

LITE FOR LIFE FRANCHISE CORPORATION, INC.

FRANCHISE AGREEMENT

EXHIBIT "A"

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LITE FOR LIFE FRANCHISE CORPORATION, INC.

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT is made at ~~Burlingame~~ Los Altos, California as of the ___ day of _____, 20__, by and between Lite For Life Franchise Corporation, INC. a California corporation, having an office located at 388 Second Street, Los Altos, CA 94022 (herein referred to as "we", "us", etc.) and

of _____ (herein referred to as "you"). You hereby acknowledge that this Franchise Agreement was accompanied by an Offering Circular which you received at the earlier of 1) the first personal meeting with us; 2) ten (10) business days prior to the signing of any franchise or related agreement; or 3) ten (10) business days before any payment by you. In addition, you acknowledge receipt of this franchise agreement containing all material terms at the time of the delivery of the offering circular.

You are desirous of obtaining a franchise in an expanding a network of independently owned weight loss centers using a proprietary diet while providing your dieters with a nutritional and behavioral approach to lifetime weight management emphasizing blood sugar stabilization and sugar addiction avoidance through private daily counseling and nutrition education along with the sale of daily nutritional supplements and fresh food products used in conjunction with a diet designed to achieve permanent weight loss.

We and you, intending to be legally bound, for and in consideration of the mutual covenants hereinafter following, do mutually covenant and agree:

I. SERVICE MARK LICENSES AND USE, TRADE PRACTICES, INFRINGEMENT AND MODIFICATION

A. License Of Service Mark. We hereby grant you the right to use the service mark "Lite For LifeSM" in a designated territory wherein only you will have a site and where we cannot open or operate a similar operation or appoint a

purpose of servicing customers. We reserve the sole right to the use of the mark on products sold to you or to third parties such as food, equipment or supplies.

You also are licensed to operate the franchised business under such names and such other service marks, trademarks and copyrights as we may designate from time to time and you are designated as a participant in our system while operating the franchise. Such business shall be conducted by you as "Lite For Life" or such other mark as we may deem.

Your approved location is located within the limits of the following territory (hereinafter called "Designated Territory"):

The specific location address from which you shall work out of is:

yet to be determined but agreed to be within the city limits of _____

The Designated Territory is more particularly described and outlined in the MAP ATTACHED TO THIS FRANCHISE AGREEMENT (SCHEDULE 1). You agree not to open such business without our written approval nor to change the location thereafter without our written approval. You acknowledge that we may from time to time, and at our sole discretion, modify or discontinue use of any trade names, trademarks or service marks or use one or more additional or substituted trade names, trademarks or service marks and, you agree to operate under such names, trademarks as directed by us in our good discretion and to immediately cease using such trade names, trademarks or service marks when directed by us in writing. You shall not use "Lite For Life", or any other of our service marks or trademarks in your corporate name or d/b/a without our prior written approval. You agree to operate your franchise under the duly acquired fictitious name of "Lite For Life", or other names designated by us in the future according to the specifications as provided from time to time by us.

B. Trade Practices. You agree that we have the sole rights to certain trade practices and that no goodwill associated with any of the trade practices shall inure to you. It is further agreed that the items of the trade practice constitute our

trade secrets which are revealed to you in confidence and you will not, at any time during the term of this agreement or any time thereafter use or attempt to use the trade practices in connection with any other entity or business in which we have an interest, direct or indirect nor shall you disclose, duplicate, reveal, sell or sublicense the trade practices or any part thereof or in any way transfer any rights in the trade practices except as authorized by us.

C. Use of Service Marks and Infringement. You, in conducting our franchise, shall use such service marks, trademarks, or trade names in such art form and in such logo form as specified from time to time by us including indoor and outdoor signs identifying your service as “Lite For LifeSM” including such designation as “Lite For LifeSM of _____” and to indicate the required trademark, service mark or copyright notices in the form specified by us. You may not use our trademarks or service marks in connection with the sale of unauthorized products or services or in any manner not authorized by us.

After timely written notice from you about an infringement of or challenge to your use of our mark, we shall take whatever action or inaction we think is appropriate. We alone have the right to control any legal actions or proceedings including settlements. We may, at our sole discretion, prosecute or defend any action or proceeding which we deem necessary or desirable to protect our service marks, trademarks or logos. You agree not to contest our title in such marks and logos and to modify or discontinue the use of any names or marks or to use one or more additional or substitute name or marks at our sole discretion. While we are not required to defend you against a claim against your use of our trademark, we will reimburse you for your tangible costs of compliance in such matters of the reasonable cost of changing your exterior signs only.

D. Modification or Discontinuance of Service Mark Use. If it becomes advisable at any time in our discretion to modify or discontinue the use of any such names or marks or to use one or more additional or substituted names or marks, you are obligated to do so at your sole expense except that we shall bear the reasonable cost of changing your exterior sign.

II. FRANCHISOR ASSISTANCE

A. Pre-Opening. The obligations that we will perform for you prior to opening of your franchised business are:

1. Operating Manual. We will loan you one or more sets of the franchise operating manual that specifies the guidelines for site selection, decor,

sign, fixtures, inventory, supplies, names of approved suppliers, suggested budgets, pre-opening advertising guides, operational techniques, financial and accounting information, marketing plans and other items and procedures relevant to the operation of the franchised business. All of our manuals are considered confidential trade secrets. This manual is confidential and remains our property. We will modify and upgrade this manual as the occasion warrants but the modification will not alter your status and rights under the Franchise Agreement.

2. Initial Franchise Training. Within 10 to 60 days of your signing the Franchise Agreement, we will provide a minimum of 25 hours of training in the management and operation of the franchised business. You must attend and successfully complete the training prior to the opening of the franchised business. The training will be conducted at our main office or at the location of our choice. The initial training is mandatory. We do not charge you for this training. You must pay all of your living expenses and travel, lodging, and sustenance. All training occurs at our Los Altos or Burlingame, or Palo Alto, California centers or a designated location of our choice and the initial training is mandatory. We will conduct additional training as we deem necessary and you will be required to bear all costs of travel, lodging and subsistence to the training sites. It is our sole discretion as to whether or not you have successfully completed the initial training program or any subsequent training program.

