

arising from or related to the loss of the Proprietary Marks or the System under this Agreement. Nothing contained in this Agreement shall require us to remain in the business of operating or licensing the operation of health travel businesses or to offer any service or product, whether or not bearing the Proprietary Marks, to you, if we exercise any of our rights under this Section 18(a).

(b) By You and Your Controlling Principals.

- (i) Restrictions on Transfer Reasonable. You understand and acknowledge that the rights and duties created by this Agreement are personal to you and that we have entered into this Agreement in reliance on the individual or collective character, skill, aptitude, attitude, business ability and financial capacity of you and your Controlling Principals. Therefore, you recognize that the following restrictions are reasonable and necessary.
- (ii) Assignment and Transfer Prohibited. Except as hereinafter provided, you may not assign this Agreement or any of your rights hereunder or Transfer any interest in the Franchise's assets, and, if you are not a natural person, your Controlling Principals may not Transfer or attempt to Transfer any right or interest in you, without our prior written approval, which approval shall not unreasonably be withheld.
- (iii) Notice of Transfers. If you are not a natural person, you shall furnish to us notice of any proposed Transfer of any interest in you promptly upon learning of such proposed Transfer.
- (iv) Effect of Invalid Assignment or Transfer. Any actual or attempted assignment of this Agreement or Transfer of any of the assets of the Franchised Business or any right or interest in you that violates this Section 18(b) shall not be recognized by us, shall constitute a material event of default hereunder and shall entitle us to terminate this Agreement pursuant to Section 17(b)(vi) hereof.
- (v) Conditions for Approval of Assignment or Transfer. If you and your Controlling Principals are in compliance with this Agreement, we shall not unreasonably withhold our approval of an assignment of this Agreement or a Transfer of any interest in your or your assets; provided, however, we may, in our sole discretion, require any or all of the following as conditions to our approval of any such assignment or Transfer:

(A) The assignee or the transferee and their principals, as the case may be, must meet our then applicable standards for Passport Health franchisees and their principals.

(B) All obligations of you and your Principals and Controlling Principals incurred in connection with this Agreement shall have been assumed by the assignee or the transferee and assumed and guaranteed by their principals, as the case may be.

(C) You or your Controlling Principals or the assignee, the transferee or their principals, as the case may be, shall have paid all amounts owed to us or

our Affiliates which are then due and unpaid.

(D) The assignee, the transferee or their principals, as the case may be, shall have furnished us with information concerning their financial capacity, business experience, interests in other businesses, and other matters we reasonably request.

(E) The lessor or sublessor, if any, of the Franchise Site shall have given all necessary consents for the assignment to the assignee of your interest under the applicable lease.

(F) The assignee, the transferee and their principals, as the case may be, shall have executed our then current standard form of franchise agreement (but, unless we otherwise consent, for a term that extends only for the remaining unexpired term of this Agreement) and all ancillary agreements then used by us in connection with documenting Passport Health Franchises, including but not limited to, in the case of the principals we designate, an assumption of the obligations and liabilities of your Controlling Principals under this Agreement and a joint and several guaranty of your obligations under this Agreement.

(G) You or your Controlling Principals or the assignee, the transferee or their principals, as the case may be, shall have completed or agreed to complete any cleaning, repair, remodeling, upgrading (including the upgrading of equipment and software), painting, or decoration of the Franchise Site we require.

(H) You or your Controlling Principals or the assignee, the transferee or their principals, as the case may be, shall, if required by us, have paid to us a transfer fee reasonably calculated to defray expenses we incur in connection with such assignment or Transfer, which amount shall be equal to the greater of three thousand dollars (\$3,000) or our expenses in connection with the transfer.

(I) You and your Controlling Principals shall have executed a general release, in a form prescribed by us, of any and all claims, of whatever nature or kind, against us and of our Affiliates and any of our and their respective officers, directors, shareholders, partners, employees, servants, representatives, independent contractors and agents, in both their individual and corporate capacities, including, without limitation, claims arising under this Agreement or under federal, state or local laws, rules and ordinances.

(J) If the assignee, the transferee or their principals, as the case may be, already owns one or more Passport Health Franchises, or any interest therein, such individuals or entities shall be in full compliance with their franchise agreements with respect thereto.

(K) Operation of the Franchised Business by the assignee and its principals shall not constitute a breach of any provision of this Agreement or the franchise agreement to be signed by the assignee or its principals or of any law.

(L) You and your Controlling Principals shall have signed an agreement in favor of us and the assignee confirming your or their obligations under Section 14.

(M) You and your Controlling Principals shall have entered into an agreement with us providing that all obligations of the assignee or transferee to make installment payments of the purchase price or interest thereon to you or to any of your Principals shall be subordinate to the obligations of the assignee or transferee or its principals, to comply with all of its obligations to us and our Affiliates.

(N) You and each of your Controlling Principals and the assignee, transferee and their principals, as the case may be, shall have satisfied any and all other conditions as we may reasonably determine from time to time.

(c) Your Death or Disability. Upon your death or permanent disability or, if you are not a natural person, upon the death or permanent disability of any of your Controlling Principals (if the Controlling Principal is a natural person), the executor, administrator, conservator, or other personal representative of you or such person shall assign your rights under this Agreement or Transfer such person's rights and interests in you to a third party we approve within a reasonable time, not to exceed one hundred eighty (180) days from the date of death or permanent disability. For purposes hereof, the term "permanent disability" shall mean any physical, emotional or mental injury, illness or incapacity which would prevent a person from performing the obligations set forth in this Agreement for at least ninety (90) consecutive days and from which condition recovery within ninety (90) days from the date of determination of disability is unlikely. Permanent disability shall be determined upon examination of the person by a licensed practicing physician selected by us, or if the person refuses to submit to an examination, then such person shall be automatically deemed permanently disabled as of the date of such refusal for purposes of this Section 18(c). Cost of any examination required by this Section 18(c) shall be paid by us. Any assignments or Transfers effected pursuant to this subsection (c) shall comply in all respects with the conditions set forth in subsection (b) above.

(d) Assignment or Transfer for Convenience of Ownership. Notwithstanding the foregoing, if you request our consent to assign this Agreement or Transfer any right or interest in you to a corporation or other entity formed solely for the convenience of ownership, we shall not require you to satisfy the conditions of Sections 18(b)(v)(D), (F), (G), (H), and (I). As a condition to any such assignment or Transfer, however, we shall require you, or if you are not a natural person, each of your Principals, to maintain the same percentage control over the entity to which the assignment or Transfer was made as you and your Principals owned in the Franchise prior to the assignment or Transfer.

(e) Effect of Consent to Transfer. Our consent to an assignment of this Agreement or a Transfer of an interest in you shall not constitute a waiver of any claims we may have against the assignor or transferor, nor shall it be deemed a waiver of our right to demand exact compliance with any of the terms or conditions of this Agreement following such assignment or Transfer.

19. RIGHT TO TERMINATE THIS AGREEMENT.

(a) Automatic. You shall be in material default under this Agreement, and this Agreement shall automatically terminate without notice to you, if:

- (i) an order, judgment or decree is entered by any court of competent jurisdiction approving a petition appointing a trustee, receiver or liquidator of all or a substantial part of your assets;
- (ii) you are adjudicated as bankrupt or an order for relief for your benefit under any bankruptcy or debtor relief laws is entered;
- (iii) you make or attempt to make an assignment for the benefit of creditors;
- (iv) you become insolvent or make a general assignment for the benefit of creditors;
- (v) a final judgment against you remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed);
- (vi) execution is levied against your business or property or your assets are sold after levy by any sheriff, marshal or constable; or
- (vii) suit to foreclose any lien against your assets is instituted and not dismissed within thirty (30) days.

