franchisor a teach-out plan explaining the processes and steps Franchisee will take to ensure its students are able to complete the dental assisting courses for which they have registered in the event that Franchisee must cease operating the School before students have been able to complete their registered courses ("Teach-Out Plan"). Franchisor will review the Teach-Out Plan and require Franchisee to make revisions until Franchisee's Teach-Out Plan is acceptable to Franchisor. Franchisor will retain the approved plan on file and Franchisee cannot alter the Teach-Out Plan without Franchisor approval. The Teach-Out Plan will give the Franchisor and its affiliates the first opportunity to provide teach-out instruction. If Franchisor and its affiliates decline to provide teach-out instruction, Franchisor's other franchisees will be given the opportunity to do so. If Franchisor, and its affiliates, and Franchisor's other franchisees decline

to provide teach-out instruction, Franchisee may use an approved third party. Franchisee shall execute all agreements to implement the Teach-Out Plan as Franchisor may require at any time ("Teach-Out Agreements"). Franchisor may require Franchisee to modify the Teach-Out Plan at any time for any reason.

(y) No Warranties. FRANCHISOR, ITS REPRESENTATIVES, AND FRANCHISOR'S AFFILIATES MAKE NO WARRANTY WITH RESPECT TO ANY PRODUCTS, SERVICES, EQUIPMENT, SUPPLIES OR OTHER ITEMS FRANCHISOR APPROVES, SUPPLIES, OR REQUIRES FRANCHISEE TO PURCHASE OR USE. FRANCHISOR, ITS REPRESENTATIVES, AND FRANCHISOR'S AFFILIATES EXPRESSLY DISCLAIM ALL WARRANTIES, EXPRESS AND IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY SUCH PRODUCTS, EQUIPMENT, SUPPLIES, OR OTHER APPROVED ITEMS.

(z) Customer Service and Payments. Franchisee must follow the procedures for student complaints found in the Brand Standards Manual. Resolution of student concerns may involve discounting goods or services and other such measures that affect the Billings and profits of the School. Franchisor reserves the right to charge Franchisee for Franchisor's costs to respond and/or resolve a complaint by Franchisee's students that Franchisee does not satisfactorily resolve. Franchisee shall comply with Franchisor's policies for student refunds. Franchisee agrees to accept the types and forms of student payment as Franchisor may require from time to time and shall not accept a type or form of payment that Franchisor has not authorized.

(aa) Hours of Operation. Franchisee must keep the School open to the public during the hours of operation Franchisor designates in the Brand Standards Manual.

12. Suppliers, Products and Services.

(a) Suppliers, Products, and Services. In the operation of the School and to the extent Franchisor has specifications and standards, Franchisee shall use and sell only those products, instructional materials, materials, supplies, equipment, dental equipment, technology, and services that have been specifically designated or approved by Franchisor. To the extent Franchisor has approved or designated suppliers, Franchisee shall obtain all products, instructional materials, materials, supplies, equipment, dental equipment, technology, and services that are used in operation of the School from suppliers that Franchisor shall have specifically designated or approved. Franchisee may be required to purchase from Franchisor certain products, instructional materials, materials, supplies, equipment, dental equipment, technology, and services, or Franchisor may designate an affiliate as the designated supplier of any products, instructional materials, materials, supplies, equipment, dental equipment, technology, and services used in the operation of the School. Franchisor may designate exclusive suppliers for products, instructional materials, materials, supplies, equipment, dental equipment, technology, and services. Franchisor or its affiliates may receive payments or other compensation from suppliers on account of the suppliers' dealings with Franchisor, Franchisee, or other Schools in the System. Franchisor may use any amounts that it receives from suppliers for any purpose that Franchisor deems appropriate. Franchisor and its affiliates may negotiate supply contracts with its suppliers under which Franchisor is able to purchase products, instructional materials, materials, supplies, equipment, dental equipment, technology, and services at a price lower than that at which franchisees are able

to purchase the same items. Franchisor may, from time to time, amend the list of approved products, services, and suppliers, and Franchisee must comply with any such changes within thirty (30) days after receiving notice of the change. Products other than those required to be obtained from Franchisor or a designated supplier may be purchased from any source provided that the particular supplier and products have been approved by Franchisor. Franchisor may, from time to time, amend the list and this section of approved products and suppliers. If Franchisee requests that Franchisor review a new or alternate supplier or product, Franchisee shall pay any costs and expenses Franchisor incurs as a result of its evaluation. If Franchisee requests that Franchisor review a new or alternate supplier, service, or product, Franchisee shall pay any costs and expenses Franchisor incurs as a result of its evaluation. Further if Franchisor and its affiliates sell any goods and services to Franchisee, Franchisor and its affiliates may make a profit. Franchisee hereby agrees that Franchisor and its affiliates are entitled to such profits, payments, discounts, or other compensation.

(b) Pricing. Franchisee shall have the right to set prices provided that, subject to applicable antitrust laws, such pricing: (1) complies with any minimum or maximum prices set by Franchisor; and (2) complies with any prices specified by Franchisor; (3) conforms to any bona fide promotional programs or national or regional accounts programs periodically established by Franchisor; and (4) complies with the laws, rules, regulations, or requirements of applicable regulatory authorities. Franchisor retains the right to modify its pricing policies from time to time in its sole discretion. Franchisor specifically reserves the right, in its sole discretion and as it may deem in the best interests of Franchisee or the Chain, to vary pricing standards and policies within the School or any other School in the Chain based upon peculiarities of particular location or circumstances, including, but not limited to, density of population and other demographic factors, size of a franchisee's territory, business practices or customs, cost of a franchisee's rent or mortgage payments, or any other condition which Franchisor deems to be of importance to the operation of such School or the Chain. Franchisee acknowledges that because of these factors and others, there may be variations from standard pricing policies and practices throughout the Chain and that Franchisee shall not be entitled to require Franchisor to grant like or similar variations or privileges to Franchisee. Franchisee must provide to Franchisor a price list containing all of the prices charged for the products supplied by the School. The price list must be updated and supplied to Franchisor every time Franchisee alters its prices and, in any event, at least annually.

(c) System Changes. Franchisee acknowledges that the System, the services, and products offered by the School may be modified (such as, but not limited to, the addition, deletion, and/or modification of operating procedures, products, and services) from time to time by Franchisor; and Franchisee agrees to comply, at its expense, with all such modifications, including, without limitation, all requirements needed to implement the modifications. Franchisee agrees there is no limit to Franchisor's ability to modify the System. Franchisee may be required to pay additional or increased fees to Franchisor, its affiliates, or third-party vendors, as a result of these System changes.

(d) Technology Changes. Franchisee acknowledges and agrees that changes to technology are dynamic and not predictable within the Initial Term. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, Franchisee agrees that Franchisor shall have the right to establish, in writing, reasonable new standards for the implementation of technology in the System; and Franchisee agrees that it will abide by those

reasonable new standards established by Franchisor, at Franchisee's sole cost and expense. Franchisee may be required to pay additional or increased fees to Franchisor, its affiliates, or third-party vendors, as a result of these changes to technology.

(e) Promotional Requirements. Franchisor has the right to require Franchisee to participate in loyalty programs, and national, regional, and local giveaways and promotions at Franchisee's expense. Franchisee may be required to provide free or discounted courses or other free or discounted products or services as a result of such loyalty programs, giveaways, or promotions. Franchisor is not required to reimburse Franchisee for Franchisee's costs and expenses incurred as a result of these loyalty programs, giveaways, or promotions. Franchisee may be required to participate in loyalty programs, giveaways, or promotions, as Franchisor modifies them from time to time. Franchisee must honor coupons, value cards, program rewards, or memberships sold or distributed by other schools if required by Franchisor. Franchisee must not issue or offer any loyalty, or similar program without or prior approval. Franchisee must issue, redeem, and honor loyalty program incentives, and promotions Franchisor requires in accordance with Franchisor's procedures and policies.

13. Transfer; Franchisor's Right of First Refusal.

(a) Transfers by Franchisor. This Agreement, and any and/or all of Franchisor's rights and/or obligations under it, are fully transferable by Franchisor in Franchisor's sole discretion and will inure to the benefit of any person or entity to whom Franchisor transfers it, or to any other legal successor to Franchisor's interest in this Agreement. If Franchisor transfers this Agreement, or any and/or all of Franchisor's rights and/or obligations under it, all past, current and future obligations of Franchisor to Franchisee will cease and be forever extinguished. Franchisor shall be released from all obligations and liabilities arising or accruing in connection with this Agreement after the date of such transfer or assignment, and Franchisee's obligations and duties shall be and will remain the same notwithstanding any such assignment. Franchisor may be sold and/or Franchisor may sell any or all of its assets to a competitive or other entity; or Franchisor may participate in an initial, or other, public offering or private placement of Franchisor's stock; may merge, acquire other entities and/or assets (competitive or not); may be acquired by a competitive or other entity; and/or may undertake any refinancing, leveraged buy-out and/or other transaction. Franchisee waives any and all claims, demands and/or damages with respect to any transaction or otherwise allowed under this section or otherwise.

(b) Transfers by Franchisee. The rights and interest of Franchisee under this Agreement are and shall remain personal to Franchisee. Franchisee recognizes that Franchisor has granted the License in reliance on the business and financial capacity and other attributes of Franchisee, the personal skill, qualifications and representations of the Owners of Franchisee and in reliance upon Section 14, 15 and 23 of this Agreement. Therefore, neither Franchisee's interest, rights or privileges in the Agreement, the License, substantially all of the assets of the School, or the School, nor any Owner's interest in Franchisee or the Owner(s), shall be transferred in whole or in part, voluntarily or involuntarily, by operation of law or otherwise, in any manner, except as provided in this Section 13. For purposes of this Agreement, the term "transfer" shall mean any issuance, sale, assignment, gift, pledge, mortgage or any other encumbrance (other than a lien against Franchisee's assets to secure a loan for the construction, remodeling, equipping or operation of the School), transfer by bankruptcy, transfer by judicial order, merger, consolidation

share exchange, transfer by operation of law or otherwise, whether direct or indirect, voluntary or involuntary. Except as provided below, any ownership or structural changes in Franchisee including but not limited to, any merger, reorganization, issuance of additional shares or classes of stock or additional partnership interests, shall constitute and be deemed a transfer and shall be subject to the provisions of Section 13(d).

(c) Franchisor's Right of First Refusal.

(i) Exercise of Right. If Franchisee or an Owner proposes to transfer this Agreement or its interest herein or in the School, in whole or in part, Franchisee must first deliver a statement to Franchisor offering to sell to Franchisor the Franchisee's or Owner's interest in this Agreement and the land, building, equipment, furniture and fixtures and any other assets or leasehold interests used in the operation of the business. If the proposed transfer involves an offer from a third party, then Franchisee must obtain from the third-party offeror and deliver to Franchisor a statement, in writing, signed by the offeror and by Franchisee, of the binding and non-binding terms of the offer. If the transfer does not involve an offer from a third party, then the purchase price for Franchisor's purchase will be the fair market value of the assets or interests, but shall not include the value of any goodwill of the business, as the goodwill of the business is attributable to the Marks and the System. If Franchisee disagrees with the value of the School as determined by Franchisor, then Franchisee and Franchisor shall each hire an appraiser (or a single appraiser, if they so agree) to value the assets or interests. If the appraisals are within twenty percent (20%) of each other, then the difference between the two shall be equally divided to establish the price at which Franchisor may exercise its first right and option. If the difference between the appraisals is greater than twenty percent (20%), then the issue of the fair market value of such consideration shall be determined by a third appraiser selected by the other two appraisers and whose decisions shall be final, except that it may not be lower or higher than the lowest appraisal and highest appraisal, respectively, determined by the first two appraisers. Franchisor and Franchisee will each pay one-half of the third appraiser's fees and expenses. Franchisor then has forty-five (45) days from its receipt of the statement setting forth the third-party offer or the appraiser's report, as applicable (and all other information requested by Franchisor) to accept the offer by delivering written notice of acceptance to Franchisee. During said forty-five (45) day period, Franchisor shall have the right to inspect all Franchisee's books and records relating to the School, specifically including all financial records and statements for the three (3) full fiscal years preceding the date on which the forty-five (45) day right of first refusal commences. Franchisor will have an additional 45 days to complete the purchase if Franchisor elects to exercise its right of first refusal. Franchisor's acceptance of any right of first refusal will be on the same price and terms set forth in the statement delivered to Franchisor; provided, however (and regardless of whether the following are inconsistent with the price and terms set forth in the statement) (1) Franchisor has the right to substitute equivalent cash for any noncash consideration included in the offer, (2) Franchisor will prepare the transaction documents for the Transfer, which will be on terms customary for this type of transaction (including representations and warranties, covenants, conditions, and indemnification), and (3) Franchisor's purchase may be limited to any assets related to the business. Franchisor has the unrestricted right to assign this option to purchase the assets or interests.

(ii) Approval of Transfers. If Franchisor decides not to exercise its right of refusal, Franchisor shall have the right to approve or disapprove the proposed transfer; provided, however, Franchisor's consent shall not be unreasonably withheld as provided in Section 13(d). If Franchisor approves the transfer in writing, Franchisee (or Owner, as applicable) may make the proposed transfer on the exact terms and conditions specified in Franchisee's notice to Franchisor within sixty (60) days after the expiration of Franchisor's right of first refusal. If the transfer is not consummated within such 60-day period, Franchisee may not thereafter transfer such interest without again complying with this Section 13.

(d) Conditions on Transfer. Franchisor agrees that it will not unreasonably withhold its consent to a proposed transfer if all the following conditions are satisfied:

(i) No Exercise of Right. Franchisor shall have decided not to exercise its right of first refusal as provided in Section 13(c).

(ii) Compliance. Franchisee, its Owners, and its affiliates are in full compliance with this Agreement and with any other agreement with Franchisor's affiliates and there are no uncured defaults by them thereunder, and all debts and financial obligations of Franchisee under this Agreement are current, including Franchisee's obligations to each Cooperative of which Franchisee is a member, and all vendors, including but not limited to, Franchisor and any affiliate.

(iii) Agreements. The proposed transferee executes such documents as Franchisor may reasonably require to evidence that it has assumed the obligations of Franchisee under this Agreement, including, but not limited to, the then-current version of the Franchise Agreement, and if required by Franchisor, the proposed transferee executes, and in appropriate circumstances, causes such other parties as Franchisor may require to execute, Franchisor's then-current ancillary agreements to this Agreement (including, specifically and without limitation, the personal guaranty), which documents may be substantially different than those executed contemporaneously with the execution of this Agreement provided, however, that the Royalty rate, Brand Fund and other advertising expenses payable by the transferee will not be increased to an amount which is greater than that which is required to be paid system-wide by Franchisor's new franchisees, the transferee will not be required to pay an additional Initial Franchise Fee, and the protected Territory of the School, as designated in this Agreement will remain the same. The Franchise Agreement between Franchisor and Franchisee will terminate once an approved transfer is completed.

(iv) Release. Franchisee; Owners; guarantors of the Franchisee; for themselves and on behalf of their respective predecessors, affiliates, shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, personal representatives, heirs, executors, administrators, successors, and assigns execute a general release, in a form prescribed by Franchisor, releasing Franchisor; Franchisor's predecessors and affiliates; and their respective shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, guarantors, successors, and assigns, in both their corporate and individual capacities, from

any and all claims, causes of action, demands, debts, liabilities, obligations, fees, costs and expenses, including without limitation, claims and causes of action arising under federal, state and local laws, rules, regulations and ordinances, arising prior to and including the date the transfer becomes effective.

(v) **Training**. Prior to the date of the proposed transfer, the proposed transferee's principal operator and managers undertake and complete, to the satisfaction of Franchisor, such training and instruction as Franchisor shall deem necessary.

(vi) **Qualifications**. Franchisor is satisfied that the proposed transferee, and if the proposed transferee is an entity, all owners of any interest in such entity, meets all of the requirement for Franchisor's new franchisees applicable on the date Franchisor receives notice of the proposed transfer and including, but not limited to, good reputation and character, business experience, School management experience, and financial strength and liquidity.

(vii) **Continuing Obligations**. Franchisee and any Owner transferring an interest in Franchisee acknowledges and agrees in writing that it is bound by Sections 14, 15 and 23 of this Agreement.

(viii) **Transfer Fee**. Franchisee or the Owner, as applicable, pays to Franchisor a transfer fee equal to the greater of (i) Ten Thousand Dollars ($10,000) or (ii) Fifty Percent (50%) of the then-current initial franchise fee.

(ix) **Documents and Information**. The proposed transferee, and all owners of any interest in a transferee that is an entity, provide Franchisor, at least forty-five (45) days prior to the proposed transfer date, with copies of financial statements for the preceding three years, and where applicable, its certificate of incorporation and bylaws (and any amendments or modifications thereof), minutes and resolutions and all other documents, records and information pertaining to the transferee's existence and ownership. Franchisor has the right to require Franchisee to prepare and furnish to the proposed transferee and/or Franchisor such financial reports and other data relating to the School and its operations as Franchisor deems reasonably necessary or appropriate for transferee and/or Franchisor to evaluate the School and the proposed transfer. Franchisee agrees that Franchisor has the right to confer with the proposed transferee and furnish it with information concerning the School and proposed transfer without being held liable to Franchisee, except for intentional misstatements made to a transferee. Any information furnished by Franchisor to proposed transferees is for the sole purpose of permitting them to evaluate the School and proposed transfer and must not be construed in any manner or form whatsoever as claims of success or failure.

(x) **Refurbish.** Within the time specified by Franchisor, Franchisee, at its expense, shall refurbish the School, as necessary, to conform the School to Franchisor's then-current standards and specifications, including, without limitation, specifications regarding, size, color, trade dress, presentation of the Marks, fixtures, flooring, carpeting, and installed equipment.

(xi) Payment of Creditors and Suppliers. Prior to or upon closing of the transfer, Franchisee shall pay in full all creditors and suppliers of the School.

(e) Permitted Transferees. Notwithstanding the foregoing, providing Franchisee is in compliance with this Agreement, an Owner of less than Fifty One Percent (51%) of Franchisee's business ownership interests may transfer all or a portion of his interest in Franchisee to another Owner or to Franchisee (such person or entity being referred to as a "Permitted Transferee") and such a transfer shall not be subject to the restrictions of this Section 13; provided, however, Franchisee shall promptly notify Franchisor of any such transfer and the exiting Owner shall sign Franchisor's form of termination agreement and release.

(f) Transfer to a Wholly-Owned Entity. Notwithstanding the foregoing, if Franchisee consists of one or more individual(s), Franchisee may transfer its interest under this Agreement to a corporation, limited liability company or other legal entity without such a transfer being subject to the restrictions of this Section 13 so long as: (1) the legal entity is owned entirely by all of the original individual franchisees or personal guarantors hereof; (2) each and all of the obligations of Franchisee and the new legal entity are personally guaranteed by the original individual franchisees or personal guarantors hereof; (3) Franchisor receives prior written notice of the transfer along with a complete set of the new legal entity's filed, date stamped formation documents; and (4) Franchisee and the new legal entity enter into a written assignment and assumption agreement in a form prescribed by Franchisor pursuant to which the new legal entity assumes and agrees to discharge all of Franchisee's obligations under this Agreement.

(g) Death or Disability.

(i) Transfer Upon Death or Disability. Upon the death or disability of Franchisee or any Owner of Franchisee, the Franchisee's or any such Owner's executor, administrator, conservator, guardian, or other personal representative must transfer the Franchisee's interest in this Agreement, or the Owner's ownership interest in Franchisee, to a third party (which may be Franchisee's or the Owner's heirs, beneficiaries, or devisees). That transfer must be completed within a reasonable time, not to exceed nine (9) months from the date of death or disability, and is subject to all of the terms and conditions in this Section 13. Failure to transfer Franchisee's interest in this Agreement, or the Owner's ownership interest in Franchisee, within this period is a breach of this Agreement. The term "disability" means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent Franchisee or the Owner from operating the School in the manner required by this Agreement and the Brand Standards Manual or from performing its, his, or her obligations under this Agreement and the Brand Standards Manual.

(ii) Operation upon Death or Disability. During the period between death or disability of Franchisee or any Owner of Franchisee and the completion of the transfer described in Section 13(g)(i), the School still must be operated in accordance with the terms and conditions of this Agreement. Upon the death or disability of Franchisee or any Owner of Franchisee, the Franchisee's or any such Owner's executor, administrator, conservator, guardian, or other personal representative must within a reasonable time, not to exceed

thirty (30) days from the date of death or disability, appoint a School Director (unless Franchisee or the Owner had previously appointed a School Director who remains responsible for the day-to-day operation of the School). Any new School Director must complete Franchisor's standard training program at Franchisee's expense, sign Franchisor's then-current form non-competition and non-disclosure and non-solicitation agreements, and comply with any of Franchisor's then-current requirements for acceptance of a School Director.

(h) Non-Waiver. Franchisor's consent to a transfer of any interest in Franchisee or the School granted through this Agreement will not constitute a waiver of any claims it may have against the transferring party, nor will it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

(i) Transfer Damages. If Franchisee or an Owner engages in a transfer without first complying with the applicable transfer provisions of this Agreement (including without limitation, the provisions of Section 13) Franchisee agrees to pay to Franchisor, within fifteen (15) days of receiving notice from Franchisor, in addition to the amounts owed under this Agreement, transfer damages equal to (a) fifteen percent (15%) of the price paid by the transferee to Franchisee or the Owners, as applicable, or (b) Twenty-Five Thousand Dollars ($25,000), whichever is greater. The parties to this Agreement acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Agreement's unauthorized transfer. The parties consider this transfer damages provision to be a reasonable, good faith pre-estimate of those damages.

14. Covenants Against Unfair Competition.

(a) Franchisee's Covenant Against Unfair Competition – During Term. Franchisee acknowledges it will receive valuable, specialized training and Confidential Information (as defined in Section 15) regarding the production, operational, sales, promotional, and marketing methods of the dental assistant training program that Franchisor has developed through monetary and other resource expenditures that provide competitive advantages to Franchisor's System. During the Initial Term, Franchisee and its Owners will not, without Franchisor's prior written consent, for themselves, or through, on behalf of, or in conjunction with any other person or entity:

(i) own, manage engage in, be employed by, advise, make loans to, or have any other interest in, as a partner, owner, officer, executive, managerial employee, director, sales person or consultant for, any business or commercial activity that sells or provides dental assisting training programs ("Competitive Business"); or

(ii) offer or grant franchises or licenses for any Competitive Business; or

(iii) become a franchisee or licensee of any Competitive Business; or

(iv) perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

(b) Franchisee's Non-Solicitation Covenant – During Term. Franchisee acknowledges it will receive customer and vendor information that is considered Confidential Information of the Franchisor. During the Initial Term, Franchisee and its Owners will not, without Franchisor's prior written consent for themselves, or through, on behalf of, or in conjunction with any other person or entity:

(i) solicit, divert or attempt to solicit or divert any person or party who is or was a student of the School at any time during the Initial Term, to any Competitive Business, as Franchisee agrees that all goodwill associated with Franchisee's operation under the Marks and the System, and all customer information associated therewith, inure to Franchisor; or

(ii) solicit, divert, or attempt to solicit or divert, any vendor that has done business with the School to provide supplies, products, equipment, merchandise, or services to a Competitive Business.