3. Initial Supplies. We will provide initial supplies of proprietary and confidential materials.

4. Additional Trainees. Initial training is for one owner/manager and one other employee. Any additional employees or persons to be trained will be charged a per diem training instructor's fee of \$200 per instructor. This charge is subject to consumer price increases based on annual rates as determined by the applicable CPI (Consumer Price Index) for your territory covering the inflationary price increases as compared with the year of opening of the Franchise.

5. Territorial And Site Assistance. We will advise you in obtaining the necessary demographics including number of people in your territory and assist you locating your site.

B. Post Opening. The obligations performed by us during the operation of the Franchisee's business are:

1. Advisory Service. We will provide to you, according to the extent required by us in our sole judgment, a continuing advisory service which shall include consultation on promotional, business or operations problems and analysis

of your services, sales, marketing and financial data at times and places and to the extent designated us.

2. Suggested Suppliers. We will provide to you, from time to time, a list of suggested suppliers or manufacturers of supplies and products approved by but not purchased from us.

3. Evaluations. We will provide you with our evaluations of sources of supplies and products recommended by you for use in the franchise system.

4. Institutional Development. We will develop institutional public relations, advertising and promotional campaigns designed to benefit and assist all our franchisees and promote and enhance the value of the franchisees where possible.

5. Advertising Supervision. We will supervise the advertising in accordance with our advertising standards.

6. Uniform Accounting System. We will provide you with a uniform system of accounting and record keeping based on your usage of QuickBooks Pro, which you must purchase, and on standardized forms which we will provide to you.

7. Subsequent Training. We will provide subsequent training classes, both mandatory and non-mandatory, offered from time to time at our discretion with you required to pay all costs of travel, lodging and subsistence. If you request special training, and we agree, a charge for the instructor may be added.

III. FRANCHISE FEE; TERM; AND RENEWAL FEE

A. Initial Franchise Fee. Your initial non-refundable franchise fee is ~~Twenty~~Twenty-two Thousand Five Hundred Dollars (\$202,000500) payable upon your signing the franchise agreement. The initial franchise fee is non-refundable.

B. Term. The term of the Franchise Agreement is effective and binding commencing with the date upon which the Franchise Agreement is signed for a period of ten (10) years.

C. Renewal. You can renew the Franchise Agreement for unlimited additional periods of five (5) years each providing (1) you are not in default or in violation of the Franchise Agreement or any other agreement with us, and (2) upon execution of the then current Franchise Agreement under the terms in effect at that

time including new royalty rates, advertising fees, etc., with the exception that the length of term or renewal terms shall not change nor shall your territory change. We may refuse to renew the Franchise Agreement if you are in default or violation of your Franchise Agreement and/or fail to execute the then current Franchise Agreement. The renewal fee charged to you by us is One Thousand Dollars (\$1,000.00) to cover our legal fees, administrative and overhead costs necessitated by the renewals. Should the Consumer Price Index (CPI) that is based on the annual inflationary rates in your territory increase, your Renewal Fee may be increased as compared with the year of opening of the franchise by the same increased CPI percentage accordingly.

IV. SERVICE FEES, ADVERTISING AND PROMOTIONAL FEES, AND TRANSFER FEES

A. Service Fees And Gross Sales. You are required to pay a monthly non-refundable service fee of five percent (5%) of your gross monthly sales after you open. The term "gross sales" is defined to include all sums or things of value received or receivable by you in and from the business from all sales of goods, products and services whether for cash, check, credit or otherwise without reserve or deduction for inability or failure to collect same including, without limitation, such sales and services where the orders thereof originated at or accepted by you at one location but delivered or performance thereof made from or at any other location. Gross sales do not include rebates, promotional sales coupons or refunds to customers or the amount of any sales taxes or any similar taxes that you might be required to and do collect from customers to be paid to any federal, state or local taxing authority. All such items including non-collectible accounts which are claimed as deductions to gross sales must be supported by proper documentation in accordance with the operating manual provided by us to you. Gross sales will be reported to us through submission of monthly Profit & Loss statements generated by QuickBooks Pro. The P&L, new dieter contact information, monthly Dieter Roll-Call and the service fee shall be due and payable in full on or before the seventh business day after the close of each calendar month based on "gross sales" shown on the P & L for the previous month. Any payment not received on time shall bear interest at the maximum legal rate of interest allowable by law from date due until the date received by us. All service fees are non-refundable.

B. Local Before And After Opening Advertising and Promotions
During a period of 60 Days just prior to opening, you agree to spend at least \$23,000500 on local advertising announcing the services you will provide in your territory. After opening, you are also required to spend a minimum sum equal to (One thousand Dollars (\$1,000) per month commencing on the first date that you

open for business on advertising to generate leads and enhance the reputation of your service on a local level in your territory which is due and payable to the advertising media as required during each month. All advertising must be approved by us. You are required to substantiate the minimum advertising required by supplying such written information to us as we may require on a monthly basis. We reserve the right to designate or consent to the content, themes, materials and placement of all advertising programs by you which must be tailored to your local market and without inappropriate or misleading content. You must submit all advertising to us for our approval at least five (5) business days before publication (subject to deadlines) unless specifically waived in writing by us as to each particular ad or advertising campaign. Although there are no restrictions on the areas in which you may advertise, we recommend that you concentrate on advertising in your local area as a matter of good business practice.

C. Transfer Fees. You shall be required to pay a transfer fee (except a transfer to a trained, qualified spouse or child, a corporation or entity wholly owned by you or another franchisee in the system) of Four Thousand, Five Hundred Dollars (\$4,500.00) upon any assignment, sale or transfer of the franchise to cover our costs of the training of the new assignee-franchisee upon approval of the assignment. The transfer fee shall be subject to consumer price increases based on annual inflationary rates as determined by the applicable CPI ("Consumer Price Index") for the territory covering the inflationary price increases as compared with the year of opening of our franchise.

V. BUSINESS OPERATION

A. Employees; Inability to Conduct Business; Products and Services Sold: You shall use your best efforts to procure qualified and competent employees and shall maintain a neat, clean, safe and orderly operation in keeping with the standards established by us through our manuals and periodic directive, including our standards set for all services and products sold by us to you. You shall not provide or sell any service or product without our prior written approval.

B. Business Records and Books of Account: You shall keep true and accurate business records and books of account and shall establish and maintain such records in accordance with the methods and procedures set forth by us.