(b) With Notice From Us. You shall be in material default under this Agreement (except with respect to a termination pursuant to Section 19(b)(viii)) and we shall have the right to terminate this Agreement, effective upon delivery of notice of termination to you, if:

- (i) you fail to obtain the right to occupy the Franchise Sites within the time period provided in Section 4(b) and the Development Schedule, or any extensions thereof granted by us in writing; you fail to obtain, all of the permits, licenses and certifications required to commence operation of the Franchised Business within the time period provided in Section 4(f); you fail to have the Franchised Business or any Franchise Site ready to open for business in the ordinary course within the time period provided in Section 6(a) and the Development Schedule or any extensions thereof granted by us in writing; following receipt from us of authorization to open the Franchised Business, you fail to open any Franchise Site within the time period specified in Section 6(a) and the Development Schedule; you fail to obtain or cause each of your employees to obtain all of the professional licenses, permits and certifications necessary for the operation of the Franchised Business prior to the opening of the Franchised Business to the public for business as specified in Section 6(b)(vi);
- (ii) you are legally unable to carry on the Franchised Business operations in the ordinary course, including by reason of failure to maintain any permits, licenses and certifications, other than those specified in Section 19(b)(i) above, material to its operation, including a license to dispense vaccines, or by reason of the suspension of rights under any such permit, license or certification;
- (iii) you abandon or fail actively to operate the Franchised Business at any of the Franchise Sites for ten (10) consecutive days, ninety (90) consecutive

days if the Franchised Business is closed due to fire, damage, destruction or an act of God, unless the Franchised Business has been closed for a purpose approved by us, or we have agreed in writing to permit you to relocate the Franchise Site, and you do so within the time period agreed upon;

- (iv) you or any of your Controlling Principals is convicted of or pleads guilty or nolo contendere to a felony, a crime involving moral turpitude, or any other crime or offense that is reasonably likely, in our sole judgment, to affect adversely the Franchised Business, the System, the Proprietary Marks, the goodwill associated with the System or the Proprietary Marks, or our rights in any of the foregoing;
- (v) you or any of your Controlling Principals have made any material misrepresentation or omission in connection with your acquisition of your Passport Health Franchise or in any information or report provided to us during the term of this Agreement;
- (vi) you or any of your Controlling Principals violate Sections 14 (except for Section 14(d), with respect to a violation of which you shall be entitled to a cure period under Section 19(c) below) or 18 of this Agreement or otherwise materially impair the goodwill associated with the Proprietary Marks;
- (vii) you, or any of your Controlling Principals fail, on three or more separate occasions within any period of twelve consecutive months, to comply with this Agreement, whether or not such failures to comply (A) arise out of or in connection with the same or different circumstances, or (B) are corrected after notice thereof is delivered to you or them; or
- (viii) any provision of this Agreement relating to (A) the payment of the Royalty Fee, (B) the generally binding effect of standards, policies and procedures set forth in the Manual or otherwise, or (C) the obligations of you and your Controlling Principals under Section 14 is declared or made invalid or unenforceable by legislation, arbitration, or court action.

(c) With Notice From Us and Opportunity to Cure. You shall be in default under this Agreement and we shall have the right to terminate this Agreement without further notice if you fail to comply with any of your obligations hereunder or under any other agreement between you and us or any of our Affiliates (other than those described in Sections 19(a) or (b)), if such failure is not cured within thirty (30) days, (ten (10) days in the case of payment defaults, and seventy-two (72) hours, in the case of a failure or refusal to comply with any standards, policies and procedures set forth in the Manual involving cleanliness or sanitation of the Franchised Business or compliance with applicable health, safety, and sanitation laws) after receipt from us of a notice of such failure. However, you may avoid termination by immediately initiating a remedy to cure such default and curing it to our satisfaction within the applicable period and by promptly providing proof thereof to us. If the cure cannot be completed within the applicable period, you must initiate the cure and be using all commercially reasonable efforts to cure within the required time period (or a longer time period to which we expressly consent in writing). If any such default is not cured within the specified time, or such longer period as applicable law may require, we may terminate this Agreement without further notice to you effective

immediately upon the expiration of the required cure-period or such longer period as applicable law may require.

(d) Provisional Remedies. Upon your default under Sections 19(b) or (c), we have the option, in our sole discretion, in addition to, or instead of, exercising our right to terminate this Agreement as provided in Sections 19(b) and (c), to do any one or more of the following:

- (i) terminate or modify any territorial rights granted to you in Section 5(b);
- (ii) reduce the area of such territorial rights;
- (iii) reduce the number of Franchise Sites which you may establish pursuant to Development Schedule;
- (iv) with respect to Section 19(b)(i), permit Developer to obtain an extension of the Development Schedule under Section 4; and/or
- (v) pursue any other remedy we may have at law or in equity.

20. OUR AND YOUR RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT.

(a) Payment of Amounts Owed to Us and Reports. You agree to pay us and our Affiliates within ten (10) days after the effective date of termination or expiration of this Agreement, or such later date that the amounts due to us or our Affiliates are determined, all amounts due to us and our Affiliates and any interest due thereon. In order to determine such amounts, you shall promptly deliver to us all information required to be delivered with respect to periods through the date of termination or expiration, which obligation shall survive such termination or expiration. If such termination was based on a default by you, you shall pay all damages, costs, and expenses, including reasonable attorneys' fees, incurred by us as a result of such default.

(b) Proprietary Marks. Unless we notify you otherwise, you agree that, from the date of and after the termination or expiration of this Agreement, you shall:

- (i) not directly or indirectly at any time or in any manner identify yourself or any business as a current or former Passport Health franchisee, use any Proprietary Mark or any colorable imitation thereof in any manner or for any purpose or utilize for any purpose any trade name, trademark or service mark, or other commercial symbol that suggests or indicates a connection or association with us or our Affiliates;
- (ii) return to us at your expense all signs, catalogues, advertising materials, forms, invoices, letterhead and other items in your possession containing any Proprietary Mark (other than Private Label Supplies) or otherwise identifying or relating to the System and allow us, without liability, to remove all such items from the Franchise Site;
- (iii) return to us upon request any Private Label Supplies in your possession; provided, however, we shall pay you either your cost or fair market value (as determined in accordance with Section 20(f) hereof), whichever is less,

for any Private Label Supplies returned to us, and provided further that if we do not request you to return to us the Private Label Supplies in your possession, you may continue to dispense such Private Label Supplies as part of your inventory, but you shall not be entitled to replenish such inventory, and any orders for additional Private Label Supplies that have not been filled prior to the termination or expiration of this Agreement shall automatically be canceled;

- (iv) take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Proprietary Mark; and
- (v) furnish us, within thirty (30) days after the effective date of termination or expiration, evidence satisfactory to us of your compliance with the foregoing obligations as well as the obligations set forth in Sections 20(d) and (e) below.

(c) Remedy. You acknowledge and agree that we shall suffer irreparable harm and that monetary damages shall be inadequate to compensate us for any breach of the terms of Section 20(c). Accordingly, you agree that we shall be entitled to injunctive relief for any breach or threatened breach of such Section in addition to all other remedies to which we may be entitled. In addition, if you fail, refuse, or neglect to comply with the provisions of Section 20(c), we have the right to enter the Franchise Site without being guilty of trespass or any other tort and to cause the actions required by this Section to be taken at your expense, which you shall pay on demand. Furthermore, you agree that our damages resulting from your failure to comply with the provisions of Section 20(c) are difficult to estimate or determine accurately. Therefore, if you breach such Section, you shall pay to us five hundred dollars (\$500) per day beginning on the 31st day after this Agreement is terminated or expires, in addition to any Royalty Fees, advertising contributions and other amounts due under the Franchise Agreement based on your continued use of the Proprietary Marks and System. This amount is agreed by you and us to be reasonably representative of the actual damage we shall sustain as a result of such breach and shall be paid as liquidated damages and not as a penalty. Our right to specific performance and injunctive relief to prohibit your continued breach shall not be impaired by the fact that such liquidated damages provision has been included in this Agreement.

(d) The Software. If we license you any Software, you agree that, upon termination or expiration of this Agreement, you shall promptly deliver to us all copies of the Software in your possession, together with any and all modifications, updates, improvements or enhancements thereof, additions thereto or replacements therefor, and including all associated intellectual property rights with respect thereto and manuals, instructional materials and other documentation relating to the Software and its performance, characteristics and capabilities.

(e) The Manual. You agree that, upon termination or expiration of this Agreement, you shall promptly deliver all documents, memoranda, records, notes and other materials in your possession or the possession of your owners or employees, whether prepared by you or others, and all copies thereof, that contain any Confidential Information, including but not limited to all copies of the Manual that we have provided to you, and neither you nor your Principals or employees shall have any rights therein.

(f) Acquisition of Franchise Property. We shall have the option, which we may exercise by providing written notice to you within thirty (30) days after termination or expiration of this Agreement, to purchase from you any or all of your furnishings, equipment, signs, fixtures, supplies or inventory related to the operation of the Franchise (other than any such items that contain any Proprietary Marks and are returned to us pursuant to Section 20(c)(ii) and (iii) above), at your cost or fair market value, whichever is less. We shall not be required to assume any liabilities with respect thereto. If the parties cannot agree on a fair market value within thirty (30) days from the date of our notice to exercise our option, an independent appraiser shall be designated by each party, and the two independent appraisers shall select a third independent appraiser. The determination of fair market value by the majority of the appraisers shall be binding. At closing, you shall deliver to us in a form satisfactory to us, such bills of sale, assignments, releases of liens and such other documents and instruments which we deem reasonably necessary to perfect our title and possession in and to the assets being purchased and to certify that the requirements of all taxing and other governmental authorities have been satisfied. If at the time of closing you have not obtained all of these certificates and other documents, we may, in our sole discretion, place the purchase price in escrow pending the issuance of any required certificates or documents. The time and place for the closing of the purchase and sale of such assets shall be a date not later than thirty (30) days after the purchase price is determined by the parties or the appraisers, whichever is later, at our corporate offices, unless the parties mutually agree to designate another date or place. At closing, we shall have the right to set off all amounts owed by you to us and our Affiliates, and the cost of the appraisal, if any, and the cost incurred in connection with any escrow arrangement (including reasonable legal fees) against any payment for the assets, and shall pay the remaining amount in cash.