(c) Franchisee's Covenant Against Unfair Competition – Post-Term. In partial consideration for Franchisor allowing Franchisee to license Franchisor's Marks and Confidential Information, Franchisee and each of the Franchisee's Owners covenant and agree that for a period of two (2) years after the termination, expiration, or non-renewal of this Agreement, regardless of the reason for such termination, expiration, or non-renewal ("Restrictive Period"), Franchisee and its Owners shall not, within the Restrictive Territory (as defined in Section 14(e) below) engage in any of the following:

(i) franchise, license, or own an interest in any Competitive Business, including as franchisor, licensor, franchisee or licensee, provided that the purchase of a publicly traded security of a corporation engaged in such business or service shall not in itself be deemed violative of this Section 14(c) so long as Franchisee does not own themselves or through their spouses or partners more than one percent (1%) of the securities of such corporation;

(ii) engage in any Competitive Business as an officer, director, employee, consultant, manager, operator, or independent contractor in any capacity in which Franchisee or its Owners would be in a position to use or disclose Confidential Information of Franchisor.

(d) Franchisee's Non-Solicitation Covenant – Post-Term. In partial consideration for Franchisor allowing Franchisee to license Franchisor's Marks and Confidential Information, Franchisee and each of the Franchisee's Owners covenant and agree that during the Restrictive Period, Franchisee and its Owners shall not, within the Restrictive Territory engage in any of the following:

(i) solicit, divert, or attempt to solicit or divert, any vendor that has done business with the School during the one (1) year period prior to the expiration, termination, or non-renewal of this Agreement to provide supplies, products, equipment, merchandise, or services to a Competitive Business; or

(ii) solicit, divert or attempt to solicit or divert any person or party that was a student of the School during the one (1) year period prior to the expiration, termination, or non-renewal of this Agreement, to any Competitive Business.

(e) **Restrictive Territory.** For purposes of this Section 14, the term "Restrictive Territory" means the following:

(i) at the Location and the area which includes the Territory served by Franchisee (as defined in Attachment 1) as that Territory exists on the date of termination, expiration, or non-renewal of this Agreement and the territories in which Franchisor, its affiliates, or DENTAL ASSISTANT U franchisees operate any DENTAL ASSISTANT U businesses as of the date of termination, expiration, non-renewal or transfer of this Agreement; or

(ii) only if the foregoing is determined by a court of law to be too broad, an area which is within a 10-mile radius of:

(A) The Location of the School as of the date of termination, expiration, or non-renewal of this Agreement, including the Location, or

(B) The location of any other DENTAL ASSISTANT U location owned by Franchisor or its affiliates or franchisees as of the date of termination, expiration, or non-renewal of this Agreement, including those business locations; or

(iii) only if the foregoing is determined by a court of law to be too broad, the Territory served by Franchisee (as defined in Attachment 1) as that Territory exists on the date of termination, expiration, or non-renewal of this Agreement, including the Location; or

(iv) only if the foregoing is determined by a court of law to be too broad, at the Location of the School.

(f) **Reasonableness.** The foregoing in-term and post-termination covenants against unfair competition with respect to similar Competitive Businesses shall apply regardless of how or why the Agreement terminates, expires, or does not renew. The parties agree that the foregoing covenants contained in this Section 14 contain reasonable limitations as to time, geographical area, and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect Franchisor's goodwill or Franchisor's other business interest and its franchisees and the provisions do not prevent Franchisee or its Owners from earning a living. Franchisee agrees that the scope of activities prohibited in this Section 14, and the length of the term and geographical restrictions in this Section 14, are necessary to protect the legitimate business interests and are fair and reasonable and are not the result of overreaching, duress, or coercion of any kind. Franchisee's full, uninhibited, and faithful observance of each of the covenants in this Section 14 will not cause any undue hardship, financial or otherwise. Enforcement of each of the covenants in this Section 14 will not impair Franchisee's or its Owners' ability to obtain employment commensurate with Franchisee's or its Owners' abilities or on terms fully acceptable to Franchisee or otherwise to

obtain income required for the comfortable support of Franchisee and its Owners and their families, and the satisfaction of the needs of all of Franchisee's and its Owners' creditors. Franchisee's and its Owners' special knowledge of dental assisting training program (and anyone acquiring this knowledge through Franchisee or its Owners) is such as it would cause Franchisor serious injury and loss if Franchisee or its Owners (or anyone acquiring this knowledge through Franchisee or its Owners) were to use this knowledge to the benefit of a competitor or were to compete with Franchisor or its franchisees. The covenants in this Section 14 are to be construed as independent of any other covenant or provision of this Agreement. The existence of any claim Franchisee or any of its Owners may have against Franchisor or any of its affiliates (regardless of whether arising under this Agreement) is not a defense to the enforcement of these covenants against Franchisee or its Owners. In the event of any violation of the provisions of this Section 14, the Restrictive Period shall be extended by a period of time equal to the period of the violation. Franchisee and Franchisor agree that the running of the applicable post-termination Restrictive Period shall be tolled during any period of such violation.

(g) Managerial and Supervisory Employees. Franchisee covenants that it shall cause all persons who are involved in managerial or supervisory positions with Franchisee to enter into an agreement to be bound by provisions substantially similar to Sections 14 and 15 of this Agreement. Franchisee agrees to provide Franchisor with copies of such executed agreement upon request. If Franchisee has reason to believe that any person has violated any such provisions of this Agreement, Franchisee shall promptly notify Franchisor and cooperate with Franchisor to protect Franchisor against unfair competition, infringement, or other unlawful use of the Marks, trade secrets, curriculum, or System of Franchisor. Franchisee further grants Franchisor the right, but not the obligation, to prosecute any such lawsuits at Franchisor's expense on behalf of Franchisee.

(h) Teach-Out Agreements. Franchisee's actions pursuant to the Franchisor-approved Teach-Out Plan and Teach-Out Agreements shall not be a violation of this Section 14.

15. Trade Secrets and Confidential Information.

Franchisee understands and agrees that Franchisor has disclosed or will hereafter disclose to Franchisee certain confidential or proprietary information and trade secrets (collectively, "Confidential Information"). Except as necessary in connection with the operation of the School and as approved by Franchisor, Franchisee shall not, during the Initial Term, Renewal Term, or at any time after the expiration, non-renewal, or termination of this Agreement, regardless of the cause of termination, directly or indirectly, use for its own benefit or communicate or divulge to, or use for the benefit of any other person or entity, any Confidential Information. Franchisee, the Owners, and all guarantors of this Agreement will divulge Confidential Information only to personnel, if any, who must have access to it in order to operate the School. Further, Franchisee will require all personnel having access to any Confidential Information to execute an agreement, requiring them to maintain the confidentiality of information they receive in connection with their employment at the School and disclose to its employees only such Confidential Information as is necessary to operate the School and then only while this Agreement is in effect. Those agreements will be in a form satisfactory to Franchisor. "Confidential Information" includes any information, not generally known to the public, in any form, relating to the System and/or the School and its operations, including all trade secrets of the School; all knowledge, know-how, standards,

methods, and procedures related to the establishment and operations of the School not generally known to the public; curriculums, lesson plans, student lists, instructional materials and methods; knowledge or know-how concerning the curriculums, lesson plans, student lists, instructional materials and methods; all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the School (such as all names, addresses, phone numbers, e-mail addresses for customers and suppliers; customer purchase records and mail lists); electronic code, designs, marketing materials, and business, sales, and marketing strategies; financial information; databases; training materials; knowledge of the franchise system; and any other data and information that Franchisor or its affiliates designate as confidential, including all information contained in the Brand Standards Manual.

16. Insurance.

(a) Types and Extent of Coverage. Franchisee shall obtain and maintain throughout the Initial Term such insurance coverages with such limits as specified below (or such greater amounts of insurance as may be required by the terms of any lease or mortgage relating to the Premises, or the Brand Standards Manual, which may be amended by us at any time):

(i) Commercial general liability insurance with the following coverages:

(A) General Aggregate with limits of at least $2,000,000;

(B) Each Occurrence with limits of at least $1,000,000;

(C) Products Liability with limits of at least $2,000,000;

(D) Property Damage with limits of at least $100,000 for each occurrence;

(E) Person and Advertising Liability Injury with limits of at least $1000,000;

(ii) Business personal property insurance with limits of at least $35,000;

(iii) Building insurance with limits of at least $90,000;

(iv) Private proprietary school guaranty bond that complies with the statutory requirements of the state in Franchisee's business is located;

(v) Professional liability insurance with limits of at least $1,000,000 per claim and $3,000,000 in aggregate;

(vi) Student liability insurance with limits of at least $1,000,000 per claim and $5,000,000 in aggregate; and

(vii) Worker's compensation insurance that complies with the statutory requirements of the state in Franchisee's business is located.

(b) Other Insurance Requirements. Franchisee shall obtain from a nationally recognized insurance company and at all times during the Initial Term maintain in force and pay the premiums for all types of insurance listed above with complete operations coverage. All policies of insurance required to be maintained hereunder shall: (i) be written as primary policy coverage and not "excess over" or contributory with any other applicable insurance, including Franchisor's insurance; (ii) shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer(s)' liability; (iii) shall not contain any special limitations on the scope of coverage afforded to Franchisor; and (iv) shall provide that any failure by Franchisee or any of Franchisee's employees, agents, subcontractors, or suppliers, to comply with any notice, reporting, or other similar provisions of such policies shall not affect the coverage provided to Franchisor. From time to time in Franchisor's sole discretion, Franchisor may increase or modify such limits of liability or require additional types of coverage, including cyber liability coverage. The insurance policies shall name Franchisor and any affiliates, officers, members, owners, and employees Franchisee designates as an "additional insured" and shall expressly protect both Franchisor and Franchisee (and any other additional insured) on a primary and non-contributory basis and shall require the insurer to defend both Franchisee and Franchisor (and any other additional insured) in any action while reserving Franchisor's right to involve counsel of Franchisor's own choosing in protection of its own and system wide interests. Additionally, Franchisee's insurance policy must waive on behalf of Franchisee's insurer any right of subrogation by the insurance company against Franchisor and Franchisor's officers, shareholders, and employees. Franchisee understands that doing so does not necessarily furnish Franchisee with protection levels adequate to Franchisee's needs and that Franchisee's obligation to indemnify Franchisor as set forth above in this Agreement may exceed the amount of insurance Franchisee is required to obtain or does obtain. At least thirty (30) days prior to the time any insurance is first required to be carried by Franchisee, Franchisee will deliver or caused to be delivered to Franchisor Certificates of Insurance evidencing the proper coverage with limits not less than those required by this Agreement and evidencing that Franchisor is named as an additional insured under such policy on a primary and non-contributory basis as required in this Agreement. At least thirty (30) days prior to expiration of any such policy, Franchisee shall deliver to Franchisor Certificates of Insurance evidencing that Franchisee has procured proper renewal or replacement coverage with limits not less than those required by this Agreement and reflecting that Franchisor and its affiliates are additional insured under the policy on a primary and non-contributory basis as required herein. All Certificates will expressly provide that at least thirty (30) days' prior written notice will be given to Franchisor in the event of any alteration to, or cancellation of, the coverage evidenced by the Certificates of Insurance. Franchisor, or its insurer, shall have the right to participate in discussions with Franchisee's insurance company or any claimant (in conjunction with Franchisee's insurance company) regarding any claim of liability, and Franchisee agrees to adopt Franchisor's reasonable recommendations to its insurance carrier regarding the settlement of any such claims. Franchisee Indemnifying Parties' obligations to indemnify Franchisor Indemnified Parties are separate from and in addition to these insurance obligations.

(c) Failure to Procure. Should Franchisee for any reason fail to procure or maintain the insurance required by this Agreement, Franchisor will have the right and authority to immediately procure such insurance deemed to be necessary and to charge the amount of the cost to procure and maintain such insurance to Franchisee, along with a reasonable fee for Franchisor's expenses in procuring the insurance, Franchisor is authorized to collect from Franchisee all

insurance related expenses paid on behalf of Franchisee through automatic electronic bank transfers as provided for in Section 3 of this Agreement.

17. Termination.

(a) Automatic Termination. Franchisee shall be in default under this Agreement, and this Agreement and all rights granted to Franchisee herein shall automatically terminate without notice to Franchisee in the event that (i) Franchisee makes a general assignment for the benefit of creditors or a petition in bankruptcy is filed by Franchisee; (ii) a petition in bankruptcy is filed against and not opposed by Franchisee; (iii) Franchisee is adjudicated as bankrupt or insolvent; (iv) a bill in equity or other proceeding is filed for the appointment of a receiver or other custodian for Franchisee's business or assets if filed and consented to by Franchisee; (v) a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; (vi) proceeding for a composition with creditors under any state or federal law should be instituted by or against Franchisee; (vii) a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless an appeal or supersedeas bond is filed); (viii) Franchisee is dissolved; (ix) any portion of Franchisee's interest in the School becomes subject to an attachment, garnishments, levy or seizure by any credit or any other person claiming against or in the rights of Franchisee; (x) execution is levied against Franchisee's business or property; or (xi) the real or personal property of Franchisee's School shall be sold after levy thereupon by any sheriff, marshal, or constable.

(b) Termination with Notice; No Opportunity to Cure. Franchisee shall be in default and Franchisor may, at its option, terminate this Agreement and all rights granted herein, without affording Franchisee any opportunity to cure the default, effective upon date the notice is deemed received pursuant to Section 22 and in no event longer than five (5) days after Franchisor sent such notice, upon the occurrence of any of the following events:

(i) Franchisee at any time ceases to operate or otherwise abandons the School for more than three (3) days without Franchisor's prior written permission; or

(ii) Franchisee forfeits the right to do or transact business in the jurisdiction where the School is located or loses the right to possession of the Premises; provided, however, that if any such loss of possession results from the governmental exercise of the power of eminent domain, or if, through no fault of Franchisee the Premises are damaged or destroyed, then Franchisee shall have forty-five (45) days after either such event in which to apply for Franchisor's approval to relocate or reconstruct the premises (which approval shall not be unreasonably withheld), provided, Franchisee shall either relocate or commence and diligently pursue reconstruction of the School within sixty (60) days after the event; or

(iii) Except as otherwise permitted in this Agreement, any Owner of more than five percent (5%) interest in Franchisee transfers all or part of such interest or Franchisee transfers any interest in the School or a material portion of the assets of the School or Franchisee; or

(iv) Franchisee or an Owner of more than twenty-five percent (25%) of Franchisee is convicted of, or pleads guilty or no contest to, (A) a felony, (B) a crime

involving moral turpitude, (C) a crime harming children, (D) fraudulent conduct, or (E) any other crime or offense that is reasonably likely to have an adverse effect on the Chain, the Marks or the goodwill associated therewith, or Franchisee or an Owner is proven to have engaged in any of the above; provided, that if the act or conviction involves an Owner, Franchisor will not terminate this Agreement if Franchisee notifies Franchisor promptly after it learns of the event constituting the default, and within fifteen (15) days of the date of the notice, either (a) the person or entity that committed the wrongful act divests his or its entire interest in Franchisee, or (b) Franchisee obtains Franchisor's consent for such owner to maintain his or its ownership interest; or

(v) An approved transfer is not effected within nine (9) months of the death or disability of any individual Franchisee; or the death or disability of any Owner; or

(vi) Twice within a twelve (12) month period or three (3) times within a three (3) year period, Franchisee is given notice of being in default under any of the terms or requirements of this Agreement, whether or not such defaults are timely cured after notice; or

(vii) Franchisee or any Owner fails to comply with any of the covenants of Franchisee set forth in this Agreement; or

(viii) Franchisee, an Owner, or a School Director makes any misrepresentation to Franchisor or breaches any warranty of representation made to Franchisor, whether in this Agreement or otherwise; or

(ix) Franchisee knowingly or intentionally maintains false books or records or knowingly submits any false records, statement or report to Franchisor; or

(x) Franchisee, an Owner, or a School Director by act or omission, impairs the value of, or the goodwill associated with, the Chain, any of the Marks or the System; or

(xi) Franchisee, an Owner, or School Director takes, withholds, misdirects, or appropriates for its own use any funds from Franchisee's employees' wages for employees' taxes, FICA, insurance or benefits, or generally fails to deal fairly and honestly with Franchisee's employees or students; or

(xii) Franchisee loses or is denied any federal, state, or local license that Franchisee must possess in order to operate the School; or

(xiii) Franchisee fails to receive all required approvals, permits, and licenses required by federal, state, or local law within one hundred twenty (120) days of executing this Agreement or within one hundred eighty (180) day of executing this Agreement if Franchisor agrees to an extension and Franchisee pays the required fee; or

(xiv) Franchisee, an Owner, or a School Director commits acts of abuse, uses employees who do not meet Franchisor's then-current standards and training requirements, has drug or alcohol problems, or permits unlawful activities at Franchisee's business; or

(xv) Franchisee, after curing a default pursuant to Section 17 of this Agreement, commits the same act of default again within six (6) months; or

(xvi) Any of the following occur prior to the opening date of the School: (a) any representations or warranties of Franchisee or the School Director prove to be inaccurate or false, (b) the School Director fails to take or pass any of Franchisor's required training, (c) the School Director and/or Franchisee fails to pass any credit or character check performed by or on behalf of Franchisor, and/or (d) School Director and/or Franchisee fail to timely or diligently perform any duties or obligations during the period prior to the opening date; or

(xvii) Franchisee operates under any trademark not approved by Franchisor or otherwise uses any trademark not approved by Franchisor in the operation of the School; or

(xviii) Franchisee opens the School without prior approval from Franchisor; or

(xix) Franchisee (1) uses unauthorized goods and services, (2) sells unauthorized goods and services, (3) uses an unauthorized supplier, or (4) fails to use an authorized supplier, in connection with the School; or

(xx) Franchisee, the School Director, or any Owner engages in any other act or omission which cannot be cured.

(c) **Termination After Opportunity to Cure.** Except for those defaults provided for under Sections 17(a) or 17(b) or as otherwise set forth in this Agreement, Franchisee shall be in default hereunder for any failure to maintain or comply with any of the terms, covenants, specifications, standards, procedures or requirements imposed by this Agreement or in any Brand Standards Manual, policy and procedure statement or other written document provided by Franchisor, or to carry out the terms of this Agreement in good faith. For such defaults and to the extent curable, Franchisor will provide Franchisee with written notice and fifteen (15) days to cure or, if a default cannot reasonably be cured within fifteen (15) days, to initiate within that time substantial and continuing action to cure such default and to provide Franchisor with evidence of such actions. If the defaults specified in such notice are not cured within the fifteen (15) day period, if substantial and continuing action to cure has not been initiated, or if the default is not curable, Franchisor may, at its option, terminate this Agreement upon written notice to Franchisee. Such defaults shall include, without limitation, the occurrence of any of the following events:

(i) Franchisee fails to construct or remodel or to commence operating the School in accordance with this Agreement; Franchisee fails to obtain acceptance of the Location within the time established by this Agreement; or Franchisee fails to provide prior to opening a commitment letter from a financial institution representing sufficient working capital within the range identified in Item 7 of the Franchise Disclosure Document provided to Franchisee; or

(ii) Franchisee fails, refuses, or neglects to promptly pay any monies owing to Franchisor or its affiliates when due or to submit the financial or other information required under this Agreement; or

(iii) Any Owner of more than twenty-five percent (25%) or less of Franchisee makes a transfer of such interest in violation of this Agreement; provided, however, that Franchisee's right to cure such a default shall be conditioned upon Franchisee immediately notifying Franchisor of the improper transfer and taking all actions necessary to either (a) obtain Franchisor's approval thereof, or (b) if approval is not desired or the transfer or transferee is not approved by Franchisor, to re-acquire the interest so transferred; or

(iv) A threat or danger to public health or safety results from the construction, maintenance, or operation of the School; or

(v) Franchisee, a School Director, an Owner, or employees misuses or makes any unauthorized use of the System or the Marks; or

(vi) Franchisee maintains false books or records, or submits any false reports to Franchisor; or

(vii) Franchisee submits to Franchisor on two (2) or more separate occasions at any time during the Initial Term or any renewal hereof, any reports or other data, information or supporting records which understate the Billings of the School, the Royalties and/or any other sums owed to Franchisor for any period of, or periods aggregating, three (3) or more weeks; or

(viii) Franchisee fails to maintain a good credit rating by failing to make prompt payment of undisputed bills, invoices or statements from suppliers of products and services; or

(ix) Franchisee fails to have sufficient funds in the Account; or

(x) Franchisee fails to use an approved good, service, or supplier where required, or uses an unauthorized good, service, or supplier; or

(xi) Franchisor receives repeated student complaints about the School; or

(xii) Franchisee fails to obtain Franchisor's approval of a Teach-Out Plan or make the required modifications.

(d) **Third-Party Disclosure Authorization.** Franchisee hereby authorizes Franchisor to notify any lender, creditor, student or landlord of Franchisee or the School upon the occurrence of any default under this Section, or any event or circumstances which the giving or notice or passage of time or both would constitute an event of default under this Section, and to otherwise communicate with such lenders, creditors, students or landlords with respect to any such default, or any such event or circumstance.

(e) **Relief in Equity.** Franchisee agrees that neither termination of this Agreement nor an action at law, nor both, would be an adequate remedy for a breach or default by Franchisee, or by any other persons bound by this Agreement, in the performance of any obligation relating to Franchisor's Marks or indicia, the trade secrets revealed to Franchisee in confidence pursuant to this Agreement or the obligations of Franchisee and such other persons upon and after termination

of this Agreement. The parties therefore agree that in the event of any such breach or default, in addition to all other remedies provided elsewhere in this Agreement or by law, Franchisor shall be entitled to relief in equity from a judge or arbitrator, at its option, (including a temporary restraining order, temporary or preliminary injunction and permanent mandatory or prohibitory injunction) to restrain the continuation of any such breach or default or to compel compliance with such provisions of this Agreement.

(f) Termination by Franchisee. If Franchisor fails to perform any material obligation imposed upon it by this Agreement, and such failure is not cured within ninety (90) days after Franchisee delivers written notice of such failure to Franchisor, then, provided Franchisee is otherwise compliant with Franchisee's obligation under this Agreement and any other agreement with Franchisor, Franchisee may terminate this Agreement at any time thereafter by delivering thirty (30) days' written termination notice to Franchisor. If Franchisee terminates this Agreement under this provision, Franchisee must follow the post-termination procedures as set forth in Section 18.

(g) Limitation of Services or Benefits. Franchisor shall have the right, but not the obligation, to temporarily or permanently limit or remove certain services or benefits provided or required to be provided to Franchisee hereunder in lieu of exercising its right to terminate this Agreement pursuant to the terms hereof, including, without limitation, eliminating Franchisee's right to use Franchisor's website, restricting or removing Franchisee's right to purchase products directly or indirectly from Franchisor or its affiliates, limiting Franchisor's advertising and promotional assistance, and restricting or removing Franchisee's right to use any Computer Systems which are provided by or are proprietary to Franchisor or its affiliate. If Franchisee defaults under this Agreement, Franchisor has the right to modify Franchisee's Territory and the protections described in in Section 5. Nothing in this Section constitutes a waiver of any other right or remedy of Franchisor under this Agreement. Franchisee acknowledges that Franchisor's exercise of its rights pursuant to this Section shall not be deemed a constructive termination. Any services, Territory protections, or benefits removed or limited pursuant to this Section may be reinstated at any time in Franchisor's sole discretion.

(h) Cross-Defaults. Any default by Franchisee (or any Owner or affiliate of Franchisee) under this Agreement shall be a default under any other agreement between Franchisor (or any of Franchisor's affiliates) and Franchisee (or any owner or affiliate of Franchisee). Any such default under any other agreement or any other obligation between Franchisor (or any affiliate of Franchisor) and Franchisee (or any Owner or affiliate of Franchisee) shall be a default under this Agreement. Any default by Franchisee (or any Owner or affiliate of Franchisee) under any lease, sublease, loan agreement, or security interest may be regarded as a default under this Agreement, regardless of whether or not any such agreements are between Franchisee (or any Owner or affiliate of Franchisee) and Franchisor (or any affiliate of Franchisor).