C. Inspection: All books and records maintained by you with respect to your business shall be open to inspection by us or our duly authorized agent during regular business hours and we shall have the right to examine same, including other related records. You further consent to supply any other of its business reports upon request by us including federal and state income tax returns and the

cost of any audit that we may conduct where the audit reveals an underpayment plus the maximum legal interest rate payment allowable by law on the any amounts then due and owing.

D. Financial Statements: You further agree to have financial statements prepared including a balance sheet and profit and loss statements made of your affairs within sixty (60) days of the end of your fiscal year and to furnish us a copy of such audit within ten (10) days of completion thereof.

E. Claims and Liabilities, etc.: You shall indemnify and save us harmless from any and all claims, liabilities, judgments, awards or attachments arising from any sale and/or service by you and you shall promptly reimburse us for any sums expended by Franchisor as a result of such sales and/or service.

F. Uniformity in Operations: You, realizing that uniformity is a necessity in the system, agree, at our sole and complete discretion and options to use such standard forms of reports, signs, stationery, ads, printed matter and outside and inside decor as prescribed by us from time to time.

G. Meetings and Training Sessions. You or your manager shall attend all mandatory meetings and training sessions as designated by us in writing from time to time. Such mandatory meetings shall not exceed two per calendar year. You shall be responsible for your own travel, subsistence and lodging expenses.

H. Signs, Stationery, Maintenance, Remodel, Appearance, Specifications, etc. You shall purchase and use signs, stationery, business cards and other trademarked items to be used in the franchise business bearing designations including the trademarks and service marks specified by us from time to time and same shall be purchased from vendors approved by us. You must maintain the appearance of the premises in a clean and attractive manner and remodel as directed by us according to our specifications.

I. Purchase of Merchandise. We are the only approved supplier for the diet supplements, paper forms and dieting booklets used in conjunction with our diets at this time. Any scales, in addition to the two (2) scales that are provided to you by us as part of your initial franchise fee must be purchased from a supplier approved by us and must include professional assembly and calibration. You must purchase or lease a commercial freezer and refrigerator with glass front doors from suppliers approved by us in writing. In the event that you believe that any such product of an equal quality can be purchased at a lower price, you must present us backup studies and data indicating the price of such items and the quality characteristics. Our sole testing procedures determines whether such items equal

or exceed the quality and price reasonableness over the items approved by us. Our review typically is completed in 60 business days. If you desire to purchase any products including supplements and food, services, equipment and materials from someone other than our designated supplier, you must submit a complete description of the history and credit rating of the supplier and the items you desire to purchase. You also must supply us with specifications and tests which will prove to our sole satisfaction that the products, equipment and materials are of equal or superior quality to those which we or our designated supplier may offer for sale to you at what we feel are competitive prices and the supplier's ability to stand behind the supplier's product warranty which must meet or surpass those of our then current designated supplier. We also require you to submit proof that the product meets USDA and FDA regulations for the type of product submitted, and the name, address, history and ownership of the provider along with your brief business analysis of the cost, retail pricing, inventory requirements, need justification, break even point, and marketing sales plan for the product. Suppliers of food, vitamins and nutritional supplements also will be evaluated by compliance with appropriated USDA and FDA regulations for the type of food that you are providing i.e. approved kitchen products, etc. Product ingredients will be evaluated by Maureen Sullivan, certified Nutritionist, for healthfulness and appropriateness for the particular diet. In her absence another certified Nutritionist will be designated. We also evaluate for taste, product appearance and packaging, as well as cost and inventory requirements and how the manufacturer plans to market the product to other vendors. Six (6) samples of each product should be submitted to us for testing purposes. We will approve or disapprove a prospective supplier according to our complete and final discretion within 60 business days of receipt of your request to purchase from alternate suppliers. We may charge a fee to cover our costs in researching the product and our time spent doing so. Upon our approval of a product for sale in your franchise, we will provide written standards and specifications including but not limited to sales methods, reporting and documentation, installation methods, etc. We may modify our specifications if changes occur in the industry based on our research and we will make this known to you in writing as the changes occur. We also may seek out and test suppliers on our own.

You might have to purchase other trademarked items to be used in the franchised business according to the specifications set forth by us in the operating manuals from time to time. We formulate and modify our specifications and standards for products and services through observations and testing that is available to you. We will provide you with a list of our approved suppliers after you have satisfactorily, in our judgment, completed your initial training. You must purchase an IBM compatible computer running a current version of Windows and possessing a CD-ROM or DVD drive, modem or DSL connection and printer with fax capabilities.

Internet Service Provider (ISP), anti-virus software, internet browser and email provider to be approved and compatible with our existing network systems. Current versions of QuickBooks Pro and Microsoft Office software and one (1) database program for tracking client information is required. You must update your software and hardware as we update ours and additional software may be required from time to time.

J. Audits. We reserve the right to audit your records and premises once a year (12 months) at your cost if the audit reveals a discrepancy of 2% or more with such discrepancy due and payable at the highest interest rate allowable by law.

VI. OFFICE MANAGEMENT

You (if an individual) or your principal owner or owners (if a partnership or corporation) are required to participate personally in the direct operation of the franchised business for at least thirty (30) hours per week divided equally between all locations owned. You are prohibited from the delegation of operational responsibility of the franchised business to any other person except as may otherwise be set forth in a written agreement between us and you, or approved in writing by us. You agree to hire only qualified, trained citizens meeting our standards of experience and background and you agree that you are responsible to see that your employees and independent contractors sign confidentiality agreements enforceable in your state. Preferably, your center should be operated by personnel that have successfully participated in our program. The shareholders of a corporate or other form of business entity must sign the franchise agreement as individuals thereby assuming and agreeing to discharge all of the obligations of the "Franchisee" under the agreement. Minimum hours of operation for the business are Monday to Friday: 7:00 AM to 12 Noon; 3:30 PM to 5:30 PM and Saturday 9 AM to 12 Noon.