(g) Continuing Obligations. All of the obligations and rights set forth in this Section survive the expiration or termination of this Agreement.

21. INDEPENDENT CONTRACTOR.

(a) Independent Contractor. It is understood and agreed by us and you that this Agreement does not create a fiduciary relationship between us and you, that we and you are and shall be independent contractors, and that nothing in this Agreement is intended to make either us or you a general or special agent, joint venturer, partner or employee of the other for any purpose.

(b) Actions to Limit Liability. You shall conspicuously identify yourself in all building directories, public records, dealings with patients, contractors, suppliers, public officials, and others as the owner of the Franchised Business under a license with us and shall place such other notices of independent ownership in a conspicuous place in the Franchise Site, on each motor vehicle used in the operation of the Franchised Business and on such forms, business cards, stationery, advertising materials and other materials as we may require from time to time. Neither we nor you shall make any express or implied agreements, warranties, or representations, or incur any debt, in the name or on behalf of the other or represent that our relationship is other than that of licensor and licensee.

(c) Limits on Liability. Neither you nor we shall be obligated by or have any liability under any agreements or representations made by the other that are not expressly authorized under this Agreement, nor shall we or our Affiliates be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business, whether caused by your negligent or willful action, failure to act, or otherwise.

22. **ACKNOWLEDGMENTS AND REPRESENTATIONS.** You, as an inducement to us to enter into this Agreement, acknowledge and represent to us that:

(a) Documents Read. You have had ample time to read, and have read, this Agreement and you fully understand and accept the terms, conditions, and covenants contained in this Agreement as being reasonably necessary to maintain our standards of quality and service and the uniformity of those standards at all Passport Health Franchises using the System and to protect and preserve the goodwill of the Proprietary Marks.

(b) Independent Investigation; Advisors. You and your Controlling Principals have conducted an independent investigation of the business contemplated by this Agreement and recognize that the business involves significant risks, that the business may evolve and change over time, and that the success of the business is largely dependent upon your business abilities. You have had an adequate opportunity to be advised by advisors of your own choosing regarding all pertinent aspects of this Agreement.

(c) No Other Financial Representations. You acknowledge that no statements or claims regarding the potential or probable revenues or profits of the Franchised Business have been made to you.

(d) No Other Representations by Us. You have no knowledge of any representations or promises relating to the Proprietary Marks or the System made by us or any of our Affiliates or by any of our or their respective officers, directors, shareholders, partners, employees, representatives, independent contractors or agents that are contrary to the terms of this Agreement or the statements made in the Offering Circular delivered to you prior to the execution of this Agreement.

(e) Our Actions in Representative Capacity. In all of their dealings with you, our Affiliates and our and their respective officers, directors, shareholders, partners, employees, representatives, independent contractors and agents have acted and shall act only in a representative capacity and not in an individual capacity and this Agreement and all business dealings between you and such individuals as a result of this Agreement are solely between you and us.

(f) No Misrepresentations by You. In your communications with us, you have made no incorrect statement or failed to make any statement that would be necessary to make the statements made by you not misleading.

(g) Organization and Due Authorization.

(i) If you are not a natural person: (A) you are duly organized and validly existing under the laws of the state of your formation; (B) you are duly qualified and authorized to do business in each jurisdiction in which the

nature of your business activities or the properties owned by you require such qualification; (C) you have the power and authority under your organizational documents to enter into this Agreement and to discharge your duties and responsibilities hereunder; (D) the execution of this Agreement by you and consummation of the transactions contemplated herein have been duly authorized and approved by all necessary actions on the part of your Principals; and (E) neither your execution and delivery of this Agreement nor your performance of your obligations hereunder violates any of the documents governing your organization or any agreement, instrument, or court or government order or decree to which you are a party or by which you are bound or any law.

- (ii) If you are a corporation, copies of your Articles of Incorporation, Bylaws, other governing documents, any amendments thereto, resolutions of the Board of Directors authorizing entry into and performance of this Agreement, and any certificates, buy-sell agreements or other documents restricting the sale or transfer of stock of the corporation, and any other documents as may be reasonably required by us shall have been furnished to us prior to the execution of this Agreement; or, if you are a partnership, copies of your written partnership agreement, any buy-sell agreements or other documents restricting the sale or transfer of interests in the partnership, and any other governing documents and any amendments thereto shall be furnished to us prior to the execution of this Agreement, including evidence of consent or approval of the entry into and performance of this Agreement by the requisite number or percentage of partners, if such approval or consent is required by your written partnership agreement.
- (iii) If you are a corporation or partnership, the ownership interests in you are accurately and completely described in Attachment C. Further, if you are a corporation, you shall maintain at all times a current list of all owners of record and all beneficial owners of any class of voting securities in you or, if you are a partnership, you shall maintain at all times a current list of all owners of an interest in the partnership. You shall immediately provide a copy of the updated list to us upon the occurrence of any change of ownership, and otherwise shall make its list of owners available to us upon request.
- (iv) If you are a corporation, you shall maintain stop-transfer instructions against the transfer on its records of any of its equity securities and each stock certificate representing stock of the corporation shall have conspicuously endorsed upon it a statement in a form satisfactory to us that it is held subject to all restrictions imposed upon assignments by this Agreement; provided, however, that the requirements of this Section shall not apply to the transfer of equity securities of a publicly-held corporation (as defined in Section 1). If you are a partnership, its written partnership agreement shall provide that ownership of an interest in the partnership is held subject to all restrictions imposed upon assignments by this Agreement.

- (v) You have provided us with the most recent financial statements of yours. Such financial statements present fairly the financial position of you at the dates indicated therein and the results of its operations and its cash flow for the years then ended. You agree that it shall maintain at all times, during the term of this Agreement, sufficient working capital to fulfill its obligations under this Agreement. Each of the financial statements mentioned above shall be certified as true, complete and correct by your Treasurer or Chief Financial Officer, and shall have been prepared in conformity with generally accepted accounting principles applicable to the respective periods involved and, except as expressly described in the applicable notes, applied on a consistent basis. No material liabilities, adverse claims, commitments or obligations of any nature exist as of the date of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise, which are not reflected as liabilities on the financial statements of you.
- (vi) If, after the execution of this Agreement, any person ceases to qualify as one of your Principals (defined in Section 1.) or if any individual succeeds to or otherwise comes to occupy a position which would, upon designation by us, qualify him as one of your Principals, you shall notify us within five (5) days after any such change and, upon designation of such person by us as one of your Principals or as a Controlling Principal, as the case may be, such person shall execute such documents and instruments (including, as applicable, this Agreement) as may be required by us to be executed by others in such positions.
- (vii) You and the Controlling Principals acknowledge and agree that the representations, warranties and covenants set forth above in Section 22(a)-(g) are continuing obligations of you and the Controlling Principals, as applicable, and that any failure to comply with such representations, warranties and covenants shall constitute a material event of default under this Agreement. You shall cooperate with us in any efforts made by us to verify compliance with such representations, warranties and covenants.

(h) Principals. The individuals and entities listed as Principals in Attachment C constitute all of your Principals as that term is defined herein.

(i) You and your Controlling Principals represent, covenant and warrant to us that neither you, your Controlling Principals nor any of their respective owners is identified, either by name or an alias, pseudonym or nickname, on the lists of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts available at www.treas.gov/offices/enforcement/ofac/). Further, you and your Controlling Principals represent, covenant and warrant that neither have violated and agree that they shall not violate any law (in effect now or which may become effective in the future) prohibiting corrupt business practices, money laundering or the aid or support of persons or entities who conspire to commit acts of terror against any person or government, including acts prohibited by the U.S. Patriot Act (text available at <http://www.epic.org/privacy/terrorism/hr3162.html>), U.S. Executive Order 13224 (text available at <http://treas.gov/offices/enforcement/ofac/sanctions/terrorism.html>), or similar law. The foregoing constitute continuing representations and warranties, and you and your Controlling

Principals shall notify us immediately in writing of the occurrence of any event or the development of any circumstance that might render the foregoing representation and warranty false, inaccurate or misleading.

23. MISCELLANEOUS.

(a) Severability. Except as otherwise provided in Section 19(b)(viii), if any provision of this Agreement is unenforceable under applicable law, such provision shall be fully severable, this Agreement shall be construed and enforced as if such unenforceable provision had never comprised a part of this Agreement (or had ceased to comprise a part of this Agreement at such later date as we may specify), and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of each such unenforceable provision, there shall be added automatically as a part of this Agreement a provision as similar in terms to such unenforceable provision as may be possible and be enforceable.