(i) Extended Cure Period. Notwithstanding anything to the contrary in this Agreement, Franchisor reserves the right to grant to Franchisee in Franchisor's sole discretion an extended cure period for any breach. Franchisee acknowledges that Franchisor's decision to grant such an extended cure period shall not operate as a waiver of any of Franchisor's rights and that Franchisor can choose to condition such an extension upon the signing of a general release by Franchisee; Owners; guarantors of the Franchisee; and their respective predecessors, affiliates,

shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, personal representatives, heirs, executors, administrators, successors, and assigns. If any law applicable to this Section requires a longer notice period prior to termination of this Agreement than is specified in this Agreement, a different standard of "good cause," or the taking of some other action not required under this Agreement, the prior notice, "good cause" standard, and/or other action required by such law will be substituted for the comparable provisions in this Agreement.

(j) Noncompliance. Without waiving Franchisor's rights that Franchisor may have, and in Franchisor's sole discretion, Franchisor may elect not to terminate Franchisee's franchise agreement as a result of a default. In the event a default occurs, Franchisor may elect to give written notification (a "Notice of Noncompliance") to Franchisee that its School is not in compliance with the terms and conditions of this Agreement. Such Notice of Noncompliance shall state a period for Franchisee to cure the noncompliance, which shall be a period not less than thirty (30) days. For a period of six months from and after the date of such Notice of Noncompliance, Franchisee shall reimburse Franchisor for reasonable costs that Franchisor incurs with respect to the School, including without limitation the costs of any audit or inspection of the School in excess of Franchisor's normal audit program, any mystery shopping for the School during such six (6) month period in excess of Franchisor's normal mystery shopping program applied to all franchised businesses, additional training that Franchisor determines is required to bring the School up to Franchisor's standards, and any personnel costs incurred by Franchisor at the School to ensure the proper management and operation of the School. Nothing in this section shall limit Franchisor's termination rights as otherwise set forth in this Agreement, which Franchisor reserves the right to exercise at any time.

(k) Damages. Franchisee shall promptly reimburse Franchisor upon request for any damages, costs, losses, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of any default under this Agreement.

18. Obligations upon Termination, Non-Renewal, or Expiration.

Upon termination, non-renewal, or expiration of this Agreement, all rights granted hereunder to Franchisee shall terminate and revert to Franchisor, and Franchisee shall have all the following obligations with respect to the School:

(a) Cease to Operate. Franchisee shall immediately cease to operate the business licensed under this Agreement, and shall not thereafter, directly or indirectly, represent to the public or hold itself out as a DENTAL ASSISTANT U franchisee with respect to such business.

(b) Cease to use Information. Franchisee shall immediately and permanently cease to use, in any manner whatsoever, all trade secrets, Confidential Information, methods, procedures and techniques used by or associated with the System, and the Marks and distinctive forms, slogans, signs, symbols, logos and devices associated with the DENTAL ASSISTANT U Chain.

(c) Cease to Use Marks. Franchisee shall immediately and permanently cease to use, in any manner whatsoever, the mark "DENTAL ASSISTANT U" and all other Marks and

distinctive forms, slogans, signs, symbols, logos, trade dress, décor, branding materials and devices associated with the DENTAL ASSISTANT U Chain and System.

(d) Return of Franchisor's Property. Franchisee shall immediately return to Franchisor any property held or used by Franchisee which is owned by Franchisor, including the Customer Lists and Franchised Business Data, and shall cease to use, and either destroy or convey to Franchisor, all signs, advertising materials, displays, stationery, forms, and any other materials that bear or display the Marks. Franchisee shall immediately deliver to Franchisor all login credentials associated with any directory, marketing, Online Presence, Computer System, and all other accounts and systems affiliated with the School. Franchisee shall immediately deliver to Franchisor all Brand Standards Manual, policy and procedure statements, instructions, and other materials related to operating School, including, without limitation, brochures, charts and any other materials provided by Franchisor and all copies thereof, and shall neither retain nor convey to another any copy or record of any of the foregoing.

(e) Cancel Assumed Names. Franchisee shall take such actions as may be necessary to cancel any assumed name or similar registration which contains the Marks of Franchisor, and Franchisee shall furnish Franchisor with evidence satisfactory to Franchisor of compliance with its obligation within thirty (30) days after termination, non-renewal, or expiration of this Agreement.

(f) Pay Amounts Due. Franchisee shall promptly pay all sums owed to Franchisor upon request. Such sums shall include all damages, costs, losses and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the default and the termination. Any outstanding obligations to Franchisor shall give rise to and remain, until paid in full, a lien in favor of Franchisor against any and all of the personal property, furnishings, equipment, signs, fixtures and inventory owned by Franchisee located on the Premises on the date this Agreement is terminated, expires, or does not renew. Within fifteen (15) days of the date of expiration, termination, or non-renewal of this Agreement, Franchisee shall pay in full all of the creditors and suppliers to the School.

(g) Pay Subsequent Amounts. Franchisee shall promptly pay to Franchisor all damages, costs and expenses including reasonable attorneys' fees, incurred by Franchisor subsequent to the termination or expiration of this Agreement in obtaining injunctive or other relief for the enforcement of any term, covenant or provision of this Agreement.

(h) Cooperate with Franchisor's Assumption Rights. Franchisor shall have the option, to be exercised within thirty (30) days of termination, non-renewal, or expiration of this Agreement, to assume Franchisee's assumed name or equivalent registration and business licenses, telephone numbers, telephone directory listings and advertisements (whether in print or part of an Internet directory), and e-mail addresses and/or Online Presences, including those which contain the Mark of Franchisor or its affiliates, and Franchisee shall sign all documents necessary to permit Franchisor to assume Franchisee's rights in such items. If Franchisor elects not to exercise this option, Franchisee shall take all action necessary to cancel each of the items listed above and shall furnish Franchisor with evidence satisfactory to prove its compliance within fifteen (15) days after receiving notice of Franchisor's termination or expiration of this Agreement and the expiration of the option granted herein. In the event Franchisee fails to timely do so, Franchisor shall have the

right, for which purpose Franchisee hereby appoints Franchisor as its attorney-in-fact, to obtain such cancellation on Franchisee's behalf and at Franchisee's expense.

(i) Comply with Covenants. Franchisee and its Owners shall comply with the covenants contained in this Agreement, including, but not limited to, the covenants, not to compete or solicit and the covenants not to disclose trade secrets or confidential information.

(j) Leased Premises. Franchisee shall, if Franchisor so requests, assign to Franchisor or its designee any interest which Franchisee has in any lease for the Premises or any other agreement related to the Premises. Franchisee will do whatever is necessary to effectuate and complete the assignment.

(k) Owned Premises. Franchisee shall, if Franchisor so requests and if Franchisee owns the real property on which the School is located, lease the Premises to Franchisor on substantially the same terms and conditions contained in Franchisee's lease for the Premises, or if no lease exists or if the existing lease is not commercially reasonable, then on commercially reasonable terms. The lease shall be for an initial five (5) year term, with two (2) five (5) year renewal terms (at Franchisor's option). If the parties cannot agree on the rent to be charged under the lease within thirty (30) days after the expiration, termination, or non-renewal of the Agreement, the rent will be determined by a qualified independent appraiser. Franchisee and Franchisor shall each present their proposed rent, and the independent appraiser will select the most commercially reasonable rent from the two proposals. The independent appraiser's determination will be binding on the parties. If the parties are not able to agree on an independent appraiser within forty-five (45) days of the termination, non-renewal, or expiration of this Agreement, each party will select an independent appraiser. The independent appraisers chosen will then select a third independent appraiser whose determination will be binding on the parties. The parties agree to select their respective appraisers within fifty-five (55) days after the termination, non-renewal, or expiration of this Agreement and the two appraisers chosen are obligated to appoint the third appraiser within fifteen (15) days after the date on which the last of the two party-appointed appraisers is appointed. Franchisor and Franchisee will bear the cost of their own appraisers and share equally the reasonable fees and expenses of the third appraiser. The parties will take reasonable actions to cause the third appraiser to complete his or her appraisal within fifteen (15) days after the third appraiser's appointment. During the period when the parties are determining the rent and having the appraisal, Franchisor shall have the right to occupy the Premises. Promptly after the determination of the rent, Franchisor shall pay the rent due for the time it occupied the Premises while the rent was being determined.

(l) Purchase Rights. If Franchisor requests, Franchisee shall sell to Franchisor any assets used in connection with the operation of Franchisee's School. Franchisor has the right, but not the obligation, to exercise this right by providing Franchisee written notice of Franchisor's election within sixty (60) calendar days after the termination, non-renewal, or expiration of this Agreement and paying Franchisee the book value for such assets within sixty (60) calendar days of such notice. For purposes of this paragraph, "book value" means the amount Franchisee actually paid for the assets less depreciation (calculated by using the straight-line depreciation method on a ten (10) year depreciation schedule irrespective of the depreciation method or schedule Franchisee uses for accounting purposes). Notwithstanding the foregoing, to the extent that Franchisor exercises Franchisor's right to purchase any assets that is subject to a lease or finance

agreement, the purchase price of such assets shall equal the amount of Franchisee's remaining obligations under the lease or finance agreement, as applicable. Franchisor shall be entitled to offset the purchase price by the amount of money owed by Franchisee to Franchisor for any payments necessary to acquire clear title to property or for any other debt. If Franchisor exercises Franchisor's option to purchase, pending the closing of such purchase, Franchisor has the right to appoint a manager to maintain operation of the School, or Franchisor may require that Franchisee close the School during such period without removing any assets. Franchisee is required to maintain in force all insurance policies required under this Agreement until the date of such closing. Franchisor has the unrestricted right to assign this option to purchase the School. Franchisor will be entitled to all customary warranties and representations in connection with Franchisor's purchase of Franchisee's assets, including, without limitation, representations and warranties as to ownership and condition of and title to the assets; liens and encumbrances on the assets; validity of contracts and agreements; and liabilities affecting the assets, contingent or otherwise. Franchisor may purchase all or only a portion of the assets of the School and may exclude from its purchase any assets or cash, for any reason, in Franchisor's sole discretion. Franchisor shall have the right to set off and apply any amounts due to Franchisee pursuant to this subsection against any and all other amounts which may be due from Franchisee to Franchisor.

(m) **Teach-Out Plan**. Franchisee shall take all actions necessary to implement the Teach-Out Plan and fulfill its obligations under the Teach-Out Agreements.

(n) **Third Party Notice.** Franchisee shall notify the telephone company, all telephone directory publishers, and all domain name registries and Internet service providers, or any provider of an Online Presence, of the termination or expiration of Franchisee's right to use any telephone, facsimile, Online Presence, or other numbers, names, telephone directory listings, or Online Presences, associated with any Mark, and/or instruct the telephone company, domain name registries, Online Presence service provider, and Internet service providers to forward all calls, e-mails and electronic communications made to Franchisee's names, numbers, or addresses to names, numbers, or addresses Franchisor specifies. If Franchisee fails to do so, Franchisor may take whatever action and sign whatever documents Franchisor deems appropriate on Franchisee's behalf to effect these events.

(o) **Customer List.** Franchisee shall comply with Franchisor's instructions relating to Franchised Business Data and shall immediately transfer all ownership interest in Franchised Business Data, at Franchisor's request and in accordance with all applicable law.

(p) **Computer Systems.** Franchisee shall comply with Franchisor's instructions relating to the Computer System.

(q) **De-Identification**. If Franchisor does not exercise its rights to purchase or assume the lease, Franchisee shall de-identify the Premises within ten (10) days of the notice from Franchisor that Franchisor is not going to exercise its rights. The de-identification procedures include removing all references to the Marks, complying with Franchisor's instructions to remove trade dress items, branding items, signage, color schemes, fixtures, and décor items from the School.

(r) **Access Right.** In the event Franchisee does not comply with the above requirements, Franchisor may enter the Premises, without being guilty of trespass and without

incurring any liability to Franchisee, to undertake these post-termination obligations, including removing all signs, trade dress, equipment, and other items identifying the Premises as a School and to make such other modifications as are reasonably necessary to protect the Marks and the System and to distinguish the Premises from other Schools.

(s) Liquidated Damages. If Franchisor terminates this Agreement based upon Franchisee's default (or if Franchisee purports to terminate this Agreement except as permitted under Section 17(f)), then within 10 days thereafter Franchisee shall pay to Franchisor a lump sum (as liquidated damages and not as a penalty) calculated as follows: (x) the average monthly Royalty Fees and Brand Fund contributions that Franchisee owed to Franchisor under this Agreement for the 52-week period preceding the date on which Franchisee ceased operating the Business; multiplied by (y) the lesser of (1) 104 or (2) the number of weeks remaining in the then-current term of this Agreement. If Franchisee had not operated the Business for at least 52 weeks, then (x) will equal the average Royalty Fees and Brand Fund contributions that Franchisee owed to Franchisor during the period that Franchisee operated the Business. The "average Royalty Fees and Brand Fund contributions that Franchisee owed to Franchisor" shall not be discounted or adjusted due to any deferred or reduced Royalty Fees and Brand Fund contributions set forth in an addendum to this Agreement, unless this Section 18(q) is specifically amended in such addendum. Franchisee acknowledges that a precise calculation of the full extent of Franchisor's damages under these circumstances is difficult to determine and the method of calculation of such damages as set forth in this Section is reasonable. Franchisee's payment to Franchisor under this Section will be in lieu of any direct monetary damages that Franchisor may incur as a result of Franchisor's loss of Royalty Fees and Brand Fund contributions that would have been owed to Franchisor after the date of termination; however, such payment shall be in addition to all damages and other amounts arising under this Section 18(q), Franchisor's right to injunctive relief for enforcement of Section 7, and any attorneys' fees and other costs and expenses to which Franchisor is entitled under this Agreement. Except as provided in this Section, Franchisee's payment of this lump sum shall be in addition to any other right or remedy that Franchisor may have under this Agreement or otherwise.

19. Independent Contractor; Indemnification.

(a) Independent Contractor. It is understood and agreed by the parties that this Agreement creates only a contractual relationship between the parties subject to the normal rule of contract law. This Agreement does not create a fiduciary relationship between the parties and Franchisee is and shall remain an independent contractor. Franchisee agrees to hold itself out to the public as an independent contractor, separate and apart from Franchisor. Franchisee agrees that it shall not make any contract, agreement, warranty, or representation on Franchisor's behalf without Franchisor's prior written consent, and Franchisee agrees that it shall not incur any debt or other obligation in Franchisor's name. This Agreement shall not be deemed to confer any rights or benefits to any person or entity not expressly named herein.

(b) Indemnification. Franchisee; Owners; guarantors of the Franchisee; for themselves and on behalf of their respective predecessors, affiliates, shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, personal representatives, heirs, executors, administrators, successors, and assigns ("Franchisee Indemnifying Parties") agree to fully protect, indemnify, defend, reimburse, and hold Franchisor;

Franchisor's predecessors and affiliates; and their respective shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, guarantors, successors, and assigns, in both their corporate and individual capacities (collectively, "Franchisor Indemnified Parties") harmless from and against all liabilities, losses, obligations, claims, demands, damages (consequential or otherwise), penalties, fines, costs, and expenses (including attorneys' fees) of any nature whatsoever (collectively, "Losses") incurred in connection with any action, suit, proceeding, claim, demand, judgment, investigation, inquiry, assessment, or formal or informal inquiry (regardless if reduced to judgment), or any settlement of the foregoing, of whatsoever nature (collectively, "Action"), arising from any of the following: (1) Franchisee Indemnifying Parties' actual or alleged violation of any law, rule, regulation, or ordinance; (2) damage to property; (3) injury to or death or disability of any person; (4) negligence, recklessness, misconduct, or criminal conduct by the Franchisee Indemnifying Parties', or any of Franchisee's employees or agents; (5) data breaches; (6) Franchisee Indemnifying Parties' breach of this Agreement or any representations and warranties they make herein; (7) infringement of any intellectual property rights; (8) product and equipment recalls; (9) any failure to warn or give instructions related to any products or services provided by Franchisor Indemnified Parties or by Franchisee; (10) any labor or employment law disputes relating to the Premise or the School or claims arising out of Franchisee's employment practices, including claims that any of the Franchisor Indemnified parties are the employer, joint employer, or co-employer of Franchisee or Franchisee's agents, employees, or contractors; (11) any third party claim that arises from or is connected that explicitly or implicitly is premised on Franchisor's direct and vicarious liability or arises from Franchisee's employment and personnel decisions, including wrongful termination, wage and hour violations, and employee harassment and discrimination; (12) any acts, errors, or omissions of the School, the Franchisee Indemnifying Parties, and their employees, contractors, and agents; (13)) losses, claims or damages incurred by persons, other than Franchisee, due to errors or omissions contained in financial statements prepared by Franchisee pursuant to this Agreement, even if caused by the negligence of Franchisee, its employees, agents, contractors, or others for whom Franchisee is, in law, responsible; or (14) any third party claim that arises from or is connected with the ownership, establishment, use, non-use, possession, condition, operation, closure, or maintenance of the Premises and the School. Franchisee Indemnifying Parties agree that this obligation to indemnify is regardless of the cause or concurrent or contributing fault or negligence of the Franchisor Indemnified Parties. Franchisee Indemnifying Parties hereby waive all claims against Franchisor Indemnified Parties arising from any of the foregoing. Franchisor Indemnified Parties shall not be liable for any act or omission of Franchisee Indemnifying Parties or their employees, contractors, or agents connected to or arising from the ownership, establishment, use, non-use, possession, condition, operation, or maintenance of the Premises and the School

Franchisee will also notify Franchisor by telephone of any Action within forty-eight (48) hours after such Action is initiated and in writing within four (4) days after such Action is initiated. Franchisor Indemnified Parties shall have the right, in their sole discretion, and at Franchisee's expense and risk, to: (1) retain counsel of their own choosing to represent them with respect to any claim; and (2) control the response thereto and the defense thereof, including the right to enter into settlements or take any other mitigating, remedial, corrective, or other actions they deem appropriate. Franchisee Indemnifying Parties must reimburse Franchisor Indemnified Parties for all of Franchisor Indemnified Parties' costs, expenses, and all attorneys' fees immediately upon Franchisor Indemnified Parties' request. Franchisee Indemnifying Parties shall not, without the

prior written consent of the Franchisor Indemnified Party, (A) settle or compromise any claim or consent to the entry of any judgment with respect to any claim which does not include a written release from liability of such claim for the Franchisor Indemnified Parties, or (B) settle or compromise any claim in any manner that may adversely affect the Franchisor Indemnified Parties. Franchisee Indemnifying Parties agree to give their full cooperation to Franchisor Indemnified Parties in assisting with the defense of any such claim. Franchisor Indemnified Parties' undertaking of defense and/or settlement will in no way diminish Franchisee Indemnifying Parties' obligations to indemnify Franchisor Indemnified Parties and to hold Franchisor Indemnified Parties harmless. Under no circumstance will Franchisor Indemnified Parties be required to seek recovery from any insurer or other third party or otherwise mitigate Franchisor Indemnified Parties' or the third parties' losses to maintain a claim for indemnification against Franchisee Indemnifying Parties. Franchisee Indemnifying Parties agree that any failure to pursue recovery from third parties or mitigate loss will in no way reduce the amounts recoverable by Franchisor Indemnified Parties from Franchisee.

Any and all of the Franchisee Indemnifying Parties' indemnification obligations under this Agreement shall survive the expiration, non-renewal, or sooner termination of this Agreement.

(c) Payment of Taxes. Franchisee shall promptly pay to Franchisor an amount equal to all taxes levied or assessed, including, but not limited to, unemployment taxes, sales taxes, use taxes, withholding taxes, excise taxes, personal property taxes, intangible property taxes, gross receipt taxes, taxes on Royalties, any similar taxes or levies, imposed upon or required to be collected or paid by Franchisor or Franchisor's affiliates by reason of the furnishing of products, intangible property (including trademarks and trade names) or services by Franchisor to Franchisee through the sale, license, or lease of property or property rights provided by this Agreement other than taxes on Franchisor's net income.

20. Franchisee Representations.

(a) EVEN THOUGH THIS AGREEMENT CONTAINS PROVISIONS REQUIRING FRANCHISEE TO OPERATE THE SCHOOL IN COMPLIANCE WITH FRANCHISOR'S SYSTEM: (1) FRANCHISOR OR FRANCHISOR'S AFFILIATES DO NOT HAVE ACTUAL OR APPARENT 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 OR FRANCHISOR'S AFFILIATES TO INCUR ANY LIABILITY IN CONNECTION WITH OR ARISING FROM ANY ASPECT OF FRANCHISOR'S SYSTEM OR FRANCHISEE'S USE OF THE FRANCHISOR SYSTEM OR THE OPERATION OF THE SCHOOL WHETHER OR NOT IN ACCORDANCE WITH THE REQUIREMENTS OF THE BRAND STANDARDS MANUAL.

(b) IF FRANCHISEE IS A CORPORATION, A LIMITED LIABILITY COMPANY OR A PARTNERSHIP, FRANCHISEE MAKES THE FOLLOWING REPRESENTATIONS AND WARRANTIES: (1) FRANCHISEE IS DULY ORGANIZED AND VALIDLY EXISTING UNDER THE LAWS OF THE STATE OF ITS FORMATION; (2) FRANCHISEE IS QUALIFIED TO DO BUSINESS IN THE STATE OR STATES IN WHICH THE SCHOOL IS LOCATED; (3) EXECUTION OF THIS AGREEMENT AND THE DEVELOPMENT AND

OPERATION OF THE SCHOOL IS 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 FRANCHISEE'S ACTIVITIES ARE LIMITED EXCLUSIVELY TO THE DEVELOPMENT AND OPERATION OF THE SCHOOL.

(c) IF FRANCHISEE IS AN INDIVIDUAL, OR A PARTNERSHIP COMPRISED SOLELY OF INDIVIDUALS, FRANCHISEE MAKES THE FOLLOWING ADDITIONAL REPRESENTATIONS AND WARRANTIES: (I) EACH INDIVIDUAL HAS EXECUTED AN AGREEMENT WHEREBY THEY AGREE TO BE BOUND BY ALL THE TERMS OF THIS AGREEMENT; (II) EACH INDIVIDUAL SHALL BE JOINTLY AND SEVERALLY BOUND BY, AND PERSONALLY LIABLE FOR THE TIMELY AND COMPLETE PERFORMANCE AND ANY BREACH OF, EACH AND EVERY PROVISION OF THIS AGREEMENT; AND (III) NOTWITHSTANDING ANY TRANSFER FOR CONVENIENCE OF OWNERSHIP, PURSUANT TO THIS AGREEMENT, EACH INDIVIDUAL SHALL CONTINUE TO BE JOINTLY AND SEVERALLY BOUND BY, AND PERSONALLY LIABLE FOR THE TIMELY AND COMPLETE PERFORMANCE AND ANY BREACH OF, EACH AND EVERY PROVISION OF THIS AGREEMENT.

(d) IF FRANCHISEE IS A CORPORATION, A LIMITED LIABILITY COMPANY OR A PARTNERSHIP, FRANCHISEE HAS PROVIDED TO FRANCHISOR A CURRENT LIST OF ALL OWNERS AND FRANCHISEE AGREES THAT FRANCHISEE WILL ADVISE FRANCHISOR OF ANY AND ALL CHANGES IN OWNERSHIP.