VII. COMPETITION AND CONFIDENTIALITY

A. During Term. You shall not conduct or operate, directly or indirectly or be associated or in any way employed or represent any business similar to the franchised business other than this franchise during the term of this agreement without our written consent. You further agree not to at any time furnish any information designated as confidential by us including our methods of promoting, maintaining and operating the franchised business or any other information relative to our business. You shall: (1) strictly adhere to all security procedures prescribed by us at our sole discretion; (2) disclose such information to your employees only to the extent necessary to market your products and services and for the orderly operation of your business and only after securing a valid enforceable

confidentiality agreement from such employees at your cost; (3) be prohibited from using any such information in any other business or in any manner not specifically authorized or approved in writing in advance by us; and (4) be required to exercise your highest degree of diligence to maintain the confidentiality of all such information during and after the term of the Franchise Agreement and to use its best efforts to secure confidentiality agreements enforceable under state law when required by us. You also stipulate that neither you nor your key employees will be employed or have a financial interest in a business similar to our business during the term of the franchise except for owning less than five (5%) percent of the stock of a competing company whose shares are traded on a National Securities Exchange.

B. Following Termination. You agree that following the termination of the franchise for any reason, you will not engage in a business similar to our business, or have a financial interest in such types of business for three (3) years after termination of this Agreement within a fifty (50) mile radius from any other of our company-owned office or of a franchisee.

C. Public Policy. You are aware of the fact that this form of agreement is prepared for many jurisdictions with different public policies and that such public policies change, and accordingly, you hereby agree that the clauses hereinabove are severable and that the enforceability of one subclause shall not be contingent upon the enforceability or non-enforceability of any other subclause. You further agree that the prevailing non-competition restriction herein above set forth shall be modified automatically by the passage of any applicable state laws setting forth permissible non-compete clauses and that the language of such statute shall be automatically incorporated to a maximum extent herein by reference and shall constitute the limitation upon which you can compete after any termination of this franchise agreement.

D. Services or Products Offered for Sale. You will not conduct any other type of business or offer for sale any other services or products at such location without our prior written consent and under the terms and conditions set forth by us.

VIII. INDEPENDENT CONTRACTOR AND HOLD HARMLESS CLAUSE

You are herein granted a franchise and license to use our service marks and are therefore not authorized for or on behalf of us in any matter other than stated herein. You agree that you shall be responsible for and shall pay when due all expenses of the franchised business including taxes and levies of any kind in connection with said business and the income arising therefrom. Failure by you to

pay such encumbrances shall constitute a material violation of this Agreement subject to immediate termination by us. In addition, you agree that we shall not be liable for any expenses, taxes, levies or disbursements otherwise paid or incurred in connection with the establishment and maintenance of your business and you hereby indemnify and hold us harmless from all liabilities, claims, suits, causes of action, demands, expenses, including reasonable attorney's fees which may arise or be asserted against us by reason of operation of the franchise business or by reason of the use of our name. You agree that you are not authorized to use our name or other trademarks in any other capacity other than as provided herein nor to sign on our behalf any checks, drafts, leases, bonds, mortgages, documents, bills, contracts or bills of sale or any other instruments in writing or to hold yourself out as our general partner. You shall hold yourself out as doing business as a franchisee and licensee under our name and member of our system unless otherwise provided herein. You shall immediately notify us of any lawsuits, actions or proceedings instituted either by private parties or governmental authorities against you or us including a complete description of the claim, action or proceeding involved.

IX. INSURANCE AND HOLD HARMLESS

A. Insurance Premiums

At all times during the term of the Franchise Agreement, you shall maintain in effect a policy or policies of insurance naming us as an additional insured on the face of each policy at your sole cost and expense subject to change from time to time as follows:

- 1) Public liability in no less than \$1,000,000 combined single limits for bodily injury and property damage which amounts may be changed from time to time upon receipt of written demand from us.
- 2) Worker's compensation insurance as provided by state law for any employees you may choose to hire.
- 3) Comprehensive and collision auto liability insurance with deductibles not to exceed \$1,000.00 but in no instance less than \$1,000,000 combined single limits for bodily injury and property damage which amounts may be changed upon receipt of written demand from us from time to time.

4) Business Interruption Insurance.

All insurance shall be with insurers acceptable to us. All policies of insurance shall be timely renewed and policies and certificates together with evidence of payment of premiums shall be delivered to us at least thirty (30) days prior to the expiration of such policies by certified mail or by hand delivery with receipt.

X. OWNERSHIP CHANGES, TRANSFER FEES, DEFAULTS AND REMEDIES

Depending upon the entity involved, the following terms shall apply regarding transfer during the initial term or renewal term of the Franchise Agreement:

A. Sole Proprietorship. If you are a sole proprietorship, and you are not in default, the following provisions shall apply:

1) In the event of the death of the proprietor, the Franchise Agreement shall terminate unless, during the period of thirty (30) days from your death, your personal representative shall certify that you have an issue or spouse that wishes to take over the proprietorship or, in the alternative if your personal representative shall receive a bona fide offer to purchase the deceased franchisee's business, a Franchise Agreement shall be granted accordingly for the area covered in this Agreement if said heir, spouse or purchaser fulfills our requirements and upon receipt of written approval from us and the sum of Four Thousand Five Hundred Dollars (\$4,500) is paid to us to cover our expenses in connection with effecting the transfer. Such transfer shall be contingent upon the execution by the prospective purchaser, issue, or spouse of the then current form of our franchise agreement. In the event that the successor is the qualified and trained spouse or direct issue of the deceased franchisee, the transfer fee required to be paid shall be waived by us. We shall have the right of first refusal to purchase your business where the proposed sale is to a non-spouse or non-issue for the same price and upon the same terms and conditions as offered to the deceased franchisee's personal representative by a third party within thirty (30) days of receipt of written notice from said personal representative or, in absence of a third party offer, at the appraised value as appraised in accordance with the procedure as set forth hereinafter. If you do not approve the new owners, the franchisee's estate may sell the franchise to a transferee acceptable to us within three (3) months after such disapproval. If such a sale is not completed within that time, we may terminate the

Franchise Agreement. If the property is stalled in probate for more than six (6) months, we have the right to place a manager in the franchised location and all necessary support systems to maintain the franchise on a cost plus ten percent (10%) basis.

2) In the event the sole proprietor desires to sell, assign, transfer or otherwise hypothecate his/her interest during his/her lifetime, such sale shall be subject to: (1) Payment to us by the sole proprietor of a transfer fee of Four Thousand Five Hundred Dollars (\$4,500) to defray the expense of investigating the new purchaser and approval of same, (2) approval from us of the purchaser which approval shall not unreasonably be withheld, (3) the purchaser executing the then current form of our Franchise Agreement, and, if required by us, and (4) our prior right to have the option of the first right of refusal to purchase the sole proprietor's business for the same price and upon the same terms and conditions as offered by the bona fide purchaser. In the event that the sole proprietor is selling to a qualified, trained spouse or issue or another franchisee in the system, the transfer fee and our right of first refusal is waived. Such transfer is subject to the transferee satisfactorily completing the training and testing required by us.