(b) Waiver of Obligation; Force Majeure. No failure by any party to this Agreement to take action on account of any default by any other party, whether in a single instance or repeatedly, shall constitute a waiver of any such default or the performance required of such other party. Except as otherwise provided pursuant to Section 19(b)(iii), neither we nor you shall be liable for loss or damage or deemed to be in breach of this Agreement if the failure to perform our or your obligations results from: transportation shortages, inadequate supply of equipment, merchandise, supplies, labor, material or energy, or the voluntary foregoing of the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state, or municipal government or any department or agency thereof; compliance with any law; or acts of God. Any delay resulting from any of said causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that said causes shall not excuse payments of amounts owed at the time of such occurrence or payment of fees and all other amounts due to us and our Affiliates thereafter.

(c) Indemnification. You and each of your Controlling Principals agree to indemnify, defend and hold us and each of our Affiliates and our and their respective officers, directors, shareholders, partners, employees, representatives, independent contractors and agents, and any of their successors and assignees, harmless from and against any expenses or claims arising directly or indirectly out of, as a result of, or otherwise in connection with, the operation of the Franchise, including any acts, errors, or omissions by you, any of your Affiliates, any of your Controlling Principals and any of the officers, directors, shareholders, partners, agents, independent contractors, servants, employees and representatives of you and your Affiliates in connection with the establishment and operation of the Franchised Business, including, but not limited to any acts, errors, or omissions of any of the foregoing in the operation of any motor vehicle. For purposes of this indemnification, the term "expenses or claims" shall mean and include (i) all losses, obligations, expenses, actual and consequential damages, taxes, and costs reasonably incurred in preparing for, defending, or settling any demand, any investigation, suit, action, claim, inquiry, or proceeding, whether or not a formal inquiry, proceeding, or investigation had been commenced; and (ii) reasonable accountants', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and costs of travel, lodging, meals and wages. You shall give us immediate notice of any demand, litigation, inquiry, action, suit, proceeding, or claim. We at our sole option shall have the right, at your expense, to defend, or associate counsel of our choosing with respect to the defense of,

any such liability or claim in which either we or you or both you and we are named as defendants, or reasonably expected to be named, and we shall not be obligated to mitigate losses. Our conduct of the defense shall not diminish your obligation to indemnify us under this Agreement. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

(d) Binding Effect. This Agreement is binding upon us and you and our and your respective executors, administrators, heirs, authorized assigns, and successors in interest and may not, except as otherwise expressly provided in this Agreement, be modified except by an agreement signed by both us and you.

(e) Injunctive Relief. Nothing contained in this Agreement shall bar us or you from obtaining restraining orders and preliminary injunctive relief against threatened or actual conduct that would cause us or you irreparable loss or damages. We and you agree that either of us may have such injunctive relief without bond, in addition to any further and other relief as may be available at equity or law, and the sole remedy of the enjoined party, in the event of the entry of an injunction, shall be the dissolution of the injunction, if warranted, after a hearing is held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived by this Agreement).

(f) MEDIATION AND ARBITRATION.

(i) Mediation.

THE PARTIES (WHICH HEREAFTER INCLUDES ALL CONTROLLING PRINCIPALS) AGREE TO SUBMIT ANY CLAIM, CONTROVERSY OR DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT (INCLUDING THE ATTACHMENTS HERETO) OR THE RELATIONSHIP CREATED BY THIS AGREEMENT TO NON-BINDING MEDIATION PRIOR TO REFERRING SUCH MATTER TO ARBITRATION AS PROVIDED HEREIN OR FILING SUCH CLAIM, CONTROVERSY OR DISPUTE IN A COURT OR OTHER TRIBUNAL. THE MEDIATION SHALL BE CONDUCTED THROUGH EITHER AN INDIVIDUAL MEDIATOR OR A MEDIATOR APPOINTED BY A MEDIATION SERVICES ORGANIZATION OR BODY HAVING EXPERIENCE IN THE MEDIATION OF DISPUTES BETWEEN FRANCHISORS AND FRANCHISEES AGREED UPON BY THE PARTIES, OR, FAILING SUCH AGREEMENT WITHIN FIFTEEN (15) DAYS AFTER EITHER PARTY HAS NOTIFIED THE OTHER OF ITS DESIRE TO SEEK MEDIATION, THROUGH THE AMERICAN ARBITRATION ASSOCIATION IN ACCORDANCE WITH ITS RULES GOVERNING MEDIATION. THE MEDIATION SHALL BE HELD AT THE OFFICE OF THE MEDIATOR CLOSEST TO YOUR ASSIGNED AREA, OR IF THAT LOCATION IS NOT ACCEPTABLE TO THE PARTIES, SUCH OTHER LOCATION THE PARTIES MUTUALLY AGREE UPON. THE COSTS AND EXPENSES OF MEDIATION, INCLUDING COMPENSATION AND EXPENSES OF THE MEDIATION INCLUDING COSTS OF MEDIATOR, SHALL BE BORNE BY THE PARTIES EQUALLY (EXCEPT EACH PARTY SHALL BE RESPONSIBLE FOR ITS OWN ATTORNEY'S FEES). IF THE PARTIES

ARE UNABLE TO RESOLVE THE CLAIM, CONTROVERSY OR DISPUTE WITHIN NINETY (90) DAYS AFTER THE MEDIATOR HAS BEEN APPOINTED, THEN THE DISPUTE SHALL BE REFERRED TO ARBITRATION UNDER SECTION 23(f)(ii) BELOW, UNLESS THE CLAIM, CONTROVERSY OR DISPUTE IS EXCLUDED FROM ARBITRATION UNDER SECTION 23(f)(ii)(C) BELOW. NOTWITHSTANDING THE FOREGOING, THE PARTIES MAY BRING AN ACTION (A) FOR MONIES OWED, (B) FOR INJUNCTIVE OR OTHER EXTRAORDINARY RELIEF, OR (C) INVOLVING THE POSSESSION OR DISPOSITION OF, OR OTHER RELIEF RELATING TO, REAL PROPERTY IN A COURT HAVING JURISDICTION AND IN ACCORDANCE WITH SECTION 23(f)(iii) BELOW, WITHOUT SUBMITTING SUCH ACTION TO MEDIATION.

(ii) Arbitration.

(A) EXCEPT AS PROVIDED IN THIS AGREEMENT, THE PARTIES AGREE THAT ANY CLAIM, CONTROVERSY OR DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT (INCLUDING THE ATTACHMENTS HERETO) OR THE RELATIONSHIP CREATED BY THIS AGREEMENT (AND ANY AMENDMENTS THERETO) INCLUDING, BUT NOT LIMITED TO, ANY CLAIM BY YOU, OR ANY OF THE CONTROLLING PRINCIPALS, OR PERSONS CLAIMING ON BEHALF OF YOU OR THE CONTROLLING PRINCIPALS, CONCERNING THE ENTRY INTO, THE PERFORMANCE UNDER OR THE TERMINATION OF THE AGREEMENT, OR ANY OTHER AGREEMENT BETWEEN US, OR OUR AFFILIATES, AND YOU, ANY CLAIM AGAINST A PAST OR PRESENT OFFICER, DIRECTOR, EMPLOYEE OR AGENT OF OURS, INCLUDING THOSE OCCURRING SUBSEQUENT TO THE TERMINATION OF THIS AGREEMENT, THAT CANNOT BE AMICABLY SETTLED AMONG THE PARTIES OR THROUGH MEDIATION SHALL, EXCEPT AS SPECIFICALLY SET FORTH HEREIN AND IN SECTION 23(f)(ii)(C), BE REFERRED TO ARBITRATION. THE ARBITRATION SHALL BE CONDUCTED THROUGH AN ORGANIZATION OR BODY EXPERIENCED IN THE ARBITRATION OF DISPUTES BETWEEN FRANCHISORS AND FRANCHISEES AGREED UPON BY THE PARTIES, AND FAILING SUCH AGREEMENT WITHIN A REASONABLE TIME AFTER THE DISPUTE HAS BEEN REFERRED FOR ARBITRATION (NOT TO EXCEED FIFTEEN (15) DAYS), SUCH ARBITRATION SHALL BE CONDUCTED BY THE AMERICAN ARBITRATION ASSOCIATION IN ACCORDANCE WITH THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION, AS AMENDED, EXCEPT THAT THE ARBITRATOR SHALL APPLY THE FEDERAL RULES OF EVIDENCE IN CONDUCTING THE HEARING SESSIONS. IF SUCH RULES ARE IN ANY WAY CONTRARY TO OR IN CONFLICT WITH THIS AGREEMENT, THE TERMS OF THE AGREEMENT SHALL CONTROL. ONLY CLAIMS, CONTROVERSIES OR DISPUTES INVOLVING YOU, AND NO CLAIMS FOR OR ON BEHALF OF ANY OTHER INDIVIDUAL,