(e) IF FRANCHISEE IS A CORPORATION, FRANCHISEE SHALL MAINTAIN STOP-TRANSFER INSTRUCTIONS AGAINST THE TRANSFER ON ITS RECORDS OF ANY VOTING SECURITIES, AND EACH STOCK CERTIFICATE OF THE CORPORATION SHALL HAVE CONSPICUOUSLY ENDORSED UPON ITS FACE THE FOLLOWING STATEMENT: "ANY ASSIGNMENT OR TRANSFER OF THIS STOCK IS SUBJECT TO THE RESTRICTION IMPOSED ON ASSIGNMENT BY FRANCHISOR, PURSUANT TO FRANCHISE AGREEMENT(S) TO WHICH THE CORPORATION IS A PARTY." IF FRANCHISEE IS A LIMITED LIABILITY COMPANY, EACH MEMBERSHIP OR MANAGEMENT CERTIFICATE OR OTHER EVIDENCE OF INTEREST IN FRANCHISEE SHALL HAVE CONSPICUOUSLY ENDORSED UPON ITS FACE THE FOLLOWING STATEMENT: "ANY ASSIGNMENT OR TRANSFER OF AN INTEREST IN THIS LIMITED LIABILITY COMPANY IS SUBJECT TO THE RESTRICTIONS IMPOSED ON ASSIGNMENT BY FRANCHISOR PURSUANT TO FRANCHISE AGREEMENT(S) TO WHICH THE LIMITED LIABILITY COMPANY IS A PARTY." IF FRANCHISEE IS A PARTNERSHIP, ITS WRITTEN AGREEMENT SHALL PROVIDE THAT OWNERSHIP OF AN INTEREST IN THE PARTNERSHIP IS HELD SUBJECT TO, AND THAT FURTHER ASSIGNMENT OR TRANSFER IS SUBJECT TO, ALL RESTRICTIONS IMPOSED ON ASSIGNMENT BY THIS AGREEMENT.

(f) FRANCHISEE ACKNOWLEDGES THAT IT HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE PROPOSED FRANCHISE AND RECOGNIZES THAT THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT INVOLVES BUSINESS RISKS AND THAT ITS SUCCESS WILL BE LARGELY DEPENDENT UPON

THE ABILITY OF FRANCHISEE AS AN INDEPENDENT BUSINESS OWNER OR BUSINESS.

(g) FRANCHISOR EXPRESSLY DISCLAIMS THE MAKING OF, AND FRANCHISEE ACKNOWLEDGES THAT IT HAS NOT RECEIVED, ANY WARRANTY, OR GUARANTEE, OR REPRESENTATION OTHER THAN AS SET FORTH IN THE DISCLOSURE DOCUMENT, EXPRESS OR IMPLIED, FROM ANY EMPLOYEE OR AGENT OF FRANCHISOR AS TO THE POTENTIAL SALES VOLUMES, PROFITS, OR LEVEL OF SUCCESS OF THE BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT. FRANCHISOR HAS NOT REPRESENTED THAT (I) FRANCHISEE WILL EARN, CAN EARN, OR IS LIKELY TO EARN A GROSS OR NET PROFIT, (II) FRANCHISOR HAS KNOWLEDGE OF THE RELEVANT MARKET, OR (III) THE MARKET DEMAND WILL ENABLE FRANCHISEE TO EARN A PROFIT FROM THE SCHOOL.

(h) FRANCHISEE ACKNOWLEDGES THAT IT RECEIVED A COPY OF THE COMPLETE FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, THE ATTACHMENTS THERETO, AND THE AGREEMENTS RELATED THERETO, IF ANY, AT LEAST FOURTEEN (14) CALENDAR DAYS PRIOR TO THE DATE ON WHICH THIS AGREEMENT WAS SIGNED OR CONSIDERATION PAID.

(i) FRANCHISEE ACKNOWLEDGES THAT, IN ALL OF ITS DEALINGS WITH FRANCHISOR'S OWNERS, OFFICERS, DIRECTORS, EMPLOYEES, AND REPRESENTATIVES, THESE INDIVIDUALS ACT ONLY IN THEIR REPRESENTATIVE CAPACITY AND NOT IN AN INDIVIDUAL CAPACITY. FRANCHISEE ACKNOWLEDGES THAT THIS AGREEMENT AND ALL BUSINESS DEALINGS BETWEEN FRANCHISEE AND THESE INDIVIDUALS AS A RESULT OF THIS AGREEMENT ARE SOLELY BETWEEN FRANCHISEE AND FRANCHISOR. NOTWITHSTANDING THE FOREGOING, IF FRANCHISOR ENGAGES ANY BROKER, THAT BROKER WILL BE SOLELY LIABLE FOR ITS CONDUCT WITH FRANCHISEE EXCEPT THAT FRANCHISOR WILL REMAIN LIABLE FOR THE BROKER'S CONDUCT SOLELY TO THE EXTENT OF FRANCHISOR'S OWN CRIMINAL, INTENTIONAL OR GROSSLY NEGLIGENT CONDUCT IN ENGAGING THE BROKER. IN ADDITION, FRANCHISOR MAKES NO WARRANTY AS TO FRANCHISEE'S ABILITY TO OPERATE THE SCHOOL IN THE JURISDICTION IN WHICH THE SCHOOL WILL BE OPERATED. FRANCHISEE MUST SEEK OR OBTAIN ADVICE OF COUNSEL SPECIFICALLY ON THIS ISSUE. IF LEGISLATION IS ENACTED, OR A REGULATION PROMULGATED, BY ANY GOVERNMENTAL BODY THAT PREVENTS FRANCHISEE FROM OPERATING THE SCHOOL, FRANCHISOR IS NOT LIABLE FOR DAMAGES NOR REQUIRED TO INDEMNIFY FRANCHISEE IN ANY MANNER WHATSOEVER OR TO RETURN ANY MONIES RECEIVED FROM FRANCHISEE.

21. Governing law, Jurisdiction and Venue.

(a) **Actions.** The term "Action" as referred to in this Section 21, means any claim, counterclaim, action, proceeding, lawsuit, arbitration, dispute, or controversy, whether in law or in equity, arising from or related to this Agreement, any agreement between Franchisee (or its Owners, affiliates, and guarantors) and Franchisor (or its affiliates) relating to the School, the

rights, performance, and obligations of Franchisor and Franchisee under such agreements, the interpretation, validity, or enforceability of such agreements, the sale of the franchise, the relationship between Franchisor and Franchisee (and its Owners, affiliates, and guarantors).

(b) Mediation; Arbitration.

(i) Mediation. Before Franchisee (or any of its Owners, guarantors, or affiliates) and Franchisor (or its affiliates) may bring an Action against the other, the parties must first meet to mediate the Act (except as otherwise provided below). Any such mediation shall be non-binding. Mediation shall be (i) conducted by a mediator mutually agreeable to the parties who has franchise law experience, (ii) conducted in accordance with the American Arbitration Association rules for mediation of commercial disputes and (iii) held in the city of Franchisor's then-current principal place of business (currently Raleigh, NC). Nevertheless, the parties may mutually agree on a mediator, venue, and/or procedures for mediation. The mediation shall be commenced by the party requesting mediation ("complainant") providing written notice of the request for mediation ("request") to the party with whom mediation is sought ("respondent"). The request shall specify with reasonable particularity the matter or matters on which mediation is sought. A copy of the request shall be given by the complainant simultaneously to Franchisor if Franchisor is not a complainant or respondent. Mediation commenced under this Section 21 shall be concluded within sixty (60) days of the issuance of the request or such longer period as may be agreed upon by the parties in writing. All aspects of the mediation process shall be treated as confidential, shall not be disclosed to others, and shall not be offered or admissible in any other proceeding or legal action whatever. Complainant and respondent shall each bear its own costs of mediation, and each shall bear one-half the cost of the mediator or mediation service.

(ii) Arbitration. Franchisee acknowledges that it has and will continue to develop a substantial and continuing relationship with Franchisor at its principal offices in the State of North Carolina, where Franchisor's decision-making authority is vested, franchise operations are conducted and supervised and where Agreement was rendered binding. Therefore, the parties agree that, to the extent that any Actions cannot be resolved directly between Franchisee and Franchisor and following compliance with the applicable mediation requirements set forth in Section 21(b)(i) above, any Action arising out of or relating to this Agreement or the making, performance, or interpretation thereof shall upon thirty (30) days' written notice by either party be resolved, except as elsewhere expressly provided in this Agreement, upon application by any such party by binding arbitration in the city of Franchisor's then-current principal place of business (currently Raleigh, NC), in accordance with the Federal Arbitration Act under the Commercial Arbitration Rules then prevailing of the American Arbitration Association, including without limitation the Optional Rules for Emergency Measures of Protection ("AAA"), and not under any state arbitration laws, and judgment on the arbitration award may be entered in any court of competent jurisdiction. Franchisee and Franchisor agree that arbitration shall be conducted on an individual—not a class-wide— basis. The Federal Arbitration Act shall apply to all arbitration and arbitration venue questions. Any award by the arbitrator(s) shall be final, binding and nonappealable. The matter shall be heard by one (1) arbitrator mutually selected by the parties who shall have at least ten (10) years' experience in practicing

franchise law during which franchise law is or has been their primary area of practice and shall have substantial experience in the preparation of franchise agreements and franchise disclosure documents. Franchisee understands that by agreeing to arbitrate it gives up jury and appeal and other rights it might have in court.

(c) Waiver. FRANCHISOR AND FRANCHISEE IRREVOCABLY WAIVE THEIR RIGHT TO (AND FRANCHISEE'S OWNERS AND GUARANTORS, IF APPLICABLE IRREVOCABLY WAIVE AND SURRENDER THEIR RIGHT TO) PURSUE A JUDICIAL REMEDY OF ANY CLAIM ARISING OUT OF, OR RELATED TO THIS DISPUTE, EXCEPT AS ELSEWHERE EXPRESSLY PROVIDED IN THIS AGREEMENT.

(d) Injunctive Relief. Notwithstanding the provisions of Section 21(a) above, Franchisee agrees that Franchisor, at its option, will have the right to seek preliminary injunctive relief from a court of competent jurisdiction, to restrain any conduct by Franchisee, the Owners, or the guarantors that (i) could materially damage the goodwill associated with the System, the Marks, and the Chain (including but not limited to conduct related to trademark or other intellectual property infringement), (ii) that involves the disclosure or use of Franchisor's Confidential Information, including but not limited to the Customer List and Franchised Business Data, or (iii) that relates to Franchisee's, the Owners', or a managerial employee's covenants against unfair competition or solicitation, provided that if Franchisee counters, as Franchisee may, by initiating arbitration, Franchisor agrees to arbitrate the entire dispute thereafter except preliminary injunctive relief (and permanent injunctive relief also, if Franchisee will not agree that the preliminary injunction shall remain effective indefinitely until the arbitrator shall dissolve it), leaving the court action pending, if it chooses, to facilitate enforcement. Franchisee agrees that Franchisor will not be required to post a bond to obtain any injunctive relief with respect to use of the Marks.

(e) Prevailing Party, Attorney's Fees and Costs. The prevailing party in any action or proceeding arising under, out of, in connection with, or in relation to this Agreement, any lease or sublease for the School or Premises, the parties' relationship, or the School will be entitled to recover its reasonable costs and expenses (including attorneys' fees, arbitrator's fees and expert witness fees, costs of investigation and proof of facts, court costs, and other arbitration or litigation expenses) incurred in the prosecution or defense of any such claim, lawsuit, litigation or arbitration.

(f) JURY TRIAL AND CLASS ACTION WAIVER. FRANCHISOR AND FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION BROUGHT BY FRANCHISOR (AND ITS AFFILIATES, IF APPLICABLE) AND FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE). NEITHER FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) NOR FRANCHISOR SHALL SEEK TO BRING AN ACTION AGAINST ANY OF THE OTHER PARTIES EITHER AS A REPRESENTATIVE OF, OR ON BEHALF OF, ANY OTHER PERSON, CLASS, OR ENTITY. NO ACTION SHALL ADD AS A PARTY, BY CONSOLIDATION, JOINDER, OR IN ANY OTHER MANNER, ANY PERSON OR PARTY OTHER THAN FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) AND FRANCHISOR (AND ITS AFFILIATES, IF APPLICABLE) AND

ANY PERSON IN PRIVITY WITH, OR CLAIMING THROUGH, IN THE RIGHT OF, OR ON BEHALF OF, THEM, UNLESS BOTH FRANCHISEE AND FRANCHISOR CONSENT IN WRITING. FRANCHISOR HAS THE ABSOLUTE RIGHT TO REFUSE SUCH CONSENT. FRANCHISEE (AND ITS OWNERS, GUARANTORS, AND AFFILIATES, AS APPLICABLE) AGREES AND ACKNOWLEDGES THAT ANY ACTION WILL BE CONSIDERED UNIQUE ON ITS FACTS AND SHALL NOT BE BROUGHT AS A CLASS OR GROUP ACTION. FRANCHISEE (AND ITS OWNERS, GUARANTORS, AND AFFILIATES, AS APPLICABLE) MAY NOT BRING ANY ACTION ON A CLASS-WIDE BASIS (OR JOIN ANY THIRD-PARTY CLAIM).

(g) WAIVER OF CERTAIN DAMAGES. EXCEPT FOR FRANCHISEE INDEMNIFYING PARTIES' OBLIGATIONS TO INDEMNIFY FRANCHISOR INDEMNIFIED PARTIES UNDER THIS AGREEMENT AND ACTION FRANCHISOR BRINGS AGAINST FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) FOR UNAUTHORIZED USE OF THE MARKS, UNAUTHORIZED USE OR DISCLOSURE OF CONFIDENTIAL INFORMATION, OR BREACH OF NON-COMPETITION OR NON-SOLICITATION COVENANTS, FRANCHISOR AND FRANCHISEE (AND FRANCHISEE'S OWNERS, AFFILIATES, AND GUARANTORS, IF APPLICABLE) WAIVE ANY RIGHT TO OR CLAIM FOR PUNITIVE, CONSEQUENTIAL, EXEMPLARY, MULTIPLE, INCIDENTAL, OR OTHER DAMAGES IN EXCESS OF THE ECONOMIC DAMAGES ACTUALLY SUSTAINED BY THE PARTY, WHETHER ASSERTED AS A RELATED OR INDEPENDENT TORT, AS A BREACH OF CONTRACT, OR AS ANY OTHER CLAIM OR CAUSE OF ACTION BASED ON STATUTORY OR COMMON LAW. THE FOREGOING DOES NOT LIMITED THE PARTIES' ABILITY TO SEEK EQUITABLE RELIEF.

(h) Remedies Cumulative. All rights and remedies conferred upon Franchisee and Franchisor by this Agreement and by law shall be cumulative of each other, and neither the exercise nor the failure to exercise any such right or remedy shall preclude the exercise of any other such right or remedy.

(i) Governing Law. This Agreement and any claim or controversy arising out of or relating to rights and obligations of the parties under this Agreement and any other claim or controversy between the parties shall be governed by and construed under the laws of the State of North Carolina and any dispute between the parties shall be governed by and determined in accordance with the substantive law of the State of North Carolina and the Federal Arbitration Act, which laws shall prevail in the event of any conflict of law. The venue for any arbitration concerned with the enforcement and interpretation of this Agreement shall be Raleigh, North Carolina. Nothing in this Subsection 21(h) is intended, or shall be deemed, to make any North Carolina law regulating the offer or sale of franchises or the franchise relationship applicable to this Agreement if such law would not otherwise be applicable. Any and all claims and actions arising out of or relating to this Agreement, the relationship of Franchisee, its Owners, or affiliates and Franchisor, or Franchisee's operation of the School, brought by Franchisee, its Owners, or affiliates against Franchisor, shall be commenced within one (1) year from the occurrence of the facts giving rise to such claim or action, or such claim or action shall be barred.

(j) Survival. The provisions of this Section 21 shall continue in full force and effect subsequent to and notwithstanding the termination, expiration or non-renewal of this Agreement.

22. Notices.

Except as otherwise provided in this Agreement, all notices, requests, demands and other communications required or permitted to be given or made under this Agreement shall be in writing and shall be given (i) by personal delivery, (ii) by registered or certified mail, return receipt requested, postage prepared, or (iii) by delivery to a nationally recognized overnight courier service, in each case, addressed as follows:

If intended for Franchisor, addressed to

NC DENTAL U FRANCHISE GROUP, LLC
Attn: President
123 Capcom Dr., Suite 4
Wake Forest, North Carolina 27587

With a copy (which shall not constitute notice) to:

Manning, Fulton & Skinner, P.A.
Attn: Ritchie W. Taylor
PO Box 20389
Raleigh, NC 27619-0389

If intended for Franchisee, addressed to

The notice address set forth in the Franchise Rider, or,

If Franchisee has opened its School, the address of the accepted Location of the School, or in either case, to such other address as may have been designated by notice to the other party.

Notice shall be deemed given and effective upon the first to occur of receipt, when proper delivery is refused, or two (2) calendar days after deposit in registered or certified U.S. Mail or with a nationally recognized overnight courier, as described above. Any notice that gives the sender evidence of delivery, rejected delivery, or delivery that is not possible because the recipient moved and left no forwarding address will be deemed to have been given at the date and time of receipt, rejected, and/or attempted delivery.

Additionally, Franchisor may provide the notice described in this section by email or other electronic system to (a) the email address set forth on the Franchise Rider, (b) the email address Franchisor has approved or provided for Franchisee to use with the School, or (c) another electronic account that Franchisor has approved or provided for Franchisee to use with the School. Such email notices shall be deemed given and effective upon the day on which the email was sent, unless Franchisor receives notice of rejected delivery by the email account or other electronic account.

23. Miscellaneous.

(a) Severability. The invalidity or unenforceability of any one or more provision of this Agreement shall in no way affect any other provision. If any court of competent jurisdiction determines any provision of this Agreement to be invalid, illegal or unenforceable, that portion shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal or unenforceable portion had never been a part of this Agreement.

(b) Construction. All references herein to the masculine, neuter, or singular shall be construed to include the masculine, feminine, neuter, or plural, as the case may require. All acknowledgements, warranties, representations, covenants, agreements, and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by all those executing this Agreement as Franchisee.

(c) Entire Agreement. This Agreement, the documents incorporated herein by reference and the exhibits attached hereto, comprise the entire agreement between the parties and all prior understandings, representations (including, unless otherwise agreed upon by the parties, the representations of any franchise sellers), or agreements concerning the subject matter hereof are canceled and superseded by this Agreement. This Agreement may not be amended orally, but may be amended only by a written instrument signed by the parties. Franchisee expressly acknowledges that no oral promises or declarations were made to it and that the obligations of Franchisor are confined exclusively to those set forth in this Agreement. Franchisee understands and assumes the business risks inherent in this enterprise. Notwithstanding the foregoing, nothing in any franchise agreement is intended to disclaim the express representations made in the Franchise Disclosure Document.

(d) Assignees. This Agreement shall be binding upon the heirs, successors, permitted assigns and legal representatives of the parties.

(e) Amendments. Franchisor reserves the right to amend this Agreement if a Franchise Agreement change proposed by Franchisor is agreed to by Seventy Percent (70%) of the then-current Franchisees. Further, except for those permitted to be made unilaterally by Franchisor, no supplement, amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

(f) Waivers. No failure of Franchisor to exercise any right given to it hereunder, or to insist upon strict compliance by Franchisee with any obligation, agreement or undertaking hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Franchisor's right to demand full and exact compliance by Franchisee and shall not affect or impair Franchisor's rights with respect to any subsequent default of the same or of a different nature, nor shall any delay or omission of Franchisor to exercise any right arising from such default affect or impair Franchisor's rights as to such default or any subsequent default. Franchisor has the unrestricted right to elect to not enforce (or to selectively enforce) any provision of this Agreement or any other agreement, standard or policy, whether with respect to Franchisee and/or any other franchisee or other person, or any affiliate of Franchisee or Franchisor, without liability.

(g) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same Agreement. The Parties may utilize electronic means, including electronic mail and facsimile, to execute and transmit the Agreement or PDF copies of the Agreement and all such electronically transmitted copies of the Agreement shall be deemed as valid as originals.

(h) Headings. The headings used in the Agreement are for convenience only, and the paragraphs shall be interpreted as if such headings were omitted.

(i) Time of Essence. Franchisee agrees and acknowledges that time is of the essence with regard to Franchisee's obligations hereunder, and that all of Franchisee's obligations are material to Franchisor and this Agreement.

(j) Territory Boundaries. Territory boundaries are as described in the Franchise Rider.

(k) Agreement Binding Upon Signature of Franchisor. Franchisee acknowledges that this Agreement shall not take effect until its acceptance and execution by an officer of Franchisor.

(l) Evolving Agreements. Franchisee acknowledges that Franchisor has entered, and will continue to enter, into agreements with other Franchisees that may contain provisions, conditions, and obligations that differ from those contained in this Agreement. The existence of different forms of agreement and the fact that Franchisor and Franchisees other than Franchisee may have different rights and obligations does not affect the parties' duty to comply with this Agreement.

(m) Delegation. Franchisor shall have the right to delegate Franchisor's duties under this Agreement to any affiliated or non-affiliated entity, agent, or employee and Franchisee agrees to such assignment without any right to approve such actions.

(n) Final Act. The last signature applied to this Agreement shall be the signature of Franchisor's President or Vice President at Franchisor's headquarters in North Carolina. Franchisee acknowledges that this Agreement shall not take effect until its acceptance and execution by Franchisor's authorized officer. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement. This Agreement may, but is not required to, be executed using electronic signatures. Electronic signatures shall be treated for all purposes as originals.

(o) Fines. For each instance where Franchisee fails to obtain prior written approval for advertisements, fails to attend required training or franchisor sponsored conventions, offers unauthorized products or services, fails to timely provide reports, or otherwise fails to comply with DENTAL ASSISTANT U system's operating standards, Franchisor shall, at Franchisor's option, have the right to levy a fine in an amount up to One Thousand Dollars ($1,000) per occurrence. Additionally, in the event that Franchisee fails inspection or is in default and Franchisor inspects and/or re-inspects the School, then Franchisee shall reimburse Franchisor for its inspection costs on request. The imposition of a fine pursuant to this section shall not act as a waiver of any of

Franchisor's other remedies under this Agreement. Furthermore, Franchisor has the right to collect any such fines by means of EFT.

(p) Covenant of Good Faith. No covenant of good faith and fair dealing shall be implied into this Agreement, except that if applicable law shall imply such a covenant in this Agreement, Franchisor and Franchisee agree that such covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if applicable law shall imply such a covenant, Franchisee acknowledges that (a) this Agreement grants Franchisor the discretion to make decisions, take actions, and refrain from taking actions not inconsistent with Franchisor's explicit rights and obligations hereunder that may favorably or adversely affect Franchisee's interests; (b) Franchisor will use its judgment in exercising such discretion based on Franchisor's assessment of its own interests and balancing those interests against the interests of Franchisee and other franchisees within the Chain generally; (c) Franchisor will have no liability to Franchisee for the exercise of its discretion, so long as such discretion is not exercised in bad faith toward Franchisee; and (d) in absence of such bad faith, no trier of fact in any legal action shall substitute its judgment for Franchisor's judgment so exercised.

(q) Modification of Agreement. If any term or provision, or any portion thereof, of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the comparable provisions hereto, and Franchisor will have the right, in its sole discretion, to modify such invalid or enforceable provision, specification, standard or operating procedure to the extent required to be valid and enforceable.