B. Partnerships. If you are a partnership and the partnership is not in default, the following provisions apply:

1) This Franchise Agreement shall terminate immediately except as otherwise provided herein upon the dissolution of the partnership for any reason.

2) In the event of the death of a partner or partners, the franchise shall be terminated upon the expiration of one hundred twenty (120) days from the date of death. During such period, the partner surviving shall have the right to apply for permission to operate the franchised area. Such permission shall not be unreasonably withheld by us. Upon securing such written approval of us and upon the surviving partner executing the then current form of Franchise Agreement, a franchise shall be granted to the surviving partner for the area covered by this Agreement. If the surviving partner desires to associate a new partner into the franchise, the provisions of Subparagraph B-3(a) through (e) immediately below shall also apply.

3) In the event that any partner sells, assigns, transfers or otherwise hypothecates his/her interest in the partnership or any portion of it, the franchise shall also immediately terminate. However, the remaining partners shall have the right to continue the operation in the franchised area if prior to such transfer, sale, assignment or hypothecation, the following has been complied with:

a) We have been offered a first right of refusal to purchase such remaining interest which constitutes legal and entire ownership of the franchise within thirty (30) days after written notice at the price and terms of bona fide offer; and we do not so purchase the remaining interest and the remaining partner or the partnership is not in default;

b) Any proposed new partner has been approved by us after a review of the proposed new partner's financial and management qualities;

c) The remaining partner (and any proposed new partner) execute a then current form of Franchise Agreement in use by us.

d) Payment to us by any proposed new partner of a sum representing a portion of Four Thousand Five Hundred Dollars (\$4,500) based on a ratio calculated by the interest that the proposed new partner bears to the total partnership participating in the franchise. Such fee shall be for the purpose of covering our expenses in effecting such transfer. Such transfer is subject to the transferee satisfactorily completing the training and testing required by us.

4) You shall at all times immediately report to us any changes or proposed changes involving the interest of the partnership including any dissolution of the partnership caused by death, termination, bankruptcy or other causes.

C. Corporations. If you are a corporation and the corporation is not in default, the following provisions will apply:

1) We have been offered a first right of refusal to purchase the shares within thirty (30) days after written notice of such sale and its terms, and we do not exercise our option to purchase such shares. The present shareholders, if individually owned stock, or, if you are owned by a second corporation, the shares constituting majority control of the first and second corporation shall not be assigned or transferred in any manner without our prior written approval, which approval will not be unreasonably withheld and must comply with the following under all circumstances:

a) Written approval by us of all proposed shareholders subject to personal interviews and subject to our first right of refusal set forth in paragraph (D)(2) hereinafter.

b) Execution of the then current form of Franchise Agreement by you and all of your shareholders and all shareholders of any corporations holding any of your shares who shall agree to be individually bound by the terms and condition of this Agreement;

c) Payment to us of the transfer fee equivalent to the proportions of the issued and outstanding stock to be sold or transferred to the proposed new shareholders which bears to your total issued and outstanding stock times the sum of Four Thousand Five Hundred Dollars (\$4,500) where such stock is transferred to a non-spouse or direct issue. Such transfer fee is to cover our expense in investigating and transferring said stock. The new shareholders are, at our option, required at the shareholder's cost to satisfactorily complete the training and testing required by us prior to operation of the transferred franchise by the new shareholders.

2) All of your share certificates or any corporation holding any of your shares shall be properly endorsed by you so as to contain a written notice that transfer of those shares is permitted only in accordance with the provisions of this paragraph.

3) The Shareholders of the franchised corporate entity shall not sell or issue additional shares of stock of the franchised corporate entity nor shall the corporate entity controlling the franchise entity unless issued and sold to shareholders who have signed this agreement.

D. Incorporation, Transfer of Franchise Agreement and Buy-Sell Agreements

1) You shall not incorporate or otherwise change the form of the franchise business without our prior written consent and upon such conditions as we shall then impose. You shall not use "Lite For Life" in any corporate title without our consent.

2) You shall not sell, transfer, sublicense or assign this Agreement or any rights, privileges or interest accruing hereunder to any person, firm or corporation without our written consent and upon such terms and conditions as we shall impose.

3) You shall provide us with a copy of all Buy-Sell Agreements pertaining to any transfer of a business or of the Franchise Agreement at least twenty (20) days prior to the contemplated transfer date for our prior approval.

E. Shareholder Guarantee

The shareholders of your corporate entity and the shareholders of any corporate entity that may own the shares of the corporate entity which is franchised hereunder, agree by signing this Agreement to guarantee the payment of all sums which may from time to time become due to us under this Agreement and to agree to be bound by the provisions and terms of this Agreement. Such shareholders further agree that we would be entitled to injunctive relief as set forth in other portions of this Agreement.

F. Appraisal

In the absence of a bona fide offer in all cases wherein we have the first right of refusal, whether a sole proprietorship, a partnership or a corporation, we and you will have ten (10) business days after receipt of written notice from the proposed seller to mutually agree upon the value of the interest being transferred to us and the terms on which the transfer will be made. If the parties do not reach an agreement within thirty (30) days thereafter, then each party, solely at its own cost, will hire an independent, designated and active member of the American Society of Appraisers for the purpose of determining the value of the ownership interest being transferred. The appraisal will be completed within a reasonable period of time not to exceed thirty (30) calendar days. If the higher appraisal is less than ten percent (10%) higher than the lower appraisal, then the value of the interest being transferred will be established as the average of the two (2) appraisals. If the higher appraisal is more than ten percent (10%) higher than the lower appraisal, then the two (2) appraisers will have thirty (30) days from the date of the latter submitted appraisals to submit the name of a third, independent, designated and active member of the American Society of Appraisers. The parties agree to cause a third appraisal to be made, by said third appraiser, within a reasonable time period but not to exceed thirty (30) days with the expense for same to be shared equally by the parties. The value of the interest being transferred will then be established by adding the amounts of the first and second appraisers and twice the amount of the third appraiser and dividing the sum by four (4). The parties will then have thirty (30) days within which to agree on the terms of the purchase. If no agreement has been reached within said period, then, at our sole cost, the terms for the purchase will be settled by arbitration composed of three (3) arbitrators in accordance with the mutual arbitration rules of the American Arbitration Association and judgment upon a decision rendered by the arbitrators may be entered into any court having jurisdiction thereof. Within ten (10) days after receiving the arbitrator's decision, we will notify the proposed transferee of its intent to exercise its right of first refusal. If said notice is not dispatched within said ten (10) days, then Franchisor's

right of first refusal will lapse. Such appraisal and repurchase price will recognize goodwill and other intangibles associated with the normal business sale.