**ENTITY, CLASS, OR ASSOCIATION MAY BE BROUGHT
HEREUNDER.**

(B) THE PARTIES SHALL AGREE ON THE ARBITRATOR. IF THE PARTIES CANNOT AGREE ON A SINGLE ARBITRATOR WITHIN FIFTEEN (15) DAYS OF THE DATE OF FILING OF THE DEMAND FOR ARBITRATION, THE PARTIES SHALL EACH SELECT ONE ARBITRATOR. IF THE PARTY UPON WHOM THE DEMAND FOR ARBITRATION IS SERVED FAILS TO SELECT AN ARBITRATOR WITHIN FIFTEEN (15) DAYS AFTER THE RECEIPT OF THE DEMAND FOR ARBITRATION, THEN THE ARBITRATOR SO DESIGNATED BY THE PARTY REQUESTING ARBITRATION SHALL ACT AS THE SOLE ARBITRATOR TO RESOLVE THE CONTROVERSY AT HAND. THE TWO ARBITRATORS DESIGNATED BY THE PARTIES SHALL SELECT A THIRD ARBITRATOR. IF THE TWO ARBITRATORS DESIGNATED BY THE PARTIES FAIL TO SELECT A THIRD ARBITRATOR WITHIN FIFTEEN (15) DAYS, THE THIRD ARBITRATOR SHALL BE SELECTED BY THE ORGANIZATION CHOSEN OR THE AMERICAN ARBITRATION ASSOCIATION (AS APPLICABLE) OR ANY SUCCESSOR THERETO, UPON APPLICATION BY EITHER PARTY. ALL OF THE ARBITRATORS SHALL BE EXPERIENCED IN THE ARBITRATION OF DISPUTES BETWEEN FRANCHISORS AND FRANCHISEES. THE ARBITRATION SHALL TAKE PLACE AT OUR CORPORATE OFFICES IN MARYLAND OR SUCH OTHER LOCATION THE PARTIES MUTUALLY AGREE UPON. THE AWARD OF THE ARBITRATORS SHALL BE FINAL AND JUDGMENT UPON THE AWARD RENDERED IN ARBITRATION MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. THE ARBITRATORS SHALL BE REQUIRED TO SUBMIT WRITTEN FINDINGS OF FACT AND CONCLUSIONS OF LAW WITHIN THIRTY (30) BUSINESS DAYS FOLLOWING THE FINAL HEARING SESSION OF THE ARBITRATION. THE COSTS AND EXPENSES OF ARBITRATION, INCLUDING COMPENSATION AND EXPENSES OF THE ARBITRATORS, SHALL BE BORNE BY THE PARTIES AS THE ARBITRATORS DETERMINE.

**(C) NOTWITHSTANDING THE ABOVE, THE FOLLOWING
SHALL NOT BE SUBJECT TO ARBITRATION:**

**(1) DISPUTES AND CONTROVERSIES ARISING
FROM THE SHERMAN ACT, THE CLAYTON ACT OR ANY OTHER
FEDERAL OR STATE ANTITRUST LAW;**

**(2) DISPUTES AND CONTROVERSIES BASED UPON
OR ARISING UNDER THE LANHAM ACT, AS NOW OR HEREAFTER
AMENDED, RELATING TO OWNERSHIP OR VALIDITY OF THE
PROPRIETARY MARKS; AND**

**(3) DISPUTES AND CONTROVERSIES BASED UPON
THE NONPAYMENT OF MONEY BY YOU HEREIN, UNLESS WE, AT**

OUR OPTION, ELECT TO SUBMIT SUCH MATTER TO ARBITRATION.

(D) IF WE SHALL DESIRE TO SEEK SPECIFIC PERFORMANCE OR OTHER EXTRAORDINARY RELIEF INCLUDING, BUT NOT LIMITED TO, INJUNCTIVE RELIEF UNDER THIS AGREEMENT THEN ANY SUCH ACTION SHALL NOT BE SUBJECT TO ARBITRATION AND WE SHALL HAVE THE RIGHT TO BRING SUCH ACTION AS DESCRIBED IN SECTION 23(f)(iii).

(E) IN PROCEEDING WITH ARBITRATION AND IN MAKING DETERMINATIONS HEREUNDER, THE ARBITRATORS SHALL NOT EXTEND, MODIFY OR SUSPEND ANY TERMS OF THIS AGREEMENT OR THE REASONABLE STANDARDS OF BUSINESS PERFORMANCE AND OPERATION ESTABLISHED BY US IN GOOD FAITH. NOTICE OF OR REQUEST TO OR DEMAND FOR ARBITRATION SHALL NOT STAY, POSTPONE OR RESCIND THE EFFECTIVENESS OF ANY TERMINATION OF THIS AGREEMENT.

(iii) Litigation.

(A) EXCEPT AS STATED ABOVE, WITH RESPECT TO ALL CLAIMS SET FORTH ABOVE IN SECTION 23(f)(ii)(C) AND (D) OR WHICH, AS A MATTER OF LAW OR PUBLIC POLICY CANNOT BE SUBMITTED TO ARBITRATION, YOU AND EACH OF YOUR CONTROLLING PRINCIPALS HEREBY IRREVOCABLY SUBMIT YOURSELF AND THEMSELVES TO THE JURISDICTION OF THE STATE COURTS OF ANNE ARUNDEL COUNTY, MARYLAND AND THE FEDERAL DISTRICT COURT FOR THE DISTRICT OF MARYLAND, NORTHERN DIVISION. YOU AND EACH OF YOUR CONTROLLING PRINCIPALS HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. YOU AND EACH OF YOUR CONTROLLING PRINCIPALS HEREBY IRREVOCABLY AGREE THAT SERVICE OF PROCESS MAY BE MADE UPON YOU AND THEM IN ANY LEGAL PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY MARYLAND OR FEDERAL LAW. VENUE FOR ANY LEGAL PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE ANNE ARUNDEL COUNTY, MARYLAND; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION (1) FOR MONIES OWED, (2) FOR INJUNCTIVE OR OTHER EXTRAORDINARY RELIEF OR (3) INVOLVING POSSESSION OR DISPOSITION OF, OR OTHER RELIEF RELATING TO, REAL PROPERTY, THE PARTIES MAY BRING SUCH ACTION IN ANY STATE OR FEDERAL DISTRICT COURT WHICH HAS JURISDICTION.

(B) WITH RESPECT TO ALL CLAIMS, CONTROVERSIES, DISPUTES, OR ACTIONS, THIS AGREEMENT SHALL BE

INTERPRETED AND GOVERNED UNDER MARYLAND LAW (EXCEPT WITH REGARD TO MARYLAND CHOICE OF LAW RULES).

(iv) Uniform Interpretation.

YOU, THE CONTROLLING PRINCIPALS AND US ACKNOWLEDGE THAT EACH PARTY'S AGREEMENT REGARDING APPLICABLE STATE LAW AND FORUM SET FORTH IN SECTION 23(f)(iii) ABOVE PROVIDE EACH OF THE PARTIES WITH THE MUTUAL BENEFIT OF UNIFORM INTERPRETATION OF THIS AGREEMENT AND ANY DISPUTE ARISING OUT OF THIS AGREEMENT OR THE PARTIES' RELATIONSHIP CREATED BY THIS AGREEMENT. EACH OF YOU, THE CONTROLLING PRINCIPALS AND US FURTHER ACKNOWLEDGES THE RECEIPT AND SUFFICIENCY OF MUTUAL CONSIDERATION FOR SUCH BENEFIT.

(v) Place of Performance.

YOU, THE CONTROLLING PRINCIPALS AND US ACKNOWLEDGE THAT THE EXECUTION OF THIS AGREEMENT AND ACCEPTANCE OF THE TERMS BY THE PARTIES OCCURRED AT OUR PRINCIPAL PLACE OF BUSINESS, AND FURTHER ACKNOWLEDGE THAT THE PERFORMANCE OF CERTAIN OBLIGATIONS OF YOU ARISING UNDER THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, THE PAYMENT OF MONIES DUE HEREUNDER AND THE SATISFACTION OF CERTAIN TRAINING REQUIREMENTS OF US, SHALL OCCUR WHERE OUR PRINCIPAL PLACE OF BUSINESS IS LOCATED AT THE TIME SUCH OBLIGATION IS DUE.

(vi) Internal Dispute Resolution.