(r) Security Agreement. Franchisee agrees to give no security interests, pledges or encumbrances in Franchisee's inventory, leasehold, fixtures, securities or franchise agreement without the prior written approval of Franchisor, which shall not be deemed a consent to assignment. Franchisor will not unreasonably withhold approval but is legitimately concerned to ensure: (a) that Franchisee not lose the business; (b) that the business not be lost to the franchise system; and (c) that Franchisor not have to defend a claim to franchisee rights by anyone it shall not have agreed to accept as a franchisee. In order to secure the prompt performance of Franchisee's obligations under this Agreement, Franchisee grants Franchisor and Franchisor takes a first priority security interest in all of Franchisee's assets, including without limitation, all present and after acquired inventory and equipment wherever located, accounts, deposit accounts, chattel paper, instruments, contract rights (including Franchisee's rights under this Agreement) and general intangibles, including payment intangibles, and all proceeds and products thereof including insurance proceeds. All items in which a security interest is granted are referred to as the "Collateral." This Agreement and the Franchise granted to Franchisee hereunder may not be used by Franchisee as collateral or be the subject of a security interest, lien, levy, attachment or execution by Franchisee's creditors, any financial institution, or any other party, except with Franchisor's prior written approval. The Security Interest is to secure payment of the following (the "Indebtedness"): (a) all amounts due under this Agreement or otherwise by Franchisee; (b) all sums which Franchisor may, at Franchisor's option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness; (c) all expenses, including reasonable attorneys' fees, which Franchisor incurs in connection with collecting any or all

Indebtedness secured hereby or in enforcing or protecting Franchisor's rights under the Security Interest and this Agreement; and (d) all other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of Franchisee to Franchisor or third parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not Franchisor executes any extension agreement or renewal instruments. Franchisee will from time to time as Franchisor requires join with Franchisor in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to Franchisor. Upon default and termination of Franchisee's rights under this Agreement, Franchisor shall have the immediate right to possession and use of the Collateral. Franchisee agrees that, upon the occurrence of any default set forth above, the full amount remaining unpaid on the Indebtedness secured shall, at Franchisor's option and without notice, become due and payable immediately, and Franchisor shall then have the rights, options, duties, and remedies of a secured party under, and Franchisee shall have the rights and duties of a debtor under the Uniform Commercial Code of North Carolina (or other applicable law), including, without limitation, Franchisor's right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found. Any sale of the Collateral may be conducted by Franchisor in a commercially reasonable manner. Reasonable notification of the time and place of any sale shall be satisfied by mailing to Franchisee pursuant to the notice provisions set forth above. This Agreement shall be deemed a Security Agreement and a Financing Statement. This Agreement may be filed for record in the real estate records of each county in which the Collateral, or any part thereof, is situated and may also be filed as a Financing Statement in the counties or in the office of the Secretary of State, as appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction.

(s) Policies Subject to Change. Any policies that Franchisor adopts and implements from time to time to guide Franchisor in its decision-making are subject to change, are not a part of this Agreement, and are not binding on Franchisor.

(t) Right to Refuse Approval. Except where this Agreement expressly obligates Franchisor reasonably to approve or accept or to not unreasonably withhold approval of any of Franchisee's actions or requests, Franchisor has the absolute right to refuse any request Franchisee makes or to withhold approval or acceptance of any of Franchisee's proposed, initiated, or completed actions that require Franchisor's approval or acceptance.

(u) Survival. In the event of expiration, termination, or non-renewal of this Agreement, Franchisee will remain liable for Franchisee's obligations pursuant to this Agreement or any other agreement between Franchisee and Franchisor or its affiliates that expressly or by their nature survive the expiration, termination, or non-renewal of this Agreement.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

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

Franchisor:

NC DENTAL U FRANCHISE GROUP, LLC

By: _____
Name: Tammy Hughes
Title: Manager

By: _____
Name: Robyn Klose
Title: Manager

FOR OHIO RESIDENTS AND FRANCHISEES WITH TERRITORIES AND/OR ACCEPTED LOCATIONS IN OHIO: 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.

Franchisee:

_____

By: _____
Name: _____
Title: _____

[FOR OHIO RESIDENTS AND FRANCHISEES WITH TERRITORIES AND/OR ACCEPTED LOCATIONS IN OHIO]

Notice of cancellation

_____
(Enter effective date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty 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, or send a telegram, to NC DENTAL FRANCHISE GROUP, LLC, 123 Capcom Dr. Suite 4, Wake Forest, North Carolina 27587, 877-432-3555, not later than midnight of the fifth business day following _____.

I hereby cancel this transaction.

_____
(Purchaser's Signature)

(Date) _____

[FOR OHIO RESIDENTS AND FRANCHISEES WITH TERRITORIES AND/OR ACCEPTED LOCATIONS IN OHIO]

Notice of cancellation

_____
(Enter effective date of transaction)

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within twenty 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, or send a telegram, to NC DENTAL FRANCHISE GROUP, LLC, 123 Capcom Dr. Suite 4, Wake Forest, North Carolina 27587, 877-432-3555, not later than midnight of the fifth business day following _____.

I hereby cancel this transaction.

_____
(Purchaser's Signature)

(Date) _____

ATTACHMENT 1 TO FRANCHISE AGREEMENT
FRANCHISE RIDER

Initial Franchise Fee

The Initial Franchise Fee, which is due and payable upon execution of this Franchise Agreement, is:

_____ Thirty Thousand Dollars ($30,000) for the right to open a DENTAL ASSISTANT U School.

Royalty and Other Fees

Franchisee shall pay the Royalty Fee equal to the greater of One Thousand Dollars ($1,000) per month or twenty percent (20%) of Franchisee's Billings per month.

For purposes of this Attachment 1, "Billings" shall mean the total of amounts invoiced to students and other customers of the School for services rendered by the School and from the sale of products, whether from sales for cash or credit and regardless of the collection thereof or later adjustments made or refunds issued. Business continuation insurance processed are also considered "Billings" against which the Royalty shall be paid in the month received. Sales taxes collected and remitted to the taxing authority are excluded. "Billings" also includes any business interruption insurance proceeds Franchisee receives.

The Royalty is due monthly on the fifteenth (15^{th}) day of the month shall be calculated based on the Billings of the School invoiced to students and customers during the month immediately preceding the Due Date of the Royalty, not the amounts received by the Franchisee pursuant to student and customer payments of the invoices. Franchisee shall begin paying the Royalty upon the sixth month (6^{th}) following the full licensure of its School.

Franchisee selects Option ____ (Option A – New School; or Option B – Existing Location)

Franchisee:

_____

By: _____
Name: _____
Title: _____

Acknowledged by:

Franchisor:

NC DENTAL U FRANCHISE GROUP, LLC

By: _____
Name: Tammy Hughes
Title: Manager

By: _____
Name: Robyn Klose
Title: Manager

The following address is Franchisee's address under Section 22 of the Franchise Agreement.

Franchisee's Address for Notice:

_____
_____
_____
_____

Already-Accepted Location and Territory (If Applicable)

If the Location has already been selected by Franchisee and accepted by Franchisor, then the following are Franchisee's Location and Territory for the Initial Term:

Location: _____

Territory: _____

Unassigned Location and Territory (If Applicable)

If no Location has been determined at the time this Franchise Agreement is executed, then the Location will be within the following area, provided the exact location will be subject to Franchisor's review and acceptance: _____ (the "Prospective Market Area").

If Franchisee has not been accepted to operate at a specific Location at the time the Franchise Agreement is approved, Franchisor reserves the right to sell franchises—and grant territories to others who will operate DENTAL ASSISTANT U Schools—in and around the Prospective Market Area. Franchisee may then be required to choose a final location outside of any protected territory given to any other franchisee, and that territory may be outside of the Prospective Market Area set forth above.

When Franchisee selects its desired location for the School, Franchisee must follow the acceptance process set forth in Section 6(a) of the Franchise Agreements and Franchisor's Brand Standards Manual. If Franchisor accepts Franchisee's proposed location, Franchisor will send Franchisee its form site acceptance al letter ("Site Selection Acceptance Letter"). The location set

forth in the Site Selection Acceptance Letter shall constitute the "Location" of the School pursuant to Section 1 of the Franchise Agreement. Franchisee's Territory shall be the area that is the greater of: (i) an area containing approximately Three Hundred Thousand (300,000) population, as determined by the latest U.S. Census data or (ii) the area that is within a fifteen (15) mile radius of the School.

ATTACHMENT 2 TO FRANCHISE AGREEMENT
LEASE RIDER

This Lease Rider is executed as of this date of _____, by and between _____ ("Tenant") and _____ ("Landlord") as a Rider to the lease dated _____ (as amended, renewed, and/or extended from time to time, the "Form Lease") for the Premises located at _____ ("Premises").

In the event of a conflict between the terms and conditions set forth within this Rider and the terms and conditions set forth in the Form Lease to which this Rider is attached, the terms and conditions set forth within this Rider shall govern and control.

1. Permitted Use. The Premises are leased to Tenant for the operation of a franchised dental assisting training school. Landlord covenants that from and after the date hereof, Landlord shall not permit any other tenant to operate a School in the same shopping center as the Premises that sells or provides dental assisting training programs.

2. Signage. Notwithstanding anything contained within the Form Lease to the contrary, Tenant shall, subject to the requirements of local law, have the right to utilize its standard signage and other proprietary marks and identification on both the exterior and within the interior of the Premises as approved by NC DENTAL U FRANCHISE GROUP, LLC, a North Carolina limited liability company and franchisor of the DENTAL ASSISTANT U concept **("Franchisor")**.

3. Assignment and Subletting. Landlord's consent to an assignment of the Form Lease or subletting of the Premises shall not be required in connection with an assignment or subletting as a part of a merger, reorganization or sale of all or substantially all of Tenant's assets or business or an assignment or sublet, or as otherwise provided for in the Franchise Agreement between Franchisor and Tenant to Franchisor, any parent, subsidiary or affiliate of Tenant or affiliate of Franchisor, or another DENTAL ASSISTANT U franchisee. Landlord shall approve as an assignee or sublettee any tenant who has become a transferee of the Franchise Agreement by and between Tenant and Franchisor (the Franchise Agreement") as a result of a merger, reorganization or sale of all or substantially all of Tenant's assets, or as otherwise provided for in the Franchise Agreement between Franchisor and Tenant. Tenant shall also have the right, without the consent of Landlord, to assign the Form Lease to: (i) a company incorporated or to be incorporated by Tenant; (ii) a limited liability company formed or to be formed by Tenant; or (iii) a partnership formed or to be formed by Tenant, provided that Tenant owns or beneficially controls: (i) a majority of the issued and outstanding shares of capital stock of the company; (ii) a majority of the membership interest in the limited liability company; or (iii) or is the managing general partner of the partnership.

4. Notices; Opportunity to Cure. Copies of any demand letters, default notices or other similar notices of non-compliance **("Notice")** sent by Landlord to Tenant shall also be sent to Franchisor at the following address:

Tammy Hughes
NC DENTAL U FRANCHISE GROUP, LLC
123 Capcom Dr., Suite 4
Wake Forest, North Carolina 27587

In the event Tenant fails to cure or otherwise remedy the subject matter of the Notice, and prior to exercising any remedies under the Form Lease, Landlord shall grant Franchisor the identical period of time in which to cure same (said cure period to commence immediately upon written notice from Landlord to Franchisor

(at the address set forth herein) that Tenant has failed to cure in a timely manner) and Landlord agrees to accept the performance of Franchisor within said period of time as performance by Tenant pursuant to the terms of the Form Lease.

5. Option to Lease. Landlord hereby agrees that, (i) in the event of the termination, non-renewal, or expiration of the Franchise Agreement by and between Tenant and Franchisor; (ii) the termination of the Form Lease for any cause whatsoever including, without limitation, a default by Tenant under the Form Lease after expiration of any applicable notice and cure periods; (iii) in the event of Tenant's failure to exercise any extension option contained in the Form Lease, (iv) upon the expiration of the Form Lease and any rights to extension or renewal; or (v) as otherwise permitted under the Franchise Agreement, Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another DENTAL ASSISTANT U franchisee shall have the option to lease the Premises pursuant to the same terms and conditions as are contained in the Form Lease, in accordance with the following:

(a) Landlord agrees to promptly give Notice to Franchisor (at the address set forth herein) in the event the Form Lease is terminated as the result of a default by Tenant or in the event Tenant fails to exercise any remaining options to extend the term of the Form Lease;

(b) If Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another DENTAL ASSISTANT U franchisee elects to lease the Premises, such party shall notify Landlord in writing of its election to exercise this option to lease within thirty (30) days after (1) termination, non-renewal, or expiration of the Franchise Agreement; (2) Franchisor's receipt of Notice from Landlord that the Form Lease has been terminated; (3) receipt of Notice from Landlord that Tenant has failed to exercise an option to extend the term of the Form Lease; or (4) Notice from Landlord that the Form Lease and any rights to extension or renewal will expire;

(c) If Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another DENTAL ASSISTANT U franchisee elects to lease the Premises under any of the conditions set forth in 5(i) to (v) above, Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another DENTAL ASSISTANT U franchisee shall sign and deliver to Landlord a lease containing all of the same terms and conditions (including rental rates, terms and remaining options to extend the term of the Form Lease) as are contained in the Form Lease; provided, however, that such party's leasehold interest shall not be subject to any defaults or claims that may exist between Landlord and Tenant and any such lease shall permit Franchisor or any parent, subsidiary or affiliated company of Franchisor, or another DENTAL ASSISTANT U t franchisee to assign the lease or sublease the Premises to a franchisee of Franchisor for use as a DENTAL ASSISTANT U franchised location; and

(d) Nothing contained herein shall affect Landlord's right to recover any and all amounts due under the Form Lease from Tenant or to exercise any right of Landlord against Tenant as provided under the Form Lease.

6. De-identification. Landlord and Tenant hereby acknowledge that in the event the Franchise Agreement expires or is terminated, Tenant is obligated under the Franchise Agreement to take certain steps to de-identify the location as a DENTAL ASSISTANT U franchise location operated by Tenant. Landlord agrees to cooperate fully with Franchisor in enforcing such provisions of the Franchise Agreement against Tenant, including allowing Franchisor, its employees and agents to enter and remove signs, decor and materials bearing or displaying any marks, designs or logos of Franchisor; provided, however, that Landlord shall not be required to bear any expense thereof. Tenant agrees that if Tenant fails to de-identify the Premises promptly upon termination, non-renewal, or expiration as required under the Franchise Agreement, Franchisor may cause all required de-identification to be completed at Tenant's sole cost and expense. Landlord hereby agrees that Franchisor, its employees, and agents have the right to enter into and

temporarily occupy the Premises for all purposes permitted under the Franchise Agreement or to otherwise enforce the Franchise Agreement.

7. Assignment of Interest. This Rider is binding and shall inure to the benefit of Landlord, Tenant, and Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another DENTAL ASSISTANT U franchisee, their assigns, and successors-in-interest. Franchisor, any parent, subsidiary or affiliated company of Franchisor, or another DENTAL ASSISTANT U franchisee are intended beneficiaries of this Rider, provided Franchisor shall have no liability for any of Tenant's obligations under the Form Lease. Franchisor signs below for the limited purpose of acknowledging and agreeing to the provisions of this Rider.

8. Non-disturbance from Mortgage Lenders. It is a condition of the Form Lease being subordinated to any mortgage, deed of trust, deed to secure debt or similar encumbrance on the Premises that the holder of such encumbrance agrees not to disturb Tenant's rights under the Form Lease or Tenant's possession of the Premises, so long as Tenant is not in default of its obligations under the Form Lease beyond any applicable grace or cure period provided therein. If a mortgage, deed of trust or deed to secure debt currently encumbers the Premises, it is a condition precedent to Tenant's obligations under the Form Lease that the holder of such encumbrance enter into a written recordable form of subordination and non-disturbance agreement with Tenant, in a form reasonably acceptable to Tenant, as described above.

9. Security Interest. Any security interest and/or landlord's lien of Landlord in Tenant's trade fixtures, trade dress, signage, equipment and other personal property is hereby subordinated to any security interest and pledge granted to Franchisor in such items.

LANDLORD:

_____

By: _____
Its: _____
Name: _____

TENANT:

_____

By: _____
Its: _____
Name: _____

Agreed to:

FRANCHISOR:

NC DENTAL U FRANCHISE GROUP, LLC

By: _____
Name: Tammy Hughes
Title: Manager

By: _____
Name: Robyn Klose
Title: Manager

ATTACHMENT 3 TO FRANCHISE AGREEMENT
INTERNET, SOCIAL MEDIA, AND TELEPHONE ASSIGNMENT

This Assignment Agreement (the "Assignment") is made, and entered into, between NC DENTAL U FRANCHISE GROUP, LLC, a North Carolina limited liability ("Franchisor") and the undersigned Franchisee ("Franchisee").

RECITALS

A. Franchisor and Franchisee have entered into a Franchise Agreement dated _____ (the "Franchise Agreement"), pursuant to which Franchisee was granted the right to operate a DENTAL ASSISTANT U franchised School; and

B. It is the desire of and in the best interests of Franchisor and the DENTAL ASSISTANT U System that in the event the Franchise Agreement terminates, expires, or is not renewed, the telephone numbers, telephone directory listings, internet addresses, and social media accounts used by Franchisee in connection with the operation of its DENTAL ASSISTANT U school ("Franchised Business") are assigned to Franchisor.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and Franchisor agreeing to enter into the Franchise Agreement, Franchisor and Franchisee agree as follows:

1. Franchisee hereby agrees to assign to Franchisor: (i) those certain telephone numbers and regular, classified or other telephone directory listings used by Franchisee in connection with operating the DENTAL ASSISTANT U franchised business, including personal cellphone numbers, (ii) all e-mail addresses that use the Marks or that are used by Franchisee in connection with the operation of the Franchised Business, (iii) any Online Presence (as that term is defined in the Franchise Agreement) which uses the Marks, which Franchisee uses in connection with the operation of the Franchised Business, or which Franchisee has been permitted by Franchisor to create, and (iv) all rights, title, and interest in the content of any Online Presence, whether now-existing or adopted by Franchisee in the future (collectively the "Listings").

2. This Assignment is for collateral purposes only and, except as specified herein, Franchisor will have no liability or obligation of any kind whatsoever arising from or in connection with Franchisee's use of the Listings unless and until Franchisor notifies the telephone company, listing agencies, internet service providers, or other parties that provide the Listings (collectively, the "Providers") to effectuate the assignment pursuant to the terms hereof.

3. Upon termination, expiration, or nonrenewal of the Franchise Agreement (without renewal or extension), Franchisor will have the right and is hereby empowered to effectuate the assignment of the Listings to itself or to any third party it designates. In the event Franchisor exercises its assignment rights Franchisee will have no further right, title or interest in the Listings; provided, however, Franchisee will pay all amounts owed in connection with the Listings, including all sums owed to Franchisor, Franchisor's affiliates, or Franchisor's approved suppliers under existing contracts for the Listings and immediately, at the Franchisor's request, (i) take any

other action as may be necessary to transfer the Listings to the Franchisor or Franchisor's designated agent, (ii) install and maintain, at Franchisee's sole expense, an intercept message, in a form and manner acceptable to Franchisor on any or all of the Listings; (iii) disconnect, cancel, delete, remove, or discontinue the Listings; (iv) relist any Listing in a different location or with a new provider, whether published or online; (v) modify the Listing and any content in the Listing; (vi) provide all login or other access credentials to the Listings; and/or (vii) cooperate with Franchisor or its designated agent in undertaking any or all of the foregoing.

4. Franchisee appoints Franchisor as Franchisee's attorney-in-fact, to act in Franchisee's place, for the purpose of assigning any Listings covered by the Assignment to Franchisor or Franchisor's designated agent or taking any other actions required of Franchisee under this Agreement. Franchisee grants Franchisor full authority to act in any manner proper or necessary to the exercise of the forgoing powers, including full power of substitution and execution or completion of any documents required or requested by any Provider to transfer or modify such Listings, and Franchisee ratifies every act that Franchisor may lawfully perform in exercising those powers. This power of attorney shall be effective for a period of two (2) years from the date of expiration, termination, or nonrenewal of Franchisee's rights under the Agreement for any reason. Franchisee intends that this power of attorney be coupled with an interest. Franchisee declares this power of attorney to be irrevocable and renounces all rights to revoke it or to appoint another person to perform the acts referred to in this instrument. This power of attorney shall not be affected by the subsequent incapacity of Franchisee. This power is created to secure performance of a duty to Franchisor and is for consideration.

5. The parties agree that the Providers may accept Franchisor's written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor's exclusive rights in and to the Listings upon such termination, expiration or nonrenewal of the Franchise Agreement and that such assignment shall be made automatically and effective immediately upon a Provider's receipt of such notice from Franchisor or Franchisee. The parties further agree that if the Providers require that the parties execute the Providers' assignment forms or other documentation at the time of termination, expiration or nonrenewal of the Franchise Agreement, Franchisor's execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination, expiration, or non-renewal of the Franchise Agreement.

6. The validity, construction and performance of this Assignment is governed by the laws of the State in which Franchisor is located. All agreements, covenants, representations and warranties made in this Agreement survive the signing of this Agreement. All Franchisor's rights inure to Franchisor's benefit and to the benefit of Franchisor's successors and assigns.

Agreed to this date of _____.

[Signatures on following page]

FRANCHISEE:	FRANCHISOR: NC DENTAL U FRANCHISE GROUP, LLC
By:_____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

ATTACHMENT 4 TO FRANCHISE AGREEMENT
PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, (together with any revisions, modifications, and amendments thereto, the "Agreement") between NC DENTAL U FRANCHISE GROUP, LLC ("Franchisor") and _____ ("Franchisee") dated of even date herewith, the undersigned (each a "Guarantor"), for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guarantor for the payment of all amounts and the performance of the covenants, terms and conditions in the Agreement, to be paid, kept and performed by the Franchisee.

A. Except for those designated as "Spouse" and not "Owner" in the signature block below, each Guarantor, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in the Agreement, including but not limited to the non-compete, non-solicitation, dispute resolution, and indemnification provisions, and agree that this Personal Guaranty will be construed as though each Guarantor and each of its heirs, successors, and assigns executed an agreement containing the identical terms and conditions of the Agreement. If a Guarantor is an Owner, Guarantor hereby (1) makes all representations of, and (2) accepts and agrees to comply with all obligations of, owners, shareholders, members, and partners of the Franchisee as set forth in the Agreement.

B. Each Guarantor's liability under this Personal Guaranty shall be direct, immediate, and independent of the liability of, and shall be joint and several with, Franchisee and, as applicable, any other guarantors of Franchisee. Each Guarantor shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so. Franchisor may proceed against each Guarantor and Franchisee jointly and severally, or Franchisor may, at its option, proceed against any Guarantor, without having commenced any action, or having obtained any judgment against Franchisee. Each Guarantor agrees to pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this Personal Guaranty or any negotiations relative to the obligations hereby guaranteed or in enforcing this Personal Guaranty against any Guarantor. This Personal Guaranty is enforceable by and against the respective administrators, executors, heirs, successors, and assigns of each Guarantor, and the death of any Guarantor will not terminate the liability of such Guarantor or limit the liability of other Guarantors hereunder.

C. Each Guarantor consents and agrees that: (1) each Guarantor's liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against the Franchisee or any other person; (2) such liability will not be diminished, relieved or otherwise affected by the Franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreement, or the amendment or extension of the Agreement with or without notice to any or all Guarantors; (3) any liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant to Franchisee or to any other person, including 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 Personal Guaranty, which shall be continuing and irrevocable; and (4) this Personal

Guaranty shall apply in all modifications to the Agreement of any nature agreed to by Franchisee with or without any Guarantor receiving notice thereof.

D. Each Guarantor waives: (1) notice of demand for payment of any indebtedness or on performance of any obligations hereby guaranteed; (2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; (3) any right he/she may have to require that an action be brought against the Franchisee or any other person as a condition of liability; (4) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed; and (5) notice of any changes permitted by the terms of the Agreement or agreed to by the Franchisee.