G. Default - Material Violations - Termination

The conditions under which we may terminate subject to a thirty (30) day notice to cure unless otherwise specified include:

(a) The attachment of any involuntary lien in the sum of \$1,000.00 or more upon any of your business assets or property, which lien is not promptly removed.

(b) Conduct of the franchised business in such a manner so as to affect materially and adversely our goodwill or reputation or our products and services.

(c) Default by you under any agreement between you and us not subject to earlier termination as agreed by the parties.

(d) Any purported assignment, transfer, or sublicense of the franchise, or any right hereunder, without our prior written consent.

(e) Failure to make timely payment to us of any and all sums payable to us pursuant to the Franchise Agreement after five (5) days' written notice of such failure to pay.

(f) Failure to make timely payments upon any obligation of you upon which we are acting as a guarantor or default upon or a breach of any provision of any promissory note or other evidence of indebtedness or any agreement relating thereto.

(g) Failure to cure a default under the Franchise Agreement, within ten (10) business days after receipt of notice thereof, which default materially impairs the goodwill associated with our trade names, trademarks, service marks, logotypes or other commercial symbols.

(h) Failure to pay for or conduct any audit required by us or failure to secure and maintain the required insurance, including public liability and worker's compensation insurance after ten (10) days' written notice requiring such deficiency to be cured.

(i) Failure to supply reports on gross sales receipts and business activities to us or other reports and other product sales.

(j) Failure to use the techniques, training and methods promulgated by any manuals and any periodic directives from us and/or the standards of quality and maintenance, or, forms, invoices, receipts, stationery, ads and printed matter as directed by us or failure to attend mandatory training or seminar sessions required by us limited to not more than two (2) sessions per calendar year.

(k) Failure to put your full efforts into the franchised business (of at least thirty (30) hours per week) or, in your excused absence, to have the franchised business managed by someone who has the proper training and aptitude in our procedures and systems, or failure for you or this person to abide by the minimum hours of operation of the business as stated above.

(l) Failure to keep true and accurate business records and books in accordance with our procedures or failure to open them for inspection or provide federal and state income tax returns as requested by us or upon discovery of a deficit of two percent (2%) or more in any audit of your business.

(m) Failure to maintain and utilize fixtures, signs, exhibit booths and decor as designated by us for the success of the franchise in order to assure continuity of quality.

(n) Failure to maintain confidential any information designated as confidential by us.

(o) Failure to operate a weight loss center outfitted according to our specifications.

(p) Failure to purchase merchandise sold by you from vendors that are approved by us in order to insure uniformity in the quality of the services rendered and products and goods sold in our system.

(q) Failure to participate in any purchasing or distribution cooperative that we deem will allow you cost savings for equal quality upon written notice from us or failure to purchase or lease a commercial freezer and refrigerator with glass front doors from approved suppliers and/or supplements, vitamins, protein power, paper forms and diet books approved by us in writing., failure to use an IBM compatible computer running a current version of Windows and possessing a CD-ROM or DVD drive, modem or DSL: connection and printer with fax capabilities, Internet Service Provider (ISP), anti-virus software, internet browser and email

provider to be approved and compatible with our existing network systems. Current versions of QuickBooksPro and Microsoft Office software and one (1) database program for tracking client information is required. You will update your software and hardware as we update ours and additional software may be required from time to time.

If during the period in which the franchise is in effect, there occurs any of the following events which is relevant to the franchise, immediate notice of termination without an opportunity to cure, shall be deemed reasonable:

(a) The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under Federal Bankruptcy Law (11 U.S.C.A., Section 101, et seq.)

(b) We and you agree in writing to terminate the franchise; You abandon the franchise by failing to operate the business for five (5) consecutive days during which time you are required to operate the business under the terms of the franchise, or any shorter period after which it is not unreasonable under the facts to conclude that you do not intend to continue to operate the franchise, unless such failure is due to fire, flood, earthquake or other similar causes beyond your control.

(c) You make any material misrepresentations relating to the acquisition or operation of the franchise or you engage in conduct which reflects materially and unfavorably upon the operation and reputation of the Franchise System;

(d) You fail, for a period of ten (10) days after notification of noncompliance, to comply with any federal, state or local law or regulation applicable to the operation of the franchise;

(e) You, after curing any failure in accordance with Section D(a) through (p), engage in the same conduct or noncompliance whether or not such conduct or noncompliance is corrected after notice;

(f) You repeatedly fail to comply with one or more requirements of the Franchise Agreement whether or not corrected after notice;

(g) The franchise business or business premises of the franchise are seized, taken over or foreclosed by a governmental official in the exercise of his duties, or seized, taken over or foreclosed by a creditor, lienholder or lessor, provided that a final judgment against you remains unsatisfied for thirty (30) days (unless superseded or other appeal bond has been filed); or a levy of execution has

been made upon the license granted by the Franchise Agreement or upon any property used in the franchised business, and it is not discharged within five (5) days of such levy;

(h) You are convicted of a felony or any other criminal misconduct which is relevant to the operation of the franchise;

(i) You fail to pay any franchise fees or other amounts due to us or our affiliate within five (5) days after receiving written notice that such fees are overdue;

(j) We make a reasonable determination that continued operation of the franchise by you will result in an imminent danger to public health or safety.

H. Discontinue Use of Trade Practices After Termination

In the event of termination of the Franchise Agreement for any reason, you lose all rights to all fees paid and may no longer use our trademarks, service marks, trade name, copyrights, systems, manuals, displays, your telephone numbers or any other property connected with the franchise. You must immediately cease use of all of our trade names, systems, service marks, trademarks, training manuals, and other proprietary property which must be returned to us immediately upon written notice. We have the right to enter the premises of the franchised location and to recover and remove our training material and all other proprietary property. On any termination of you due to a default by you, we have the option to purchase the equipment and tangible assets and take assignment of any lease of the weight loss center for an amount equal to the then used fair market value of the property or assets. Any amounts due or owing us by you shall be set off against any used fair market value of the property subject to conveyance or the leases involved. You, in executing the Franchise Agreement, agree to assign all right, title and interest to all of your business telephone numbers upon termination for any reason of your franchise and to execute any further documents or instruments or instructions necessary to further effect such transfer.