WITHOUT LIMITING ANY OF THE FOREGOING, YOU AND EACH OF THE CONTROLLING PRINCIPALS ACKNOWLEDGE AND AGREE THAT WE HAVE THE RIGHT, AT ANY TIME, TO CREATE A DISPUTE RESOLUTION PROGRAM AND RELATED SPECIFICATIONS, STANDARDS, PROCEDURES AND RULES FOR THE IMPLEMENTATION THEREOF TO BE ADMINISTERED BY US OUR DESIGNEES FOR THE BENEFIT OF ALL FRANCHISEES CONDUCTING BUSINESS UNDER THE SYSTEM. THE STANDARDS, SPECIFICATIONS, PROCEDURES AND RULES FOR SUCH DISPUTE RESOLUTION PROGRAM SHALL BE MADE PART OF THE MANUALS, AND YOU AND THE CONTROLLING PRINCIPALS SHALL COMPLY WITH ALL SUCH STANDARDS, SPECIFICATIONS, PROCEDURES AND RULES IN SEEKING RESOLUTION OF ANY CLAIMS, CONTROVERSIES OR DISPUTES WITH OR INVOLVING US OR OTHER FRANCHISEES, IF APPLICABLE UNDER THE PROGRAM. IF WE, IN OUR SOLE DISCRETION, MAKE SUCH DISPUTE RESOLUTION PROGRAM MANDATORY, THEN YOU, THE CONTROLLING PRINCIPALS AND WE HEREBY AGREE TO SUBMIT

ANY CLAIMS, CONTROVERSIES OR DISPUTES ARISING OUT OF OR RELATING TO THIS AGREEMENT (AND ATTACHMENTS) OR THE RELATIONSHIP CREATED BY THIS AGREEMENT FOR RESOLUTION IN ACCORDANCE WITH SUCH DISPUTE RESOLUTION PROGRAM PRIOR TO SEEKING RESOLUTION OF SUCH CLAIMS, CONTROVERSIES OR DISPUTES IN THE MANNER DESCRIBED IN SECTIONS 23(f)(i) AND (ii) (PROVIDED THAT THE PROVISIONS OF SECTION 23(f)(iii) CONCERNING OUR RIGHTS TO SEEK RELIEF IN A COURT FOR CERTAIN ACTIONS INCLUDING FOR INJUNCTIVE OR OTHER EXTRAORDINARY RELIEF SHALL NOT BE SUPERSEDED OR AFFECTED BY THIS SECTION 23(f)(vi), OR IF SUCH CLAIM, CONTROVERSY OR DISPUTE RELATES TO ANOTHER FRANCHISEE, YOU AND THE CONTROLLING PRINCIPALS AGREE TO PARTICIPATE IN THE PROGRAM AND SUBMIT ANY SUCH CLAIMS, CONTROVERSIES OR DISPUTES IN ACCORDANCE WITH THE PROGRAM'S STANDARDS, SPECIFICATIONS, PROCEDURES AND RULES, PRIOR TO SEEKING RESOLUTION OF SUCH CLAIM BY ANY OTHER JUDICIAL OR LEGALLY AVAILABLE MEANS.

(vii) Waiver of Punitive Damages.

YOU AND THE CONTROLLING PRINCIPALS AND WE HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM OF ANY PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER DAMAGES AGAINST EACH OTHER AND OUR AFFILIATES, AND EACH OF OUR, YOUR AND THEIR RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, PARTNERS, AGENTS, REPRESENTATIVES, INDEPENDENT CONTRACTORS, SERVANTS AND EMPLOYEES, IN THEIR CORPORATE AND INDIVIDUAL CAPACITIES, ARISING OUT OF ANY CAUSE WHATSOEVER (WHETHER SUCH CAUSE BE BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE) AND AGREE THAT IN THE EVENT OF A DISPUTE, THAT EACH OF THE PARTIES SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT. IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISIONS OF WAIVER BY AGREEMENT OF PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL, CONSEQUENTIAL OR OTHER DAMAGES SHALL CONTINUE IN FULL FORCE AND EFFECT.

(viii) Limitations.

YOU AND THE CONTROLLING PRINCIPALS HEREBY AGREE THAT NO FORM OF PROCEEDING PERMITTED HEREBY SHALL BE MAINTAINED BY ANY PARTY TO ENFORCE ANY LIABILITY OR OBLIGATION OF THE OTHER PARTY, WHETHER ARISING FROM

THIS AGREEMENT OR OTHERWISE, UNLESS BROUGHT BEFORE THE EXPIRATION OF THE EARLIER OF: (i) ONE (1) YEAR AFTER THE DATE OF DISCOVERY OF THE FACTS RESULTING IN SUCH LIABILITY OR OBLIGATION, OR (ii) TWO (2) YEARS AFTER THE DATE OF THE FIRST ACT OR OMISSION GIVING RISE TO THE ALLEGED LIABILITY OR OBLIGATION, EXCEPT THAT WHERE STATE OR FEDERAL LAW MANDATE OR MAKE POSSIBLE BY NOTICE OR OTHERWISE A SHORTER PERIOD, SUCH SHORTER PERIOD SHALL APPLY.

(g) Rights are Cumulative. Our and your rights under this Agreement are cumulative and no exercise or enforcement by us or you or any right or remedy under this Agreement shall preclude the exercise or enforcement by us or you of any other right or remedy under this Agreement or which we or you are entitled by law to enforce.

(h) Costs and Attorneys' Fees. Subject to Sections 23(f)(i) and 23(f)(ii)(B), the party prevailing in a judicial proceeding including arbitration or appeal thereof shall be awarded its costs and expenses including, but not limited to, reasonable accounting, paralegal, expert witness and attorneys' fees, whether incurred prior to, in preparation for, or in contemplation of the filing of any written demand, claim, action, hearing, or proceeding to enforce the obligations of this Agreement.

(i) Interpretation. This Agreement constitutes the entire understanding between the parties with respect to the subject matter of this Agreement and supersedes all prior agreements or understandings, if any, relating to the subject matter of this Agreement and may be modified or amended only by an instrument in writing executed by the party against whom enforcement is sought; provided, however, that the Manual may be amended and modified and otherwise updated by us in our sole discretion from time to time as provided in Section 8(d) hereof. There are no other oral or written understandings or agreements between us and you relating to the subject matter of this Agreement. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person who is not a party to this Agreement.

Each reference in this Agreement to a corporation or partnership or other entity shall be deemed to also refer to a limited liability company and any other similar entity or organization. Each reference to the organizational documents, equity owners, directors and officers of a corporation in this Agreement shall be deemed to refer to the functional equivalents of such organizational documents, equity owners, directors and officers, as applicable, in the case of a limited liability company or any other similar entity or organization.

(j) Paragraph Headings. The paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(k) Approvals and Consents. Whenever this Agreement requires our approval, authorization or consent, you must make a timely request for approval, and our approval, authorization, or consent must be obtained in writing. Except where this Agreement expressly obligates us reasonably to approve, authorize, or consent to, or not unreasonably to withhold our approval of, authorization of, or consent to, any action or request by you, we shall have the absolute right to refuse any request or to withhold our approval of, authorization of, or consent to any action or omission by you.

(l) Joint Liability. If two (2) or more persons have obligations or liabilities to us under this Agreement, their obligations and liabilities to us shall be joint and several.

(m) Notices. Any notice, demand, or request required or permitted to be given or made under this Agreement must be in writing and shall be personally delivered, or mailed, certified or registered mail, postage prepaid, or delivered by a nationally recognized overnight delivery service, charges prepaid, or transmitted by facsimile transmission to the address of the party set forth below.

If to us: Passport Health, Inc.
 921 East Fort Avenue
 Southside Market Place
 Baltimore, Maryland 21230
 Telephone: (410) 727-0556
 FAX: (410) 225-8858
 Attn: President

If to you: _____

 Attn: _____

Any such notice, demand, or request, when sent in accordance with the provisions of the preceding sentence, shall be deemed to have been given and received (a) on the day personally delivered, (b) on the third (3rd) day following the date mailed (or, if such day is not a Business Day, on the first Business Day thereafter), (c) twenty-four (24) hours after shipment by the courier service (or, if such time does not occur on a Business Day, on the first Business Day thereafter), or (d) two (2) hours after transmission by facsimile transmission, if receipt is confirmed by facsimile transmission (or, if such time does not occur on a Business Day, on the first Business Day thereafter). Any notice, request, or demand given or made otherwise than in accordance with this Subparagraph shall be deemed to have been given or made on the date actually received. Any party may change its address for purposes of this Subparagraph by giving written notice of such change to the other parties in the manner hereinabove provided.

(n) Designated Agent. You hereby appoint and designate _____ to act on your behalf and to execute all documents in all transactions with us. All actions by such designee shall be binding upon you. We shall have no duty to deal with anyone other than such designee; provided, however, that we shall be entitled to accept any document submitted to us that is executed by any other person purporting to represent you as valid and binding upon you. You may change your designee by notice to us.

Executed on the date or dates indicated below, to be effective as of the date written in the introductory paragraph to this Agreement.

FRANCHISOR:

PASSPORT HEALTH, INC.