E. Each Guarantor agrees that the provisions, covenants and conditions of this Personal Guaranty will inure to the benefit of Franchisor's successors and assigns.

This Personal Guaranty shall be governed by the choice of law and dispute resolution provisions set forth in the Agreement.

PERSONAL GUARANTORS:

Signature: _____
Name: _____
Address: _____
_____
Owner or Spouse: _____

Signature: _____
Name: _____
Address: _____
_____
Owner or Spouse: _____

Signature: _____
Name: _____
Address: _____
_____
Owner or Spouse: _____

Signature: _____
Name: _____
Address: _____
_____
Owner or Spouse: _____

ATTACHMENT 5(a) TO FRANCHISE AGREEMENT
NONCOMPETITION AGREEMENT

This Noncompetition Agreement ("Agreement") is made and entered into as of _____ ("Effective Date") by and between NC DENTAL U FRANCHISE GROUP, LLC, a North Carolina limited liability company ("Franchisor"), and _____ ("Associate"), who resides at _____. All initially capitalized terms not otherwise defined herein shall have the meanings set forth in the Franchise Agreement.

RECITALS

A. The Franchisor is engaged in the business of franchising dental assistant training schools ("Franchise Business"). The Franchise Businesses are operated under the Franchisor's trademark "DENTAL ASSISTANT U" and other service marks, trademarks, logo types, architectural designs, trade dress and other commercial symbols (collectively, the "Marks");

B. The Franchisor has developed methods for establishing, operating and promoting Franchised Businesses pursuant to the Franchisor's Confidential Information (defined below) and such Confidential Information as may be further developed from time to time by the Franchisor ("System");

C. The Franchisor and its affiliates have established substantial goodwill and an excellent reputation with respect to the quality of products and customer service, which goodwill and reputation have been and will continue to be of major benefit to the Franchisor;

D. Associate desires to become involved with _____ ("Franchisee") a franchisee of the Franchisor that operates a School in _____ ("the Franchised Business") in the capacity of an owner, officer, partner, director, or agent of the Franchised Business, or is a spouse or domestic partner of an owner of a Franchised Business, and will become privileged as to certain Confidential Information. Associate may or may not have signed the Franchise Agreement or Guaranty and Assumption of Franchisee's Obligations form; and

E. Associate and the Franchisor have reached an understanding with regard to noncompetition by Associate with the Franchisor and other franchisees of the Franchisor. Associate agrees to the terms of this Agreement as partial consideration for the Franchisor's willingness to allow Associate to engage in a business relationship with Franchisor or a Franchisee of the Franchisor using the Franchisor's Confidential Information.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Associate and the Franchisor, intending legally to be bound, agree as follows:

1. Definitions.

(a) "Associate" shall mean the individual described in the first paragraph of this Agreement.

(b) "Competitive Business" as used in this Agreement means any business or commercial activity, other than a DENTAL ASSISTANT U business that Franchisee is authorized by Franchisor to operate, that provides or sells dental assisting training programs.

(c) "Confidential Information" shall include, without limitation, any information, not generally known to the public, in any form, relating to the System and the Franchised Business and its operations, including all trade secrets of the Franchised Business; all knowledge, know-how, standards, methods, and procedures related to the establishment and operation of the Franchised Business not generally known to the public; all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Franchised Business (such as all names, addresses, phone numbers, e-mail addresses for customers and suppliers; customer purchase records and mail lists); curriculums, lesson plans, student lists, instructional materials and methods; electronic code, designs, marketing materials, and business, sales, and marketing strategies; financial information; databases; training materials; knowledge of the franchise system; and any other data and information that we or our affiliates designates as confidential, including all information contained in the Brand Standards Manual.

(d) "Franchise Agreement" shall mean the franchise agreement between Franchisor and _____ ("Franchisee") dated _____ as amended or renewed from time to time.

(e) "Location" shall mean the accepted location of Franchisee's Franchised Business.

(f) "Restrictive Territory" shall mean:

(i) at the Location and the area which includes the Territory served by Franchisee and the territories in which Franchisor, its affiliates, or DENTAL ASSISTANT U franchisees operate any DENTAL ASSISTANT U businesses, including at those business locations; or

(ii) only if the foregoing is determined by a court of law to be too broad, an area which is within a 10-mile radius of:

(A) The Location of the School, including the Location, or

(B) The location of any other DENTAL ASSISTANT U location owned by Franchisor or its affiliates or franchisees, including at those business locations; or

(iii) only if the foregoing is determined by a court of law to be too broad, the Territory served by Franchisee, including the Location; or

(iv) only if the foregoing is determined by a court of law to be too broad, at the Location of the School.

(g) "Restrictive Period" shall mean a period of two (2) years that begins the earlier of (i) the date of termination, expiration, or non-renewal of the Franchise Agreement,

regardless of the reason for such termination, expiration, or non-renewal, or (ii) the date Associate's association with Franchisee or the Franchised Business ends for any reason, including but not limited to, divorce, separation, sale, termination, or transfer.

(h) "Term" shall mean the period from the Effective Date to the first date of the Restrictive Period.

(i) "Territory" shall have the meaning defined in the Franchise Agreement.

2. Confidential Information. Associate and the Franchisor acknowledge that the Confidential Information that is developed and utilized in connection with the operation of the Franchised Business is unique and the exclusive property of the Franchisor or its affiliates. Associate acknowledges that any unauthorized disclosure or use of the Confidential Information would be wrongful and would cause irreparable injury and harm to the Franchisor or its affiliates. Associate further acknowledges that the Franchisor or its affiliates have expended a great amount of effort and money in obtaining and developing the Confidential Information, that the Franchisor or its affiliates have taken numerous precautions to guard the secrecy of the Confidential Information, and that it would be very costly for competitors to acquire or duplicate the Confidential Information.

3. Nondisclosure of Confidential Information. During the Term and for all periods after the Term, Associate shall not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of the Franchisor or the Franchised Business, any of the Confidential Information of the Franchisor or its affiliates.

4. In-Term Covenant Against Unfair Competition. During the Term, Associate will not, without Franchisor's prior written consent for themselves, or through, on behalf of, or in conjunction with any other person or entity:

(i) own, manage, engage in, be employed by, advise, make loans to, or have any other interest in, as a partner, owner, officer, executive, managerial employee, director, sales person or consultant for, any Competitive Business; or

(ii) offer or grant franchises or licenses for any Competitive Business; or

(iii) become a franchisee or licensee of any Competitive Business; or

(iv) perform any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

5. Post-Termination Covenant Against Unfair Competition. Associate covenants and agrees that for the Restrictive Period Associate shall not, within the Restrictive Territory, engage in any of the following:

(i) franchise, license, or own an interest in any Competitive Business, including as franchisor, licensor, franchisee or licensee, provided that the purchase of a publicly traded security of a corporation engaged in such business or service shall not in

itself be deemed violative of this Section 5 so long as Associate does not own themselves or through his or her spouses or partners more than one percent (1%) of the securities of such corporation; or

(ii) engage in any Competitive Business as an officer, director, employee, consultant, manager, operator, or independent contractor in any capacity in which Associate would be in a position to use or disclose Confidential Information.

6. Injunction. Associate hereby acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, the Franchisor shall be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which the Franchisor may be entitled. Associate agrees that the Franchisor may obtain such injunctive relief, without posting a bond or bonds totaling Five Hundred Dollars ($500) or more, but upon due notice, and Associate's sole remedy in the event of the entry of such injunctive relief shall be dissolution of such injunctive relief, if warranted, upon a hearing duly had; provided, however, that all claims for damages by reason of the wrongful issuance of any such injunction are hereby expressly waived by Associate.

7. Reasonableness of Restrictions. Associate acknowledges and agrees that the restrictions set forth in this Agreement are reasonable and necessary for the protection of the Confidential Information and that any violation of this Agreement would cause substantial and irreparable injury to Franchisor, and that Franchisor would not have entered into a business relationship with Associate or Franchisee or enter into this Agreement or the Franchise Agreement without receiving Associate's unrestricted promise to preserve the confidentiality of the Confidential Information. In any litigation concerning the entry of any requested injunction against Associate, Associate, for value, voluntarily waives such defenses as Associate might otherwise have under the law of the jurisdiction in which the matter is being litigated relating to any claimed "prior breach" on the part of the Franchisor; it being specifically understood and agreed between the parties that no action or lack of action on the part of the Franchisor will entitle or permit Associate to disclose any such Confidential Information in any circumstances. Associate agrees that the running of the applicable post-termination Restrictive Period shall be tolled during any period of a violation of this Agreement.

8. Effect of Waiver. The waiver by Franchisor of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof.

9. Binding Effect. This Agreement shall be binding upon and inure to the benefit of Associate and the Franchisor and their respective heirs, executors, representatives, successors and assigns.

10. Entire Agreement. This instrument contains the entire agreement of Associate and the Franchisor relating to the matters set forth herein. It may not be changed verbally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

11. Governing Law; Jurisdiction and Venue.

(i) If Associate is an owner or guarantor of Franchisee, the governing law and dispute resolution provisions of the Franchise Agreement shall apply to this Agreement.

(ii) For Associates that are not an owner or guarantor of Franchisee, the following terms apply: The laws of North Carolina (without giving effect to its conflicts of law principles) govern all matters arising under and relating to this Agreement, including torts. In the event of a breach or threatened breach by Associate of this Agreement, Associate hereby irrevocably submits to the jurisdiction of the state and federal courts of North Carolina, and irrevocably agrees that venue for any action or proceeding shall be in the state and federal courts of North Carolina. Both parties waive any objection to the jurisdiction of these courts or to venue in the state and federal courts of North Carolina. Notwithstanding the foregoing, in the event that the laws of the state where Associate resides prohibit the aforesaid designation of jurisdiction and venue, then such other state's laws shall control.

12. Severability. If any provision of this Agreement shall be held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority or otherwise, such holding, declaration or pronouncement shall not affect adversely any other provisions of this Agreement that shall otherwise remain in full force and effect.

13. Attorneys' Fees. In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party in such litigation, as determined by the court in a final judgment or decree, shall pay the successful party or parties all costs, expenses and reasonable attorneys' fees incurred therein by such party or parties (including without limitation such costs, expenses and fees on any appeals), and if such successful party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment.

14. Miscellaneous. Due to the importance of this Agreement to Franchisor, any claim Associate has against Franchisor is a separate matter and does not entitle Associate to violate, or justify any violation of, this Agreement. Associate agrees that all the words and phrases used in this Agreement will have the same meaning as used in the Franchise Agreement, unless herein defined.

(Signatures on following page)

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first above written.

ASSOCIATE:

_____

_____

FRANCHISOR:
NC DENTAL U FRANCHISE GROUP, LLC

By: _____
Name: Tammy Hughes
Title: Manager

By: _____
Name: Robyn Klose
Title: Manager

ATTACHMENT 5(b) TO FRANCHISE AGREEMENT
NONDISCLOSURE AND NON-SOLICITATION AGREEMENT

This Nondisclosure and Non-solicitation Agreement ("Agreement") is made and entered into as of _____("Effective Date") by and between NC DENTAL U FRANCHISE GROUP, LLC, a North Carolina limited liability company ("Franchisor"), and _____ ("Associate"), who resides at _____. All initially capitalized terms not otherwise defined herein shall have the meanings set forth in the Franchise Agreement.

RECITALS

A. The Franchisor is engaged in the business of franchising dental assistant training schools ("Franchise Business"). The Franchise Businesses are operated under the Franchisor's trademark "DENTAL ASSISTANT U" and other service marks, trademarks, logo types, architectural designs, trade dress and other commercial symbols (collectively, the "Marks");

B. The Franchisor has developed methods for establishing, operating and promoting Franchised Businesses pursuant to the Franchisor's Confidential Information (defined below) and such Confidential Information as may be further developed from time to time by the Franchisor ("System");

C. The Franchisor and its affiliates have established substantial goodwill and an excellent reputation with respect to the quality of products and customer service, which goodwill and reputation have been and will continue to be of major benefit to the Franchisor;

D. Associate desires to become involved with _____ ("Franchisee") a franchisee of the Franchisor that operates a School in _____ (the "Franchised Business") in the capacity of an owner, officer, partner, director, or agent of the Franchised Business, or is a spouse or domestic partner of an owner of a Franchised Business, and will become privileged as to certain Confidential Information. Associate may or may not have signed the Franchise Agreement or Guaranty and Assumption of Franchisee's Obligations form; and

E. Associate and the Franchisor have reached an understanding with regard to nondisclosure by Associate of Confidential Information and with respect to non-solicitation of customers, vendors, and employees by Associate. Associate agrees to the terms of this Agreement as partial consideration for the Franchisor's willingness to allow Associate to engage in a business relationship with Franchisor or a Franchisee of the Franchisor using the Franchisor's Confidential Information.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Associate and the Franchisor, intending legally to be bound, agree as follows:

1. Definitions.

(a) "Associate" shall mean the individual described in the first paragraph of this Agreement.

(b) "Competitive Business" as used in this Agreement means any business or commercial activity, other than a DENTAL ASSISTANT U business that Franchisee is authorized by Franchisor to operate, that provides or sells dental assisting training programs.

(c) "Confidential Information" shall include, without limitation, any information, not generally known to the public, in any form, relating to the System and the Franchised Business and its operations, including all trade secrets of the Franchised Business; all knowledge, know-how, standards, methods, and procedures related to the establishment and operation of the Franchised Business not generally known to the public; all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, the Franchised Business (such as all names, addresses, phone numbers, e-mail addresses for customers and suppliers; customer purchase records and mail lists); curriculums, lesson plans, student lists, instructional materials and methods; electronic code, designs, marketing materials, and business, sales, and marketing strategies; financial information; databases; training materials; knowledge of the franchise system; and any other data and information that we or our affiliates designates as confidential, including all information contained in the Brand Standards Manual.

(d) "Franchise Agreement" shall mean the franchise agreement between Franchisor and _____ ("Franchisee") dated _____ as amended or renewed from time to time.

(e) "Location" shall mean the accepted location of Franchisee's Franchised Business.

(f) "Restrictive Territory" shall mean:

(i) at the Location and the area which includes the Territory served by Franchisee and the territories in which Franchisor, its affiliates, or DENTAL ASSISTANT U franchisees operate any DENTAL ASSISTANT U businesses, including at those business locations; or

(ii) only if the foregoing is determined by a court of law to be too broad, an area which is within a 10-mile radius of:

(A) The Location of the School, including the Location, or

(B) The location of any other DENTAL ASSISTANT U location owned by Franchisor or its affiliates or franchisees, including at those business locations; or

(iii) only if the foregoing is determined by a court of law to be too broad, the Territory served by Franchisee, including the Location; or

(iv) only if the foregoing is determined by a court of law to be too broad, at the Location of the School.

(g) "Restrictive Period" shall mean a period of two (2) years that begins the earlier of (i) the date of termination, expiration, or non-renewal of the Franchise Agreement,

regardless of the reason for such termination, expiration, or non-renewal, or (ii) the date Associate's association with Franchisee or the Franchised Business ends for any reason, including but not limited to, divorce, separation, sale, termination, or transfer.

(h) "Term" shall have the meaning defined in the Franchise Agreement.

(i) "Territory" shall have the meaning defined in the Franchise Agreement.

2. Confidential Information. Associate and the Franchisor acknowledge that the Confidential Information that is developed and utilized in connection with the operation of the Franchised Business is unique and the exclusive property of the Franchisor or its affiliates. Associate acknowledges that any unauthorized disclosure or use of the Confidential Information would be wrongful and would cause irreparable injury and harm to the Franchisor or its affiliates. Associate further acknowledges that the Franchisor or its affiliates have expended a great amount of effort and money in obtaining and developing the Confidential Information, that the Franchisor or its affiliates have taken numerous precautions to guard the secrecy of the Confidential Information, and that it would be very costly for competitors to acquire or duplicate the Confidential Information.

3. Nondisclosure of Confidential Information. During the Term and for all periods after the Term, Associate shall not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of the Franchisor or the Franchised Business, any of the Confidential Information of the Franchisor or its affiliates.

4. Covenant Against Solicitation. During the Term, Associate will not, without Franchisor's prior written consent, either for themselves, or through, on behalf of, or in conjunction with any other person or entity:

(i) solicit, divert or attempt to solicit or divert any person or party that is or has been a customer of Franchised Business at any time during the Term, to any Competitive Business, as Franchisee agrees that all goodwill associated with Franchisee's operation under the Marks and the System, and all customer information associated therewith, inure to Franchisor; or

(ii) solicit, divert, or attempt to solicit or divert, any vendor that does has done business with Franchisee to provide supplies, products, equipment, merchandise, or services to a Competitive Business.

5. Post-Termination Covenant Against Solicitation. Associate covenants and agrees that for the Restrictive Period Associate shall not, within the Restrictive Territory, engage in any of the following:

(i) solicit, divert, or attempt to solicit or divert, any vendor that has done business with the Franchised Business within one (1) year of the Restrictive Period to provide supplies, products, equipment, merchandise, or services to a Competitive Business; or

(ii) solicit, divert or attempt to solicit or divert any person or party that has been a customer of Franchised Business as of the first day of the Restrictive Period or within one (1) year of the Restrictive Period, to any Competitive Business.

6. Injunction. Associate hereby acknowledges and agrees that in the event of any breach or threatened breach of this Agreement, the Franchisor shall be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which the Franchisor may be entitled. Associate agrees that the Franchisor may obtain such injunctive relief, without posting a bond or bonds totaling Five Hundred Dollars ($500) or more, but upon due notice, and Associate's sole remedy in the event of the entry of such injunctive relief shall be dissolution of such injunctive relief, if warranted, upon a hearing duly had; provided, however, that all claims for damages by reason of the wrongful issuance of any such injunction are hereby expressly waived by Associate.

7. Reasonableness of Restrictions. Associate acknowledges and agrees that the restrictions set forth in this Agreement are reasonable and necessary for the protection of the Confidential Information and that any violation of this Agreement would cause substantial and irreparable injury to Franchisor, and that Franchisor would not have entered into a business relationship with Associate or Franchisee or enter into this Agreement or the Franchise Agreement without receiving Associate's unrestricted promise to preserve the confidentiality of the Confidential Information. In any litigation concerning the entry of any requested injunction against Associate, Associate, for value, voluntarily waives such defenses as Associate might otherwise have under the law of the jurisdiction in which the matter is being litigated relating to any claimed "prior breach" on the part of the Franchisor; it being specifically understood and agreed between the parties that no action or lack of action on the part of the Franchisor will entitle or permit Associate to disclose any such Confidential Information in any circumstances. Associate agrees that the running of the applicable post-termination Restrictive Period shall be tolled during any period of a violation of this Agreement.

8. Effect of Waiver. The waiver by Franchisor of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof.

9. Binding Effect. This Agreement shall be binding upon and inure to the benefit of Associate and the Franchisor and their respective heirs, executors, representatives, successors and assigns.

10. Entire Agreement. This instrument contains the entire agreement of Associate and the Franchisor relating to the matters set forth herein. It may not be changed verbally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

11. Governing Law; Jurisdiction and Venue.

(i) If Associate is an owner or guarantor of Franchisee, the governing law and dispute resolution provisions of the Franchise Agreement shall apply to this Agreement.

(ii) For Associates that are not an owner or guarantor of Franchisee, the following terms apply: The laws of North Carolina (without giving effect to its conflicts of law principles) govern all matters arising under and relating to this Agreement, including torts. In the event of a breach or threatened breach by Associate of this Agreement,

Associate hereby irrevocably submits to the jurisdiction of the state and federal courts of North Carolina, and irrevocably agrees that venue for any action or proceeding shall be in the state and federal courts of North Carolina. Both parties waive any objection to the jurisdiction of these courts or to venue in the state and federal courts of North Carolina. Notwithstanding the foregoing, in the event that the laws of the state where Associate resides prohibit the aforesaid designation of jurisdiction and venue, then such other state's laws shall control.

12. Severability. If any provision of this Agreement shall be held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority or otherwise, such holding, declaration or pronouncement shall not affect adversely any other provisions of this Agreement that shall otherwise remain in full force and effect.

13. Attorneys' Fees. In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party in such litigation, as determined by the court in a final judgment or decree, shall pay the successful party or parties all costs, expenses and reasonable attorneys' fees incurred therein by such party or parties (including without limitation such costs, expenses and fees on any appeals), and if such successful party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment.

14. Miscellaneous. Due to the importance of this Agreement to Franchisor, any claim Associate has against Franchisor is a separate matter and does not entitle Associate to violate, or justify any violation of, this Agreement. Associate agrees that all the words and phrases used in this Agreement will have the same meaning as used in the Franchise Agreement, unless otherwise herein defined.

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first above written.

ASSOCIATE:

_____

_____

FRANCHISOR:
NC DENTAL U FRANCHISE GROUP, LLC

By: _____
Name: Tammy Hughes
Title: Manager

By: _____
Name: Robyn Klose
Title: Manager

ATTACHMENT 6 TO FRANCHISE AGREEMENT
AUTHORIZATION TO COPY FRANCHISOR ON COMMUNICATIONS

[This Agreement is a sample form currently in use and is subject to change.]

[Your Name]
[Your Title]
[School Name]
[School Address]
[City, State, Zip Code]
[Email Address]
[Phone Number]
[Date]

North Carolina Proprietary School Board:

Subject: Authorization to Copy NC Dental U Franchise Group on Communications for [Location Name]

Dear [Board Member's/Recipient's Name],

I hope this letter finds you well. I am writing to authorize and request that the Proprietary School Board include NC Dental U Franchise Group in all communications related to our location at [Location Address/Identifier], particularly those pertaining to audits, compliance issues, and other regulatory matters.

NC Dental U Franchise Group is a key partner in our operations, and their inclusion in these communications will ensure greater transparency and facilitate coordinated responses to any issues that may arise. This will assist both our school and the franchise group in maintaining the highest standards of compliance and operational excellence.

Please copy all future communications, including but not limited to audit reports, compliance notifications, and any other official correspondence regarding the aforementioned location, to the following contact at NC Dental U Franchise Group:

NC Dental U Franchise Group
123 Capcom Ave. Suite 4
operations@ncdentalu.com
877-432-3555

We appreciate the Board's cooperation and attention to this matter. Should you require any further information or clarification, please do not hesitate to contact me directly at [Your Phone Number] or [Your Email Address].

Thank you for your assistance and continued support.

Sincerely,

[Your Signature (if sending a hard copy)]
[Your Printed Name]
[Your Title]
[School Name]

EXHIBIT B-1

SCHOOL DIRECTORY/LISTING OF CURRENT FRANCHISEES AS OF DECEMBER 31, 2024

TERRITORY	FRANCHISEE NAME	OWNER NAME	ADDRESS	PHONE NUMBER
Cary, NC	Elite Dental Training Professionals LLC	Nicole Liles, Joseph Stewart Jr.	2128 High House Road, #200, Cary, NC 27519	877-432-3555
Goldsboro, NC	BRP Chairside Training, LLC	Christy Baldwin, Christopher Powell, Kyle Roth	2720 Graves Dr., Goldsboro, NC 27534	877-432-3555
Jacksonville, NC	Eminent Dental Training Solutions, LLC	Sharma Rains	601 New Bridge Street, Jacksonville, NC 28540	877-432-3555
Kernersville, NC	Elite Dental Training Professionals LLC	Nicole Liles, Joseph Stewart Jr.	950 S Main St, Kernersville, NC 27284	877-432-3555
Smithfield, NC	Eminent Dental Training Solutions, LLC	Sharma Rains	23 Noble Street, Smithfield, NC 27577	877-432-3555
Wilson, NC	ETHAN PALOMO LLC	Ethan Palomo	3001 Raleigh Rd Pkwy, Wilson, NC 27896	877-432-3555

EXHIBIT B-2

LISTING OF CERTAIN PAST FRANCHISEES
AS OF DECEMBER 31, 2024

There are no franchisees who have had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under their franchise agreement during our most recently completed fiscal year or who have not communicated with us within 10 weeks of the issuance date of this FDD.