I. Monetary Obligations Upon Termination

In the event of termination, we may retain all fees paid pursuant to this Agreement. In addition, all of our obligations to you and all of your rights under this Agreement shall automatically terminate; however, any of your obligations to take, or abstain from taking, any action upon termination pursuant to this Agreement shall not be affected by such termination, including the payment to us of all sums due from you at the time of termination.

J. Conflicting Law on Breach

Any provisions of this Paragraph which may be determined by competent authority to be prohibited or unenforceable or contrary to the law of the jurisdiction having authority over this transaction shall be ineffective to the extent of its inconsistency with such state law and this agreement shall be deemed modified to comply with such law, but only to the extent necessary to prevent the invalidity of this Agreement or any provision hereof, the imposition of any fine or penalty or the creation of any civil or criminal liability on account thereof.

K. Termination by Franchisee

1. You may terminate the Franchise agreement by obtaining our written consent, which consent we are not obligated to give.

2. You may terminate the Franchise Agreement for good cause only if we have materially breached the Franchise Agreement, provided however prior to your terminating the Franchise Agreement for good cause, you must serve a written notice of default upon us specifying the grounds for default and granting us a reasonable, but in no case less than thirty (30) days, in which to cure the default or in which to commence diligent efforts to cure the default (if the default cannot reasonably be expected to be cured within thirty (30) days).

XI. **FRANCHISEE'S OBLIGATIONS UPON TERMINATION**

A. In the event of termination of this Franchise Agreement for any reason whatsoever, you shall promptly and immediately cease using our trade names, service marks or trademarks and shall cease identifying itself as a member of our system; shall forthwith cease operating a franchise; shall promptly remove all signs bearing our names and identification; shall cause any registration of said names to be cancelled or withdrawn or in the alternative, if requested by us shall assign such registered names to us or our nominee; shall return to us or our representatives immediately upon written demand, all customer lists, records and books of account pertaining to your business and all training films, forms, materials, and manuals belonging to us or bearing our name or service mark with delivery being made directly to us or our authorized representatives. You shall immediately cancel all telephone listing, yellow page ads and discontinue the use of any telephone numbers used in conjunction with the franchise business. However, upon our written request, you shall assign said telephone numbers to us or our designee and

shall use your best efforts to secure the cooperation of the telephone company in assigning such numbers to us or our designees.

B. The termination of this Agreement for any reason shall not be deemed to release you from any and all sums due or to become due hereunder or from your obligations regarding non-competition and such other obligation as set forth herein.

C. Waiver of any one or more defaults you hereunder shall not operate as a waiver of successive or other defaults and all of our rights shall continue notwithstanding any such waiver or waivers.

XII. NOTICES

A. Writing

All notices, requests, demands, payments, consents and other communications hereunder shall be transmitted in writing and shall be deemed to have been duly given when sent by registered or certified United States mail, postage prepaid, addressed as follows:

FRANCHISOR: Lite For Life Franchise Corporation, Inc.

Attn: President
Lite For Life Franchise Corporation, Inc.
A California Corporation
388 Second Street
Los Altos, California 94022

FRANCHISEE: _____

B. Mailing Notice Address Change

Either party may change his/her or its mailing address for notice purposes only by giving notice of such change of address to the other party in writing.

C. Notice by Telegram or Fax

In the case of any notice required to be given by us or you hereunder, telegraphic or faxed notice with delivery verified shall be sufficient notice hereunder.

D. Mailed Notice

Mailed notices shall be deemed communicated within three (3) days from the time of mailing if mailed as provided in this Paragraph.

XIII MISCELLANEOUS

A. Injunction. You recognize the unique value and secondary meaning attached to the franchised system, its trade names, service marks, trademarks, standards of operation and the trade practices and agree that any noncompliance with the terms of this Agreement or any unauthorized or improper use will cause irreparable damage to us and our franchisees. You therefore agree that if you should engage in any such unauthorized or improper use, during or after the period of this franchise, you shall be entitled to both permanent and temporary injunctive relief from any arbitration panel or court of competent jurisdiction in addition to any other remedies prescribed by laws.

B. Additional Actions. The parties agree to execute such other documents and perform such further acts as may be necessary or desirable to carry out the purposes of this Agreement.

C. Heirs, Successors and Assigns. This Agreement shall be binding and inure to the benefit of the parties, their heirs, successors and assigns.

D. Entire Agreement. THE UNDERSIGNED ACKNOWLEDGES THAT THEY, HAVE READ THIS AGREEMENT IN FULL, AND EACH OF THEM HAVE BEEN SUPPLIED WITH A CIRCULAR IN ACCORDANCE TO FEDERAL AND STATE LAW; ARE COGNIZANT OF EACH AND EVERY ONE OF THE TERMS AND PROVISIONS THEREOF AND AGREEABLE THERETO; THAT NO REPRESENTATIONS OR AGREEMENTS, WHETHER ORAL OR WRITTEN, EXCEPT AS HEREINAFTER SET FORTH HAVE BEEN MADE OR RELIED UPON; THAT THE SIGNATURES AFFIXED HERETO WERE AFFIXED AS THE WHOLLY VOLUNTARY ACT OF THE PERSONS WHO SIGNED THIS AGREEMENT; AND THAT THE TERMS AND PROVISIONS OF THIS FRANCHISE AGREEMENT CANNOT BE CHANGED OR MODIFIED UNLESS

IN WRITING SIGNED BY THE AUTHORIZED REPRESENTATIVE OF YOU AND AN AUTHORIZED CORPORATE OFFICER OF US; THAT UNDERSIGNED REALIZES THAT THERE CAN BE NO GUARANTY OF SUCCESS SINCE YOUR BUSINESS ABILITY, APTITUDE AND INDUSTRIOUS DISPOSITION IS PRIMARY IN YOUR SUCCESS.