By: Fran L. Lessans
Its: President
Date: _____

FRANCHISEE:

By: _____
Its: _____
Date: _____

Each of the undersigned acknowledges and agrees as follows:

(1) Each has read the terms and conditions of this Agreement and acknowledges that the execution hereof and the undertakings of the Controlling Principals in this Agreement are in partial consideration for the granting of the Franchise, and that the Franchise would not have been granted without the execution hereof by the Controlling Principals and the affirmation thereby of the representations, warranties and covenants of the Controlling Principals contained in this Agreement;

(2) Each is included in the term "Controlling Principals" as defined in this Agreement; and

(3) Each individually, jointly and severally makes all of the representations, warranties and covenants of the Controlling Principals set forth in this Agreement and is obligated to perform thereunder; and

ATTEST:

CONTROLLING PRINCIPAL

Witness

By: _____

Its: _____

Date: _____

ATTEST:

CONTROLLING PRINCIPAL

Witness

By: _____

Its: _____

Date: _____

ATTEST:

CONTROLLING PRINCIPAL

Witness

By: _____

Its: _____

Date: _____

ATTACHMENT A

**FRANCHISE SITES, ASSIGNED AREA
AND DEVELOPMENT SCHEDULE**

1. **FRANCHISE SITE:**

Pursuant to Section 4 of the Franchise Agreement, the Franchise Business shall be operated at the following approved Franchise Sites:

2. **OPENING DATE:** Pursuant to Section 4(a) of the Franchise Agreement, set forth below is the Opening Date for the first Franchise Site: _____

3. **ASSIGNED AREA:**

Pursuant to Section 5(b) of the Franchise Agreement, your Assigned Area shall be the following counties, towns or other political subdivisions ("Subdivisions"):

provided, however, that two (2) years after the Opening Date for the first Franchise Site, the Assigned Area shall be revised to include and consist of only those Subdivisions in which you have established, opened and are then-operating a Franchise Site.

4. **DEVELOPMENT SCHEDULE:**

Pursuant to Section 4(b) of the Franchise Agreement, set forth below is the required Development Schedule:

Development Period	Expiration Date of Development Period	Cumulative Total Number of Franchise Sites Located in the Assigned Area Which Franchisee Shall Have Open and in Operation

Development Period	Expiration Date of Development Period	Cumulative Total Number of Franchise Sites Located in the Assigned Area Which Franchisee Shall Have Open and in Operation

During any of the Development Periods set forth above, subject to the terms and conditions of this Agreement, you may, with our prior written consent (which consent may be withheld in our sole discretion), develop more than the total minimum number of Franchise Sites which you are required to develop during that Development Period. Any Franchise Sites developed during a Development Period in excess of the minimum number of Franchise Sites required to be developed upon expiration of that Development Period shall be applied to satisfy your development obligation during the next succeeding Development Period, if any. Notwithstanding the above, you shall not have open and in operation more than the cumulative total number of Franchise Sites you are obligated to develop under this Agreement as set forth above in the Development Schedule without the our prior written approval.

ATTACHMENT B

CONFIDENTIALITY AND NON-COMPETE AGREEMENT

This Confidentiality and Non-Compete Agreement (this "Agreement") is made and entered into _____, 20____, between Passport Health, Inc. ("Franchisor"), _____ ("Franchisee") and _____ ("Covenantor").

RECITALS

WHEREAS, Franchisor has developed and owns a unique system (the "System") for the operation of health travel businesses (the "Passport Health Franchises"); and

WHEREAS, the distinguishing characteristics of the System include certain Confidential Information (as that term is defined in the Franchise Agreement), including (i) certain uniform standards, specifications and procedures for providing travel immunizations services to the Franchisees' patients, (ii) certain inventory and equipment requirements and controls, and (iii) certain distinctive and unique training, marketing and management methods and materials; and

WHEREAS, the Confidential Information provides economic advantages to Franchisor is are not generally known to, and is not readily ascertainable by proper means by, Franchisor's competitors who could obtain economic value from knowledge and use of the Confidential Information; and

WHEREAS, Franchisor has taken and intends to take all reasonable steps to maintain the confidentiality and secrecy of the Confidential Information; and

WHEREAS, Franchisor has granted Franchisee a limited right to operate a Franchise using the System and the Confidential Information for the period defined in the franchise agreement made and entered into _____, 20____ ("Franchise Agreement") between Franchisor and Franchisee; and

WHEREAS, Franchisor and Franchisee have agreed in the Franchise Agreement on the importance to Franchisor and to the Franchisee and other licensed users of the System of restricting use, access and dissemination of the Confidential Information; and

WHEREAS, it shall be necessary for certain employees of, and persons associated with, Franchisee to have access to and to use some or all of the Confidential Information in the operation of Franchisee's Franchise; and

WHEREAS, Franchisee has agreed to obtain from those employees and persons written agreements protecting the Confidential Information and the System against unfair competition; and

WHEREAS, Covenantor wishes to remain, or wishes to become, an employee of, or associated with, Franchisee; and

WHEREAS, Covenantor wishes and needs to receive and use the Confidential Information in the course of his employment or association to effectively perform the services for Franchisee;

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, the parties agree as follows:

1. Franchisor or Franchisee shall disclose to Covenantor some or all of the Confidential Information relating to the System.

2. Covenantor shall receive the Confidential Information in confidence, maintain such information in confidence at all times and use it only in the course of his employment by, or association with, Franchisee and only in connection with the operation by Franchisee of a Franchised Business using the System for so long as Franchisee is licensed by Franchisor to operate a Franchised Business using the System.

3. Covenantor shall not at any time make copies of any documents, materials or compilations containing some or all of the Confidential Information without Franchisee's and Franchisor's express written permission.

4. Covenantor shall not at any time disclose or permit the disclosure of the Confidential Information except to other employees of, or persons associated with, Franchisee and then only at the express direction of Franchisee and to the limited extent necessary to train or assist other employees of, or persons associated with, Franchisee in the management or operation of a Franchised Business using the System.

5. All information and materials, including without limitation, drawings, specifications, techniques and compilations of data which Franchisor shall designate as confidential shall be deemed to be Confidential Information for the purposes of this Agreement.

6. Covenantor shall surrender all manuals, documents, software and other written materials developed by Franchisor containing some or all of the Confidential Information to the Franchisee or Franchisor, upon request, or upon termination of employment by Franchisee, or upon conclusion of the use for which such manuals and other materials may have been furnished to the Covenantor.

7. Covenantor shall not, directly or indirectly, do any act or omit to do any act that would or would likely be injurious or prejudicial to the goodwill associated with the Confidential Information and the System.

8. The manuals and other written materials developed by the Franchisor containing the Confidential Information shall be loaned by Franchisor to Franchisee for limited purposes only and shall remain the property of Franchisor and may not be reproduced, in whole or in part, without Franchisor's written consent.

9. To protect the goodwill and unique qualities of the System and the confidentiality and value of the Confidential Information, and in consideration for the disclosure to Covenantor of the Confidential Information, Covenantor further undertakes and covenants that while he is employed by, or associated with, Franchisee, and thereafter until two years after the earliest to occur of (A) the effective date of the termination of the Franchise Agreement, (B) in the event the Franchisee assigns all of its interest in the Franchise Agreement to another individual or entity in accordance with the Franchise Agreement, the effective date of such assignment, or (C) if Covenantor ceases to be an employee of, or associated with, the Franchisee, the date on which Covenantor ceases to be so employed or associated, he will not:

(a) Divert or attempt to divert, directly or indirectly, any business, business opportunity or customer of the Franchised Business to any competitor.

(b) Employ or seek to employ any person who is at the time employed by Franchisor or any franchisee or developer of Franchisor, or otherwise directly or indirectly induce such person to leave that person's employment except as may occur in connection with Franchisee's employment of such person if permitted under the Franchise Agreement.

(c) Directly or indirectly, Engage (as defined below) in a Competing Business (as defined below). For purposes hereof (i) the term "Engage" means to be a principal, owner, officer, director, shareholder (other than the holder of fewer than 5% of the outstanding shares of a publicly-traded company), partner, employee, joint venturer, agent, or equity owner of, or to be a consultant to, or to have any other direct or indirect interest whatsoever in, any business enterprise, and (ii) the term "Competing Business" means any business enterprise (regardless of whether it is a sole proprietorship or a corporation, partnership, business association, or other entity) that offers franchises or licenses for, or which develops or operates, health travel businesses in, or within ten (10) miles of, the Franchisee's Assigned Area.

10. Franchisee undertakes to use its best efforts to ensure that Covenantor acts as required by this Agreement.

11. Covenantor agrees that in the event of a breach of this Agreement, Franchisor would be irreparably injured and be without an adequate remedy at law. Therefore, in the event of such a breach, or threatened or attempted breach of any of the provisions hereof, Franchisor shall be entitled to enforce this Agreement and shall be entitled, in addition to any other remedies which are available to it at law or in equity, including the right to terminate the Franchise Agreement, to a temporary and/or permanent injunction and a decree for the specific performance of the terms of this Agreement, without the necessity of showing actual or threatened harm and without being required to furnish a bond or other security.