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

EXHIBIT C

FINANCIAL STATEMENTS

NC DENTAL U FRANCHISE GROUP, LLC

FINANCIAL REPORT

AS OF DECEMBER 31, 2023

NC DENTAL U FRANCHISE GROUP, LLC

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REESE
CPA LLC

Independent Auditor's Report

To the Members
NC Dental U Franchise Group, LLC
Wake Forest, North Carolina

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying balance sheets of NC Dental U Franchise Group, LLC as of December 31, 2023, and 2022 and the related statements of operations, members' equity (deficit), and cash flows for the years ended December 31, 2023, 2022, and 2021, and the notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NC Dental U Franchise Group, LLC as of December 31, 2023, and 2022 and the results of their operations and their cash flows for the years ended December 31, 2023, 2022, and 2021 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of NC Dental U Franchise Group, 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 NC Dental U Franchise Group, 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 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 NC Dental U Franchise Group, 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 NC Dental U Franchise Group, 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 16, 2024

NC DENTAL U FRANCHISE GROUP LLC
BALANCE SHEETS

	AS OF DECEMBER 31,	
	2023	**2022**
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	$ 4,152	$ 3,108
Accounts receivable	8,000	5,837
TOTAL CURRENT ASSETS	12,152	8,945
NON-CURRENT ASSETS		
Intangible assets, net	4,415	7,064
TOTAL ASSETS	$ 16,567	$ 16,009
LIABILITIES AND MEMBERS' (DEFICIT):		
CURRENT LIABILITIES		
Accrued liabilities	144	566
Due to affiliate	-	5,967
Non-refundable deferred franchise fees, current	$ 10,000	$ 8,500
TOTAL CURRENT LIABILITIES	10,144	15,033
NON-CURRENT LIABILITIES		
Non-refundable deferred franchise fees	68,625	64,125
TOTAL LIABILITIES	78,769	79,158
MEMBERS' (DEFICIT)	(62,202)	(63,149)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	$ 16,567	$ 16,009

The accompanying notes are an integral part of these financial statements.

NC DENTAL U FRANCHISE GROUP LLC
STATEMENTS OF OPERATIONS

	FOR THE YEARS ENDED DECEMBER 31,		
	2023	**2022**	**2021**
REVENUES			
Royalties	$ 108,991	$ 73,734	$ 59,870
Franchise fees	9,000	8,500	3,875
TOTAL REVENUES	117,991	82,234	63,745
OPERATING EXPENSES			
Payroll and related costs	44,699	66,783	67,991
Management fees	25,975	2,367	8,828
General and administrative	16,283	9,290	4,326
Professional fees	12,025	15,948	17,575
Advertising	1,350	-	-
Amortization	2,649	2,649	2,837
TOTAL OPERATING EXPENSES	102,981	97,037	101,557
OPERATING INCOME (LOSS)	15,010	(14,803)	(37,812)
OTHER INCOME (EXPENSE)	-	-	-
NET INCOME (LOSS)	$ 15,010	$ (14,803)	$ (37,812)

The accompanying notes are an integral part of these financial statements.

NC DENTAL U FRANCHISE GROUP LLC
STATEMENTS OF CHANGES IN MEMBERS' EQUITY (DEFICIT)
FOR THE YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	Accumulated Earnings (Deficit)	Total Members' Equity (Deficit)
BALANCE, DECEMBER 31, 2020	**$ 3,080**	**$ 3,080**
Member distributions	(13,114)	(13,114)
Net (loss)	(37,812)	(37,812)
BALANCE, DECEMBER 31, 2021	**(47,846)**	**(47,846)**
Member distributions	(500)	(500)
Net (loss)	(14,803)	(14,803)
BALANCE, DECEMBER 31, 2022	**(63,149)**	**(63,149)**
Member distributions	(14,063)	(14,063)
Net income	15,010	15,010
BALANCE, DECEMBER 31, 2022	**$ (62,202)**	**$ (62,202)**

The accompanying notes are an integral part of these financial statements.

NC DENTAL U FRANCHISE GROUP LLC
STATEMENTS OF CASH FLOWS

	FOR THE YEARS ENDED DECEMBER 31,		
	2023	**2022**	**2021**
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	$ 15,010	$ (14,803)	$ (37,812)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Amortization	2,649	2,649	2,837
Recognition of non-refundable deferred franchise fees	(9,000)	(8,500)	(3,875)
Changes in assets and liabilities:			
Accounts receivable	(2,163)	(3,000)	1,571
Accrued liabilities	(422)	(366)	22
Non-refundable deferred franchise fees	15,000	-	85,000
Net cash provided (used) by operating activities	21,074	(24,020)	47,743
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of intangible assets	-	-	-
Net cash (used) for investing activities	-	-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Member distributions	(14,063)	(500)	(13,114)
Due to affiliate	(5,967)	(2,400)	(6,300)
Net cash (used) by financing activities	(20,030)	(2,900)	(19,414)
NET INCREASE IN CASH	1,044	(26,920)	28,329
CASH, BEGINNING	3,108	30,028	1,699
CASH, ENDING	$ 4,152	$ 3,108	$ 30,028
SUPPLEMENTAL DISCLOSURES			
Cash paid for interest	$ -	$ -	$ -
Cash paid for taxes	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NC Dental U Franchise Group, LLC ("Company") was formed on March 12, 2021, (Inception) in the State of North Carolina as a limited liability company. The Company grants franchises for the right to own and operate a dental assistant training program (a "School"). The schools are characterized by a unique system that includes specifically designed dental assisting curriculum; distinctive design, décor, color scheme, furnishings, hardware and software programs, standards, specifications, procedures for operations, training and assistance, and advertising and promotional programs; all of which we may improve, amend, and further develop from time to time.

Predecessor and Affiliates

The Company's predecessor, Carolina Dental Consultants, LLC was formed on October 19, 2007, in the state of North Carolina and was dissolved on August 31, 2013.

Evolve Dental Management Group, LLC was formed on October 12, 2009, in the state of North Carolina as a limited liability company and has operated three businesses similar to the business being offered since 2009.

The Dental Assistant Academy of Charlotte, LLC was formed on October 8, 2009, in the state of North Carolina as a limited liability company and has operated one business similar to the business being offered since 2010.

The above affiliates do not sell franchises in any other line of business and are not otherwise engaged in any other business activity.

A summary of significant accounting policies follows:

Use of Estimates

Preparation of the Company's financial statements in accordance with United States 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, 2023, and 2022.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Management evaluates individual customers' receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company did not have an allowance for doubtful accounts as of December 31, 2023, and 2022 and did not charge-off any accounts receivable during the years ended December 31, 2023, 2022, and 2021.

Property, Plant & Equipment

The Company has adopted ASC 360 – Property, Plant and 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 three to seven years). The Company had no property, plant & equipment at December 31, 2023, and 2022.

Intangible Assets

The Company has adopted ASC 350, Intangibles – Goodwill and Other that requires that goodwill and intangible assets with indefinite lives no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives 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. Intangible assets with infinite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable.

Income Taxes

The members of the Company elected to be taxed as an S Corporation 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 its members and no provisions for federal or state franchise taxes have been recorded on the accompanying balance sheet.

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 members.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Company recognizes revenue under the guidance of ASC 606 "Contracts with Customers". The Company's revenue mainly consists of franchise fees and royalties.

Each franchise agreement is comprised of several performance obligations. The Company identifies those performance obligations, determines the contract price for each 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. The remainder of performance obligations represent a single performance obligation and are recognized over the term of the respective franchise agreement from the date the agreement is executed. Unearned initial fee revenues from franchisee acquisition and acceptance will be recorded as deferred revenue and recognized as revenue over the term of the contract which is currently 10 years.

When a franchisee purchases a franchise, the Company grants the franchisee the right to use the proprietary methods, techniques, trade dress, trademarks, and logos ("the license"). The license is symbolic intellectual property. Revenues related to the license are continuing royalties and are charged in one of two ways. When signing the agreement, the franchisee has the option to pay 10% of gross revenues with a minimum of $1,000 per month or 20% of gross revenues with a minimum of $1,000 per month. If the latter selection is made, the franchisee does not need to contribute into the brand fund or pay the central service or technology fees. These revenues will be used to continue the development of the Company's brand, the franchise system and provide on-going support for the Company's franchisees. The royalties are billed monthly and are recognized as revenue when earned.

Brand Fund Contribution

The Company has the right to collect a brand fund fee of 2%, currently 1%, of the gross revenues of each franchise location that selected the royalty option of 10%.

Advertising Costs

The Company expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2023, 2022, and 2021, was $1,350, $0 and $0.

Fair Value of Financial Instruments

For the Company's financial instruments consist of cash and cash equivalents, 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 3 – CONTRACT BALANCES

The Company recorded a liability for unearned revenue associated with the performance obligation of the Company's franchise agreements. The account balances and activity are as follows:

	December 31, 2023	2022
Deferred Non-refundable Franchise Fees:		
Balance beginning of year	$ 72,625	$ 81,125
Deferral of non-refundable franchise fees	15,000	-
Recognition of non-refundable franchise fees	(9,000)	(8,500)
Balance at end of year	$ 78,625	$ 72,625

Estimated Recognition of Deferred Franchise Fees

Estimated revenues to be recognized in future periods related to deferred franchise fees as reported at December 31, 2023, is as follows:

	Non-refundable Franchise Fees
Year ending December 31:	
2024	$ 10,000
2025	10,000
2026	10,000
2027	10,000
2028	10,000
Thereafter	28,625
	$ 78,625

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company's contracts with franchisees for the years ended December 31, 2023, 2022, and 2021, is as follows:

	2023	2022	2021
Performance obligations satisfied at a point in time	$ 108,991	$ 73,734	$ 59,870
Performance obligations satisfied through the passage of time	9,000	8,500	3,875
Total revenues	$ 117,991	$ 82,234	$ 63,745

NOTE 3 – INTANGIBLE ASSETS

Intangible assets consist of the following at December 31:

	2023	2022
Franchise development costs	$ 13,244	$ 13,244
Accumulated amortization	(8,829)	(6,180)
	$ 4,415	$ 7,064

Amortization expense was $2,649, $2,649, and $2,837 for the years ended December 31, 2023, 2022, and 2021. Estimated amortization expense for the next two succeeding years is expected to be approximately $2,600 per year.

NOTE 4 – COMMITMENTS AND CONTINGENCIES

Litigation

The Company may be party 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 16, 2024, the date on which the financial statements were available to be issued.

EXHIBIT D

STATE SPECIFIC ADDENDUM TO
FRANCHISE AGREEMENT AND FRANCHISE DISCLOSURE DOCUMENT

RIDERS TO FRANCHISE AGREEMENT FOR SPECIFIC STATES

If any one of the following Riders to the Franchise Agreement for Specific States ("Riders") is checked as an "Applicable Rider" below, then that Rider shall be incorporated into the Franchise Agreement entered into by NC DENTAL U FRANCHISE GROUP, LLC and the undersigned Franchisee. To the extent any terms of an Applicable Rider conflict with the terms of the Franchise Agreement, the terms of the Applicable Rider shall supersede the terms of the Franchise Agreement.

Applicable Rider

☐ Virginia

NC DENTAL U FRANCHISE GROUP, LLC

_____
FRANCHISEE (Print Name)

By: _____
Name: Tammy Hughes
Title: Manager

By: _____
Name: _____
Title: _____

By: _____
Name: Robyn Klose
Title: Manager

VIRGINIA

The following statements are added to Item 17(h) of the FDD:

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.

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

The following statements are added to the FDD and Franchise Agreement:

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.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

The following risk factors are added:

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

2. **Unregistered Trademark**. The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

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

4. **Spousal Liability**. Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

EXHIBIT E

STATE AND FEDERAL REGULATORY AUTHORITIES

FEDERAL TRADE COMMISSION

Franchise Rule Coordinator
Federal Trade Commission Division of Marketing Practices
Seventh and Pennsylvania Avenues, N.W., Room 238
Washington, D.C. 20580
Telephone: (202) 326-2970

STATE FRANCHISE REGULATORS AND AGENTS FOR SERVICE OF PROCESS

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. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process. There also may be additional agents appointed in some of the states listed.

CALIFORNIA:
Commissioner of Financial Protection & Innovation
Dept. of Financial Protection and Innovation
320 West 4th St., Ste. 750
Los Angeles, California 90013
Telephone: (213) 576-7500 or
Toll Free Telephone: (866) 275-2677

HAWAII:
Commissioner of Securities
of the State of Hawaii
Department of Commerce and
Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
Telephone: (808) 586-2722

ILLINOIS (Registered Agent):
F. Chet Taylor, Director of Securities
Office of the Secretary of State
Securities Department
69 West Washington Street, Suite 1220
Chicago, IL 60602
Telephone: (312) 793-3884

ILLINOIS (Regulatory Authority):
Kwame Raoul
Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
Telephone: (217) 782-4465

MARYLAND (Registered Agent):
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020
Telephone: (410) 576-6360

MARYLAND (Regulatory Authority):
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202-2020
Telephone: (410) 576-6360

MICHIGAN (Regulatory Authority):
Consumer Protection Division
Antitrust and Franchise Unit
Michigan Department of Attorney General
525 W. Ottawa Street
Lansing, MI 48909
Telephone: (517) 373-1152

MICHIGAN (Registered Agent):
Linda Cena, Securities Director
Office of Financial & Insurance Regulation
525 West Allegan
1st Floor Constitution Hall
Lansing, MI 48909
Telephone: (517) 241-6345

MINNESOTA:
Minnesota Dept. of Commerce
Securities-Franchise Registration
85 7th Place East, Suite 280
Saint Paul, MN 55101-2198
Telephone: (651) 539-1500

NEW YORK (Administrator/Regulatory Authority)
NYS Department of Law
Investor Protection Bureau
28 Liberty St., 21st Floor
New York, NY 10005
Telephone: (212) 416-8222

NEW YORK (Agent for Service of Process)
Secretary of State
99 Washington Avenue
Albany, NY 12231

NORTH DAKOTA:
North Dakota Securities Department
Fifth Floor State Capitol, Dept. 414
600 East Boulevard
Bismarck, ND 58505-0510
Telephone: (701) 328-2910

RHODE ISLAND:
Division of Securities
1511 Pontiac Ave.
John O. Pastore Complex, Bld 69-1
Cranston, RI 02920
Telephone: (401) 462-9500

RHODE ISLAND:
Division of Securities
1511 Pontiac Ave.
John O. Pastore Complex – Bld 69-1
Cranston, RI 02920
Telephone: (401) 462-9500

SOUTH DAKOTA:
Division of Insurance
Securities Regulation
124 S. Euclid, Ste. 104
Pierre, SD 57501
Telephone: (605) 773-3563

VIRGINIA (Registered Agent):
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
Telephone: (804) 371-9733

VIRGINIA (Regulatory Authority)
State Corporation Commission,
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
Telephone: (804) 371-9051

WASHINGTON:
Address for Service of Process:
Department of Financial Institutions
Securities Division
150 Israel Road, SW
Tumwater, WA 98501
Telephone: (360) 902-8760

Mailing Address:
Department of Financial Institutions
Securities Division
PO Box 41200
Olympia, WA 98504-1200

WISCONSIN:
Franchise Office
Wisconsin Securities Commission
P.O. Box 1768
Madison, WI 53701
Telephone: (608) 266-3364

EXHIBIT F

SAMPLE MUTUAL RELEASE
NC DENTAL U FRANCHISE GROUP, LLC

[This Agreement is a sample form currently in use and is subject to change.]

FULL AND FINAL GENERAL RELEASE

FOR AND IN CONSIDERATION of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties, the parties agree and covenant to fully and mutually release the other as follows:

1. The Franchisee; Owners; guarantors of the Franchisee; for themselves and on behalf of their respective predecessors, parents, affiliates, subsidiaries, shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, personal representatives, heirs, executors, administrators, successors, and assigns (collectively, the "Franchisee Parties") do hereby release and forever discharge Franchisor; Franchisor's predecessors, parents, affiliates, and subsidiaries; and their respective shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, guarantors, successors, and assigns, in both their corporate and individual capacities (collectively, the "Franchisor Parties") from any and all claims, demands, damages, actions, causes of action, or suits of any kind or nature whatsoever, both known and unknown, including, without limitation: (a) arising out of or related to the Franchisor Parties' obligations under the franchise agreement or (b) otherwise arising from or related to the Franchisee Parties' relationship, from the beginning of time to the date of Franchisee's signature below, with any of the Franchisor Parties.

2. Franchisee, on Franchisee's own behalf and on behalf of the other Franchisee Parties, further covenant not to sue any of the Franchisor Parties on any of the claims released by the preceding paragraph and represent that Franchisee has not assigned any such claims released by the preceding paragraph to any individual or entity who is not bound by this Release. It is understood and agreed that this Release is not to be construed as an admission of liability with respect to the Franchisor Parties.

3. The consideration expressly mentioned herein is the only consideration paid or to be paid by said parties hereby released. The parties acknowledge that no other party, or agent, or attorney of any other party, has made any promise, or representation or warranty to induce this Release, not herein expressly set forth, and no such promises, representations or warranties are relied upon as a consideration for this Release, or otherwise, but any and all of the parties' respective claims, of whatever nature are hereby fully and forever released, compromised and settled. Full and complete compromise, settlement, and accord and satisfaction are hereby acknowledged, and it is expressly agreed by the undersigned parties never to sue any of the other parties hereby released on any alleged promise, representation or warranty for this Release not herein expressly set forth.

4. This Agreement contains the entire agreement and understanding between the parties as to the matters specified herein and supersedes and replaces all agreements on this subject

matter, whether written or oral. The terms contained herein may not be modified or amended except in writing signed by the parties. The terms of this Release are contractual and not a mere recital.

5. The undersigned further state that they have carefully read the foregoing instrument; that they know the contents thereof; that they understand and agree to each and every term and condition contained herein; that they signed the same as their own free act and deed; and that they have not assigned any rights released hereunder to any person or organization, private or governmental.

6. The parties hereby covenant and agree that each shall not make, at any time or place, any disparaging remarks, verbally or in writing, concerning any of the parties' actions or perceived omissions, regarding any matter connected with this Release Agreement or otherwise take any action that would disparage or cast doubt upon the business acumen or judgment of any other party. Each party understands and acknowledges that each other party's business and reputation are of special, unique, and extraordinary character, which gives them a particular value, the loss of which cannot reasonably be compensated in damages in an action at law. Accordingly, each party further agrees that in addition to any other rights or remedies that any other party may possess at law, any aggrieved party shall be entitled to injunctive and other equitable relief in order to prevent or remedy a breach of the provisions of this Agreement by any other party hereto.

7. The terms of this Release arose from discussions between the parties. Accordingly, no claimed ambiguity in this Release shall be construed against any party claimed to have drafted or proposed the language in question.

8. This Release shall be governed by and construed pursuant to the laws of the State of North Carolina.

9. This Release may be executed in two copies, each of which shall be deemed an original.

IF THE FRANCHISED BUSINESS FRANCHISEE OPERATES UNDER THE FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR IF FRANCHISEE IS A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS FRANCHISEE'S INTENTION, ON FRANCHISEE'S OWN BEHALF AND ON BEHALF OF THE FRANCHISEE PARTIES, IN EXECUTING THIS RELEASE THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY FRANCHISEE OR THE FRANCHISEE PARTIES. FRANCHISEE RECOGNIZES THAT FRANCHISEE OR THE FRANCHISEE PARTIES MAY HAVE SOME CLAIM, DEMAND OR CAUSE OF ACTION AGAINST FRANCHISOR PARTIES OF WHICH FRANCHISEE, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH FRANCHISEE, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS FRANCHISEE'S INTENTION, ON FRANCHISEE'S OWN BEHALF AND ON BEHALF OF THE FRANCHISEE PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE FRANCHISEE, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT FRANCHISEE, HIM, HER, OR

IT FROM ASSERTING IT AGAINST FRANCHISOR PARTIES. IN FURTHERANCE OF THIS INTENTION, FRANCHISEE, ON FRANCHISEE'S OWN BEHALF AND ON BEHALF OF THE FRANCHISEE PARTIES, EXPRESSLY WAIVES ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN THE CREDITOR'S FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY THE CREDITOR MUST HAVE MATERIALLY AFFECTED THE CREDITOR'S SETTLEMENT WITH THE DEBTOR."

FRANCHISEE ACKNOWLEDGES AND REPRESENTS THAT FRANCHISEE HAS CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT FRANCHISEE UNDERSTANDS ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENTS THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the Franchised Business is located in Maryland or if Franchisee is a resident of Maryland, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

All releases given by the Parties are intended to constitute a full, complete, unconditional and immediate substitution for any and all rights, claims, demands and causes of action whatsoever which exist, or might have existed, on the date of this document. The Parties represent and warrant that they have made such independent investigation of the facts, law and otherwise pertaining to all matters discussed, referred to or released in or by this document as the Releasing Parties, in the Releasing Parties independent judgment, believe necessary or appropriate.

[FRANCHISEE]

_____

By: _____
Name: _____
Title: _____
Date: _____

NC DENTAL U FRANCHISE GROUP, LLC

By: _____
Name: Tammy Hughes
Title: Manager
Date: _____

By: _____
Name: Robyn Klose
Title: Manager
Date: _____

EXHIBIT G

ACH/EFT TRANSFER AGREEMENT

AUTHORIZATION TO HONOR CHECKS AND DEBITS BY AND PAYABLE TO THE FOLLOWING PAYEE(S):

The undersigned depositor ("Franchisee" or "Payor") hereby authorizes NC DENTAL U FRANCHISE GROUP, LLC ("Franchisor" or "Payee") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account(s) indicated below and the bank designated below ("Bank") to debit or credit such account(s) pursuant to Franchisor's instructions.

Name of Person or Legal Entity of Franchisee: _____
Bank: _____
Branch: _____
City: _____ State: _____ Zip Code: _____
Bank Transit/ABA Number: _____
Account Number: _____

This authority is to remain in full and force and effect until sixty (60) days after Franchisor has received written notification from Franchisee of its termination.

FRANCHISEE/PAYOR:

_____

By: _____
Name: _____
Title: _____
Date: _____

INDEMNIFICATION AGREEMENT

To the above named Payee and the Bank designated:

The Payor agrees with respect to any action taken pursuant above authorization:

1. To indemnify the Bank and hold it harmless from any loss it may suffer resulting from or in connection with any debit, including, without limitation, execution and issuance of any check, draft or order, whether or not genuine, purporting to be authorized or executed by the Payee and received by the Bank in the regular course of business for the purpose of payment, including any costs or expenses reasonably in collection therewith.

2. To indemnify Payee and the Bank for any loss arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

3. To defend at Payor's cost and expense any action which might be brought by any depositor or any other persons because of any actions taken by the Bank of Payee pursuant to the foregoing request and authorization, or in any manner arising by reason of the Bank's or Payee's participation therein.

BE SURE THAT ALL INFORMATION ASKED FOR IS PROVIDED

EXHIBIT H

FIRST ADDENDUM TO FRANCHISE AGREEMENT
(to be signed by a renewing franchisee concurrently with the Franchise Agreement)

[This Agreement is a sample form currently in use and is subject to change.]