E. Waiver of Rights. Failure by either party to enforce any rights under this Agreement shall not be construed as waiver of such rights. Any waiver, including waiver of default, in any one instance shall not constitute a continuing waiver or a waiver in any other instance. Any acceptance of money or other performance by us from you shall not constitute a waiver of any default except as to the payment of the particular payment or performance so received.

F. Interest on Past Due Obligations. Any monies past due to us from you shall bear interest at the maximum rate permitted by the state whose law governs this Agreement. The foregoing shall not affect any other right or remedy of us arising from such delinquency.

G. Validity of Parts. Any invalidity of any portion of this Agreement shall not affect the validity of the remaining portion and unless substantial performance of this Agreement is frustrated by any such invalidity, this Agreement shall continue in effect.

H. Effectiveness. The submission of this Agreement does not constitute an offer to franchise and this Agreement shall become effective only upon execution thereof by us and you.

I. Headings and Table of Contents. The headings and Table of Contents used herein are for purposes of convenience only and shall not be used in constructing the provisions hereof. As used herein, the male gender shall include the female and neuter genders, the singular shall include the plural, and the plural, the singular.

J. Execution by Franchisor. This Agreement shall not be binding on us unless and until we shall have been accepted and signed by our authorized officer.

K. Assignment by Franchisor. This Agreement may be assigned in whole or in part by us without your prior approval and such assignment shall not modify or diminish your obligations hereunder.

L. Third Parties. The parties intend to confer no benefit or right on any person or entity not a party to this Agreement and no third party shall have the

right to claim the benefit of any provision hereof as a third party beneficiary of any such provision.

M. Arbitration. Any claim or controversy arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration before a panel of three (3) arbitrators duly licensed to practice law, in accordance with the rules then prevailing of the American Arbitration Association in Los Altos, California or at such American Arbitration Association office closest to the Franchisor's then-current place of business. The parties agree that the arbitrator or arbitrators may grant injunctive relief but no punitive or exemplary damages may be awarded in any dispute against either us or you or any affiliate, agent, officer or director in any arbitration proceeding or otherwise and are hereby waived. The failure of one party to respond to any Demand filed and served by the other party shall constitute a default by the non-responding party and any arbitration award so entered shall be binding. Judgment upon an award by the aforementioned arbitrator(s) filed in a court of competent jurisdiction shall be binding. The parties agree that any allegations regarding fraud or fraud in inducement shall be subject to arbitration and waive any statutory law to the contrary. Each party shall initially pay one-half of the expenses and fees of the neutral arbitrator(s) and other expenses of the arbitration incurred or approved by the neutral arbitrator(s), not including attorney's fees, witness fees or other expenses incurred by one of the parties for its own benefit.

N. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California; however, if this Agreement concerns a center located in a state other than such state and the laws of that state require terms other than those or in addition to those contained herein, then this Agreement shall be deemed modified so as to comply with the appropriate laws of such state, but only to the extent necessary to prevent the invalidity of this Agreement or any provision hereof; the imposition of fines or penalties, or the creation of civil or criminal liability on account thereof. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of the prohibition or unenforceability without invalidating the remaining provisions of this Agreement. Any prohibition against or unenforceability of any provision of this Agreement in any jurisdiction, including the state whose law governs this Agreement, shall not invalidate the provision or render it unenforceable in any other jurisdiction. To the extent permitted by applicable law, you waive any provision of law which renders any provision of this Agreement prohibited or unenforceable in any respect.

XIV. NO PROJECTIONS OR REPRESENTATIONS

You acknowledge and represent that you have not received from us any projections or representations regarding the amount of income it can expect to earn from the franchise granted hereby. You acknowledge that no representations or warranties inconsistent with the offering circular or this agreement were made to induce you to execute this agreement.

You acknowledge that neither we nor any other person can guarantee the success of your business.

By signing this Franchise Agreement, you acknowledge that you have read same and that he or she has been requested to state in writing hereafter any terms, claims, covenants, promises or representations including representations as to any income or gross revenue projections that are not contained in this agreement that were made to you by the Franchisor or its representatives including the persons making same, the location and date. If no such representations, etc., were made, you should write the word "none" on the following line:

XV. ADDITIONAL REPRESENTATIONS

You make the following additional warranties and representations:

A. You are a (check one):

Partnership Corporation Sole Proprietorship

B. If you are a corporation or partnership, there is set forth below the name and address of each shareholder or partner holding an interest in the corporation or partnership as well as the name of the partner or shareholder who will attend training for the purpose of becoming an approved and responsible manager.

NAME	ADDRESS	% INTEREST AND WHETHER SHAREHOLDER OR PARTNER

<p>THE NAME AND ADDRESS OF PERSON WHO HAS BEEN APPROVED BY US AND WHO SHALL BE DIRECTLY RESPONSIBLE FOR SUPERVISING YOUR BUSINESS OPERATIONS IS:</p>	<p>TITLE</p>
	<p>Owner/Counselor</p>

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

Lite For Life Franchise Corporation, Inc.
A California Corporation

By: _____
Christopher Bruno President

FRANCHISEE:

(Signature of Sole Proprietor
if a Sole Proprietorship)

(Signature of a Partner if a
Partnership - all Partners
must sign)

(Signature of any additional
Partner if a Partnership)

(Signature of any additional
Partner if a Partnership)

IF A CORPORATE FRANCHISEE:

Name of Corporation

By: _____

Title and printed name (This line to be used if
a corporate entity is involved)

By: _____

Secretary (To be used if
corporate entity is involved)

SHAREHOLDERS OF FRANCHISEE

(If Corporate Entity is Involved -
all Shareholders must sign and by
signing hereunder agree to be
individually bound by all of the
terms and conditions of this
Agreement)

(SEE EXCLUSIVE TERRITORY MAP ATTACHED HERETO)

SCHEDULE 1

**MAP WITH EXCLUSIVE TERRITORY TO BE
ATTACHED HERE**

SCHEDULE 2

LIST OF INITIAL SUPPLIES PROVIDED BY FRANCHISOR

1. Two scales.
2. Two wooden scale platforms (if applicable).
3. One case of diet supplement.
4. 50 Preparation & Reducing and 25 Stabilization & Maintenance Books.
5. Electronic Copy of all business forms.
6. 1 Business Operations Manual: *All of our manuals are considered confidential trade secrets. This manual is confidential and remains our property. We will modify and upgrade this manual as the occasion warrants but the modification will not alter your status and rights under the Franchise Agreement.*