BETWEEN NC DENTAL U FRANCHISE GROUP, LLC
AND

_____

THIS FIRST ADDENDUM ("Addendum") to the Franchise Agreement dated as of the Effective Date ("Agreement") between NC DENTAL U FRANCHISE GROUP, LLC ("Franchisor") and _____ ("Franchisee") is made as of the same date to amend and supplement certain terms and conditions of the Agreement. In the event of any conflict between the terms of the Agreement and the terms of this Addendum, the terms of this Addendum shall control. All capitalized terms not otherwise defined in this Addendum shall have their respective meanings set forth in the Agreement.

1. **Franchised Location.** Franchisor has previously accepted the Franchised Location as required pursuant to the Franchise Agreement. The Franchised Location is: _____.

2. Lease Approval. Franchisor has previously approved the lease for the Franchised Location as required pursuant to the Franchise Agreement and therefore waives the requirement for lease review and approval (and the associated lease review fee); provided, however, that if Franchisee enters into a new lease for the Franchised Location during the term of the Agreement, all lease review and approval requirements shall remain applicable.

3. Commencement of Operations. Franchisor and Franchisee acknowledge that the Franchised Location has commenced operations as required pursuant to the Franchise Agreement.

4. Franchisor's Development Assistance. Franchisee acknowledges and agrees that Franchisor has complied with its obligations under the Agreement (or Franchisee waives, as the case may be, Franchisor's obligation) to (1) assist Franchisee in choosing the Franchised Location and determining fulfillment of the requisite criteria for the Franchised Location, such determination based on information provided by Franchisee (including those obligations set forth in the Franchise Agreement; and (2) to provide opening support services listed in the Franchise Agreement .

5. Grand Opening. The Section of the Franchise Agreement pertaining to a Grand Opening is deleted.

6. Remodeling. Franchisee will complete the remodeling and renovations of the School, at Franchisee's expense, listed on Exhibit 1 to this addendum no later than 60 days following the Effective Date of the Agreement or at such different time as set forth in Exhibit 1.

7. Release. Franchisee; Owners; guarantors of the Franchisee; for themselves and on behalf of their respective predecessors, parents, affiliates, subsidiaries, shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, personal representatives, heirs, executors, administrators, successors, and assigns, hereby fully and forever unconditionally release and discharge the Franchisor; Franchisor's predecessors, parents, affiliates, and subsidiaries; and their respective shareholders, members, partners, officers, directors, managers, employees, agents, representatives, attorneys, accountants, guarantors, successors, and assigns, in both their corporate and individual capacities (collectively, "Released Parties") from any and all claims, demands, obligations, actions, liabilities, defenses or damages of every kind and nature whatsoever, in law or in equity, whether known or unknown, which may hereafter be discovered, in connection with, as a result of, or in any way arising from, any relationship or transaction with the Released Parties, however characterized or described, from the beginning of time until the date of this Addendum.

8. Non-Disparagement. Franchisee agrees not to, and to use its best efforts to cause its current and former owners, officers, directors, principals, agents, partners, employees, representatives, attorneys, spouses, and successors and assigns not to, disparage or otherwise speak or write negatively, directly or indirectly, of Franchisor or Franchisor Affiliates or their respective current and former agents, principals, officers, directors, owners, members, employees, franchisees, representatives, area directors, attorneys, parents, predecessors, affiliates, subsidiaries divisions, and successors and assigns, the NC DENTAL U FRANCHISE GROUP, LLC brand, the NC DENTAL U FRANCHISE GROUP, LLC system, or any other service-marked or trademarked concept of Franchisor, or which would subject the NC DENTAL U FRANCHISE GROUP, LLC brand to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of Franchisor or its brand.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Addendum to be executed on the date first set forth above.

NC DENTAL U FRANCHISE GROUP, LLC

By: _____
Name: Tammy Hughes
Title: Manager
Date*: _____
(*This is the Effective Date)

By: _____
Name: Robyn Klose
Title: Manager
Date*: _____
(*This is the Effective Date)

FRANCHISEE:

Sign Here if you are taking the franchise as an

INDIVIDUAL(S)

(Note: Use these blocks if you marked in the Franchise Agreement that you are an individual or a partnership but the partnership is not a separate legal entity)

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

Sign here if you are taking the franchise as a

CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP

Print Legal Name of Entity

_____

By: _____
Signature
Print Name: _____
Title: _____
Date: _____

Exhibit 1

Remodeling

EXHIBIT I

AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER

[This Agreement is a sample form currently in use and is subject to change.]

THIS AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER ("Agreement") is made among **NC DENTAL U FRANCHISE GROUP, LLC** ("Franchisor"), **[SELLER NAME(S) OR ENTITY NAME]** ("Seller"), and **[BUYER NAME(S) OR ENTITY NAME]** ("Buyer"), and, if any, the undersigned Guarantors, effective as of the Effective Date.

RECITALS

A. Seller is the franchisee pursuant to that certain franchise agreement between Franchisor and Seller, as franchisee, dated **[date of seller franchise agreement]** (the "Seller Franchise Agreement"), governing the operation of the _____ business located at **[School address],** School #_____ ("Franchised Location");

B. Buyer is the franchisee under that certain franchise agreement between Franchisor and Buyer, as franchisee, dated **[date of buyer franchise agreement],** School #_____ (as amended, the "Buyer Franchise Agreement");

C. Seller has notified Franchisor that it and Buyer have entered into an Asset Purchase Agreement, dated **[date of Asset Purchase Agreement]** (the "Purchase Agreement"), pursuant to which Seller has agreed to sell and Buyer has agreed to purchase all of the rights, obligations and assets relating to the Franchised Location (the "Interests") and, further, that Buyer has agreed to assume the lease obligations with regard to the Franchised Location (collectively, the "Transfer"); and

D. Seller and the guarantors of the obligations of Seller (the "Seller Guarantors") have requested that Franchisor consent to the Transfer and release Seller and the Seller Guarantors from all obligations under the Franchise Agreement and guaranty, respectively; and

E. The parties desire to set forth the terms and conditions under which Franchisor will consent to the Transfer and release.

AGREEMENT

FOR AND IN CONSIDERATION of the foregoing Recitals, which are incorporated herein, the mutual covenants expressed herein and other valuable consideration, receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Effective Date. The Effective Date will be the date on which Franchisor signs this Agreement acknowledging its consent to the proposed Transfer.

2. Proposed Transfer. Buyer is purchasing the Interests from Seller in accordance with the terms and conditions of the "Purchase Agreement," a copy of which has been provided to

Franchisor by Seller and Buyer. Seller and Buyer represent and warrant that the form of Purchase Agreement provided to Franchisor is the final version of the agreement and is the version which has been or will be executed by them to effectuate the Transfer.

3. Conditional Consent; Release of Guaranty. The Seller Franchise Agreement provides that the Transfer cannot take place without the consent of Franchisor. Franchisor will consent to the Transfer, as provided in the Seller Franchise Agreement, and will release (a) Seller from any obligations arising under the Seller Franchise Agreement and (b) Seller Guarantors under any guaranty agreement (in each case except as described below) from and after the Effective Date; provided, however, such consent and release are expressly contingent upon compliance with the following terms and conditions on or before the date of the closing of the Transfer ("Closing"):

a. Franchise Agreement. The Seller Franchise Agreement will terminate as of the Closing, and the operation of the Franchised Location will thereafter be governed by the Buyer Franchise Agreement;

b. Payment of Amounts Due. Seller will pay all amounts due and owing to Franchisor through the date of Closing; including but not limited to past due royalty and other fees in the amount of $_____;

c. Transfer Fee. Seller shall pay a transfer fee of $_____ as provided in the Seller Franchise Agreement;

d. Financial Statements. Seller will provide Franchisor with all required monthly financial statements for the Franchised Location through the date of Closing;

e. Training. Buyer or Buyer's designated representative(s) shall have satisfactorily completed the initial training program as described in the Buyer Franchise Agreement prior to the Closing;

f. Right to Possession. Buyer will provide satisfactory evidence to Franchisor that Buyer has the right to possession of the premises for the Franchised Location by way of lease assignment (with **all** required landlord consents) or otherwise;

g. Site Selection Assistance. Buyer acknowledges and agrees that Franchisor has satisfied any and all obligations under the Buyer Franchise Agreement with respect to site selection and development assistance;

h. Remodeling. Seller and Buyer shall ensure that all of the items reflected on the Pre-Sale Inspection which is attached hereto have been completed;

i. Purchase Agreement. The Purchase Agreement will not be amended and the terms of the transaction thereunder will not be changed except with the prior written consent of Franchisor;

j. Buyer Loans. Buyer shall provide Franchisor with copies of all loan documents or loan commitments evidencing all debt taken on by Buyer in connection with the purchase of the Franchised Location; and

k. Franchised Location Possession. Prior to Closing and changing possession of the Franchised Location, Seller and Buyer shall obtain the written consent of Franchisor to change possession.

4. Waiver of Right of First Refusal. Franchisor hereby waives any right of first refusal to purchase the Interests as it may have pursuant to the Seller Franchise Agreement.

5. Release of Franchisor. Seller, the Seller Guarantors and Buyer, and each of them, for themselves and their affiliates, employees, officers, directors, successors, assigns, and other representatives, hereby fully and forever unconditionally release and discharge Franchisor, and its affiliates, parents, subsidiaries, area directors and agents and their respective employees, owners, members, officers, directors, successors, assigns, guarantors and other representatives (the "Released Parties"), from any and all claims, demands, obligations, actions, liabilities and damages of every kind or nature whatsoever, in law or in equity, whether known or unknown to them, which they may have against the Released Parties as of the date of this Agreement, or which may thereafter be discovered, accrued, or sustained, in connection with, as a result of, or in any way arising from, any relations or transactions with the Released Parties, however characterized or described, including but not limited to, any claims arising from the Seller Franchise Agreement, the Buyer Franchise Agreement or the Purchase Agreement or the transactions described herein.

If the Franchised Location is located in California or if either Buyer or Seller is a resident of California, the following shall apply:

Section 1542 Acknowledgment. It is the intention of Seller and Buyer in executing this Agreement that this instrument be and is a general release which shall be effective as a bar to each and every claim, demand or cause of action released by Seller and/or Buyer. Each of Seller and Buyer recognizes that he, she or it may have some claim, demand or cause of action against the Release Parties of which he, she, or it is totally unaware and unsuspecting, which he, she or it is giving up by executing this Agreement. It is the intention of each of Seller and Buyer in executing this instrument that it will deprive him, her or it of such claim, demand or cause of action and prevent him, her or it from asserting it against the Released Parties. In furtherance of this intention, Seller and Buyer expressly waive any rights or benefits conferred by the provisions of Section 1542 of the California Civil Code, which provides as follows:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Each of Seller and Buyer acknowledges and represents that he, she, or it has consulted with legal counsel before executing this Agreement and that he, she, or it understands its meaning, including the effect of Section 1542 of the California Civil Code, and expressly consents that this Agreement shall be given full force and effect according to each and all of its express terms and provisions, including, without limitation, those relating to the release of unknown and unsuspected claims, demands and causes of action.

6. Termination of Seller Franchise Agreement and Guaranties. Franchisor and Seller acknowledge and agree that, as of the date of Closing, upon the Transfer and upon compliance with the conditions set forth in Section 3 above, the Seller Franchise Agreement and the guaranties (if any) will automatically terminate and neither Seller nor Seller Guarantors shall

have any further rights or obligations thereunder except that neither Seller nor any Seller Guarantor shall be released from:

a. any obligations to pay money to Franchisor owed under either the Seller Franchise Agreement or the guaranty prior to Closing; or

b. the provisions of the Seller Franchise Agreement that, either expressly or by their nature, survive termination of the Seller Franchise Agreement (including without limitation the post-termination restrictive covenants, audit rights, dispute resolution and notice, and confidentiality provisions of the Seller Franchise Agreement).

7. Acknowledgment. Buyer and Seller acknowledge that although Franchisor or its affiliates, employees, officers, directors, successors, assigns, and other representatives may have been involved in Buyer's purchase of the Interests from Seller, Buyer and Seller have assumed sole and full responsibility for making the final decision to purchase and sell the Interests and each has consulted, or has had the opportunity to consult but, of its own accord, elected not to consult, with its own legal and financial advisors. Buyer further understands that as part of analyzing the purchase of the Interests from Seller, it is Buyer's responsibility to meet with or otherwise gather necessary information from the appropriate parties which may or may not affect Buyer's purchase of the Interests from Seller.

8. Additional Documents. Buyer and Seller agree to execute such additional documents as may be necessary to complete the Transfer as contemplated by the Purchase Agreement, the Seller Franchise Agreement and the Buyer Franchise Agreement.

9. Miscellaneous Provisions. This Agreement will be construed and enforced in accordance with, and governed by, the laws of the state of North Carolina. This Agreement may not be modified or amended or any term hereof waived or discharged except in writing signed by the party against whom such amendment, modification, waiver or discharge is sought to be enforced. The headings of this Agreement are for convenience and reference only and will not limit or otherwise affect the meaning hereof. This Agreement may be executed in any number of counterparts and sent via facsimile, each of which will be deemed an original but all of which taken together will constitute one and the same instrument. All capitalized terms used, but not defined, herein shall have the meanings ascribed to them in the applicable franchise agreement.

10. Non-Disparagement. In consideration of the accommodations provided to Seller, the Seller Guarantors and Buyer and concessions made by Franchisor and its affiliates under this Agreement, Seller, the Seller Guarantors and Buyer agree not to, and to use their best efforts to cause their current and former owners, officers, directors principals, agents, partners, employees, representatives, attorneys, spouses, and successors and assigns not to, disparage or otherwise speak or write negatively, directly or indirectly, of Franchisor or the Released Parties or their respective current and former agents, principals, officers, directors, owners, members, employees, franchisees, representatives, area directors, attorneys, parents, predecessors, affiliates, subsidiaries divisions, and successors and assigns, the DENTAL ASSISTANT U brand, the DENTAL ASSISTANT U system, or any other service-marked or trademarked concept of Franchisor, or which would subject the DENTAL ASSISTANT U brand to ridicule, scandal, reproach, scorn, or indignity or which would negatively impact the goodwill of Franchisor or its brand.

THUS signed by the parties shown below and made effective as of the Effective Date.

SELLER(S): If Seller is a legal entity, name of entity:_____

By: _____	**By:** _____
Name: _____	**Name:** _____
Title (if applicable): _____	**Title (if applicable):** _____
By: _____	**By:** _____
Name: _____	**Name:** _____
Title (if applicable): _____	**Title (if applicable):** _____

SELLER GUARANTORS:

_____	_____
Print Name: _____	**Print Name:** _____
_____	_____
Print Name: _____	**Print Name:** _____

Signatures Continue on Next Page

BUYER(S): If Buyer is a legal entity, name of entity:_____

By: _____	**By:** _____
Name: _____	**Name:** _____
Title (if applicable): _____	**Title (if applicable):** _____

By: _____	**By:** _____
Name: _____	**Name:** _____
Title (if applicable): _____	**Title (if applicable):** _____

ACCEPTED:

NC DENTAL U FRANCHISE GROUP, LLC

By: _____	By: _____
Name: Tammy Hughes	Name: Robyn Klose
Title: Manager	Title: Manager
Date*: _____	Date*: _____

*The later of these two dates is the Effective Date

PRE-SALE INSPECTION

EXHIBIT J
SBA ADDENDUM

SOP 50-10 5(j) Appendix 9

ADDENDUM TO FRANCHISE[1] AGREEMENT

THIS ADDENDUM ("Addendum") is made and entered into on _____, 20___, by and between NC DENTAL U FRANCHISE GROUP, LLC ("Franchisor"), located at 123 Capcom Dr., Suite 4, Wake Forest, North Carolina 27587, and _____ ("Franchisee"), located at _____.

Franchisor and Franchisee entered into a Franchise Agreement on _____, 20___, (such Agreement, together with any amendments, the "Franchise Agreement"). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree that notwithstanding any other terms in the Franchise Agreement or any other document Franchisor requires Franchisee to sign:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the Franchise Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchise location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

[1] While relationships established under license, jobber, dealer and similar agreements are not generally described as "franchise" relationships, if such relationships meet the Federal Trade Commission's (FTC's) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

COVENANTS

- If the Franchisee owns the real estate where the franchise location is operating, Franchisor has not and will not during the term of the Franchise Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced Franchise Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the Franchise Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 -3733.

Authorized Representative of FRANCHISOR:

By:_____
Print Name:_____
Title:_____

Authorized Representative of FRANCHISEE:

By:_____
Print Name:_____
Title:_____

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the franchise system must meet all SBA eligibility requirements

EXHIBIT K

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EXHIBIT L

FORM OF FRANCHISE COMPLIANCE CERTIFICATION

The purpose of this Certification is to determine whether any statements or promises were made to you that we have not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

1. Have you received and personally reviewed our Franchise Disclosure Document ("FDD"), Franchise Agreement and each Addendum (if any), and related agreement (i.e., personal guaranty) attached to them?

   Yes or No? _____

2. Did you receive the Franchise Agreement and each related agreement, Addendum, or Amendment (if any), containing all material terms, at least 7 days before signing any binding agreement with us or an affiliate?*

   Yes or No? _____

   * This does not include changes to any agreement mutually agreed upon.

3. Did you receive the FDD at least 14 days before signing the Franchise Agreement, this document or any related agreement, and before paying any funds to us or an affiliate?

   Yes or No? _____

4. Do you understand all of the information contained in the FDD, Franchise Agreement and each Addendum (if any), and related agreement provided to you?

   Yes or No? _____

   If No, what parts of the FDD, Franchise Agreement, Addendum (if any), and/or related agreements do you not understand?

   _____
   _____
   _____

5. Did you sign a receipt for the FDD indicating the date you received it?

   Yes or No? _____

6. Have you discussed the benefits and risks of purchasing a DENTAL ASSISTANT U franchise with an attorney, accountant or other professional advisor?

   Yes or No? _____

   If No, do you wish to have more time to do so?

   Yes or No? _____

7. Do you understand that the success or failure of your DENTAL ASSISTANT U franchise will depend in large part upon your skills and abilities, competition from other businesses, and other economic and business factors?

Yes or No? _____

8. Has any employee or other person speaking on our behalf made any statement or promise concerning the actual or possible revenues or profits of a DENTAL ASSISTANT U franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

Yes or No? _____

9. Has any employee or other person speaking on our behalf made any statement or promise regarding the amount of money you may earn in operating a DENTAL ASSISTANT U franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

Yes or No? _____

10. Has any employee or other person speaking on our behalf made any statement or promise concerning the likelihood of success that you should or might expect to achieve from operating a DENTAL ASSISTANT U franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

Yes or No? _____

11. If you have answered "Yes" to any one of questions 8-10, please provide a full explanation of each "Yes" answer in the following blank lines.

_____

_____

_____

12. Do you understand that the Franchise Agreement, Addendum (if any) and related agreements contain the entire agreement between you and us concerning a DENTAL ASSISTANT U franchise, meaning that any prior oral or written statements not set out in the Franchise Agreement, Addendum (if any) or related agreements will not be binding?

Yes or No? _____

Nothing in this document or any related agreement is intended to disclaim the representations we made in the FDD that we furnished to you.

13. Do you understand that, except as provided in the FDD, nothing stated or promised by us that is not specifically set forth in the Franchise Agreement, Addendum (if any) and related agreements can be relied upon?

Yes or No? _____

14. You signed the Franchise Agreement, and Addendum (if any) and related agreements on _____, and acknowledge that no agreement or addendum is effective until signed and dated by us.

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

The individuals signing below for the "**Franchisee Applicant**" constitute all of the executive officers, partners, shareholders, investors and/or principals of the Franchisee Applicant, or constitute the duly authorized representatives or agents of the foregoing.

FRANCHISE APPLICANT:

Signature:_____
Name: _____
Date: _____

Signature:_____
Name: _____
Date: _____

Signature:_____
Name: _____
Date: _____

State Effective Dates

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

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

STATES	EFFECTIVE DATE
California	Not Registered
Hawaii	Not Registered
Illinois	Not Registered
Indiana	Not Registered
Maryland	Not Registered
Michigan	Not Registered
Minnesota	Not Registered
New York	Not Registered
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	Pending
Washington	Not Registered
Wisconsin	Not Registered

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT M

RECEIPT

This disclosure document summarized certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If NC DENTAL U FRANCHISE GROUP, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement or make a payment to us or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Iowa requires you to you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires you to receive this Franchise Disclosure Document 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If NC DENTAL U FRANCHISE GROUP, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to the appropriate state agency listed on Exhibit E.

The name, principal business address and telephone number of the franchisor is: NC DENTAL U FRANCHISE GROUP, LLC, 123 Capcom Dr., Suite 4, Wake Forest, North Carolina 27587, (877) 432-3555.

NC DENTAL U FRANCHISE GROUP, LLC, authorizes the state agencies identified on Exhibit E as our registered agent authorized to receive service of process.

Issuance Date: April 30, 2025

The name, principal business address and telephone number of each franchise seller offering the franchise is:

☐ TAMMY HUGHES
123 Capcom Dr., Suite 4
Wake Forest, NC 27587
(877) 432-3555

☐ ROBYN KLOSE
123 Capcom Dr., Suite 4
Wake Forest, NC 27587
(877) 432-3555

☐

I have received a disclosure document dated : April 30, 2025, that included the following: Exhibit A – NC DENTAL U FRANCHISE GROUP, LLC Franchise Agreement, with Attachment 1 (Franchise Rider), Attachment 2 (Lease Rider), Attachment 3 (Internet, Social Media, and Telephone Assignment), Attachment 4 (Guaranty), Attachment 5(a) (Noncompetition Agreement), Attachment 5(b) (Nondisclosure and Non-solicitation Agreement), and Attachment 6 (Authorization to Copy Franchisor on Communications), Exhibit B-1 – School Directory/Listing of Current Franchisees, Exhibit B-2 – Listing of Certain Past Franchisees, Exhibit C – Financial Statements, Exhibit D – State Specific Addendum, Exhibit E – Federal And State Regulators And Agents For Service of Process, Exhibit F – Sample General Release Agreement, Exhibit G – ACH/EFT Transfer Agreement, Exhibit H – First Addendum to Renewal Franchise Agreement, Exhibit I – Agreement and Conditional Consent To Transfer, Exhibit J – Small Business Administration Addendum, Exhibit K – Brand Standards Manual Table of Contents, Exhibit L – Form of Franchise Compliance Certification, Exhibit M – Receipt

_____ _____
Date Prospective Franchisee

Individually and as an officer, partner, member or manager of _____, a _____ organized under the laws of _____.

You may return one copy of this receipt either by signing, dating and mailing it to Franchise Administration, at NC DENTAL U FRANCHISE GROUP, LLC, 123 Capcom Dr., Suite 4, Wake Forest, North Carolina 27587, (877) 432-3555.

RECEIPT

This disclosure document summarized certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If NC DENTAL U FRANCHISE GROUP, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement or make a payment to us or an affiliate in connection with the proposed franchise sale. New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Iowa requires you to you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires you to receive this Franchise Disclosure Document 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If NC DENTAL U FRANCHISE GROUP, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to the appropriate state agency listed on Exhibit E.

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☐	☐	☐
TAMMY HUGHES 123 Capcom Dr., Suite 4 Wake Forest, NC 27587 (877) 432-3555	ROBYN KLOSE 123 Capcom Dr., Suite 4 Wake Forest, NC 27587 (877) 432-3555	

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_____ _____

Date Prospective Franchisee

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You may return one copy of this receipt either by signing, dating and mailing it to Franchise Administration, at NC DENTAL U FRANCHISE GROUP, LLC, 123 Capcom Dr., Suite 4, Wake Forest, North Carolina 27587, (877) 432-3555.