12. Covenantor agrees to pay all expenses (including court costs and reasonable legal fees) incurred by Franchisor and the Franchisee in enforcing this Agreement.

13. Any failure by Franchisor or the Franchisee to object to or take action with respect to any breach of this Agreement by Covenantor shall not operate or be construed as a waiver of or consent to that breach or any subsequent breach by Covenantor.

14. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF MARYLAND (EXCEPT WITH REGARD TO MARYLAND CHOICE OF LAW RULES). THE PARTIES HERETO HEREBY IRREVOCABLY SUBMIT THEMSELVES TO THE JURISDICTION OF THE STATE COURTS OF ANN ARUNDEL COUNTY, MARYLAND AND THE FEDERAL DISTRICT COURT FOR THE DISTRICT OF MARYLAND, NORTHERN DIVISION. THE PARTIES HERETO HEREBY WAIVE ALL QUESTIONS OF PERSONAL JURISDICTION FOR THE PURPOSE OF CARRYING OUT THIS PROVISION. THE PARTIES HERETO HEREBY IRREVOCABLY AGREE THAT SERVICE OF PROCESS MAY BE MADE UPON EACH OF THEM IN ANY LEGAL PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP CREATED BY THIS AGREEMENT BY ANY MEANS ALLOWED BY MARYLAND OR FEDERAL LAW.**

VENUE FOR ANY LEGAL PROCEEDING RELATING TO OR ARISING OUT OF THIS AGREEMENT SHALL BE ANN ARUNDEL COUNTY, MARYLAND; PROVIDED, HOWEVER, WITH RESPECT TO ANY ACTION (i) FOR MONIES OWED OR (ii) FOR INJUNCTIVE OR OTHER EXTRAORDINARY RELIEF THE PARTIES MAY BRING SUCH ACTION IN ANY STATE OR FEDERAL DISTRICT COURT WHICH HAS JURISDICTION.

15. The parties agree that each of the above covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final decision to which Franchisor is a party, Covenantor expressly agrees to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Agreement.

16. This Agreement contains the entire agreement of the parties regarding the subject matter hereof. This Agreement may be modified only by a duly authorized writing executed by all parties.

17. Any notice, demand, or request required or permitted to be given or made under this Agreement must be in writing and shall be personally delivered, or mailed, certified or registered mail, postage prepaid, or delivered by a nationally recognized overnight delivery service, charges prepaid, or transmitted by facsimile transmission to the address of the party set forth below. Any such notice, demand, or request, when sent in accordance with the provisions of the preceding sentence, shall be deemed to have been given and received (a) on the day personally delivered, (b) on the third (3rd) day following the date mailed (or, if such day is not a Business Day, on the first Business Day thereafter), (c) twenty-four (24) hours after shipment by the courier service (or, if such time does not occur on a Business Day, on the first Business Day thereafter), or (d) two (2) hours after transmission by facsimile transmission, if receipt is confirmed by facsimile transmission (or, if such time does not occur on a Business Day, on the first Business Day thereafter). Any notice, request, or demand given or made otherwise than in accordance with this Section 18 shall be deemed to have been given or made on the date actually received. Any party may change its address for purposes of this Section 18 by giving written notice of such change to the other parties in the manner hereinabove provided.

If directed to Franchisor, the notice shall be addressed to:

Passport Health, Inc.
921 East Fort Avenue
Southside Market Place
Baltimore, Maryland 21230
Telephone: (410) 727-0556
FAX: (410) 225-8858
Attn: President

If directed to the Franchisee, the notice shall be addressed to:

Facsimile: _____

If directed to the Covenantor, the notice shall be addressed to:

Facsimile: _____

18. The rights and remedies of Franchisor under this Agreement are fully assignable and transferable and shall inure to the benefit of its successors, assigns and transferees. The respective obligations of the Franchisee and the Covenantor hereunder are personal in nature and may not be assigned by the Franchisee or Covenantor, as applicable.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the undersigned have entered into this Agreement as witnessed by their signatures below.

FRANCHISOR:

PASSPORT HEALTH, INC.,
a Maryland corporation

By: _____
Name: _____
Title: _____

FRANCHISEE:

By: _____
Name: _____
Title: _____

COVENANTOR:

By: _____
Name: _____

ATTACHMENT C

**STATEMENT OF OWNERSHIP INTERESTS
AND FRANCHISEE'S PRINCIPALS**

- A. The following is a list of all shareholders, partners or other investors in Franchisee, including all investors who own or hold a direct or indirect interest in Franchisee, and a description of the nature of their interest:

<u>Name</u>	<u>Percentage of Ownership/Nature of Interest</u>
-------------	---

- B. In addition to the persons listed in paragraph A, the following is a list of all of your Principals described in and designated pursuant to Section 1. of the Franchise Agreement:

ATTACHMENT D

GUARANTY

Each of the undersigned individually, jointly and severally unconditionally and irrevocably guarantees to Franchisor and its successors and assigns that all of the obligations of Franchisee under the Franchise Agreement be punctually paid and performed. Upon default by Franchisee or upon notice from Franchisor, each immediately make each of Franchisee's payments and perform each of Franchisee's obligations under this Agreement. Without affecting the obligations of any of the Controlling Principals under this guaranty, Franchisor may, without notice to the Controlling Principals, waive, renew, extend, modify, amend, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims that Franchisor may have against Franchisee. Each of the Controlling Principals waives all demands and notices of every kind with respect to the enforcement of this guaranty or other security for this Agreement or Franchisee's obligations. Franchisor may pursue its rights against any of the Principals without first exhausting its remedies against Franchisee and without joining any other guarantor hereto and no delay on its part in the exercise of any right or remedy, and no single or partial exercise by it of any right or remedy shall preclude the further exercise of such right or remedy. Upon Franchisor being notified of the death of any of the Controlling Principals, the estate of the deceased be bound by the foregoing guaranty, but only for defaults and obligations under this Agreement existing at the time of death, and in such event, the obligations of the remaining of the Controlling Principals shall continue in full force and effect.

ATTEST:

CONTROLLING PRINCIPAL

Witness

By: _____

Its: _____

Date: _____

ATTEST:

CONTROLLING PRINCIPAL

Witness

By: _____

Its: _____

Date: _____

ATTEST:

CONTROLLING PRINCIPAL

Witness

By: _____

Its: _____

Date: _____

**AMENDMENT TO PASSPORT HEALTH, INC.
FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA**

The Passport Health, Inc. Franchise Agreement between _____ (“Franchisee” or “You”) and Passport Health, Inc. (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

CALIFORNIA LAW MODIFICATIONS

1. The California Department of Corporations requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL. CORPORATIONS CODE Section 31000 et seq., and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 et seq. To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. California Business and Professions Code Sections 20000 through 20043 provide rights to You concerning nonrenewal and termination of the Agreement. The Federal Bankruptcy Code also provides rights to You concerning termination of the Agreement upon certain bankruptcy-related events. To the extent the Agreement contains a provision that is inconsistent with these laws, these laws control.
- b. If the Franchisee is required in the Agreement to execute a release of claims, such release shall exclude claims arising under the California Franchise Investment Law and the California Franchise Relations Act.
- c. If the Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable.
- d. If the Agreement contains a covenant not to compete which extends beyond the expiration or termination of the Agreement, the covenant may be unenforceable under California law.
- e. If the Agreement requires litigation, arbitration, or mediation to be conducted in a forum other than the State of California, the requirement may be unenforceable under California law.
- f. If the Agreement requires that it be governed by a state's law, other than the State of California, such requirement may be unenforceable.

2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the California law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

3. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

IN WITNESS WHEREOF, the parties hereto have fully executed, sealed and delivered this Amendment to the Agreement on this ____ day of _____, _____.

FRANCHISOR:

PASSPORT HEALTH, INC.,
a Maryland corporation

ATTEST:

Witness

By: _____
Name: _____
Title: _____

FRANCHISEE:

Witness

By: _____
Name: _____
Title: _____

ATTEST:

CONTROLLING PRINCIPALS

Witness

Name: _____

Witness

Name: _____

Witness

Name: _____

**AMENDMENT TO PASSPORT HEALTH, INC.
FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS**

The Passport Health, Inc. Franchise Agreement between _____ (“Franchisee” or “You”) and Passport Health, Inc. (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

ILLINOIS LAW MODIFICATIONS

1. The Illinois Attorney General's Office requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Franchise Disclosure Act of 1987, Ill. Comp. Stat. ch. 815 para. 705/1 - 705/44 (1994). To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. 815 ILCS 705/19 and 705/20 provide rights to You concerning nonrenewal and termination of this Agreement. If this Agreement contains a provision that is inconsistent with the Act, the Act control.
- b. If the Franchisee is required in Section 22 of this Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule of order under the Act, such release shall exclude claims arising under the Illinois Franchise Disclosure Act, and such acknowledgments shall be void with respect to claims under the Act and are hereby deleted.
- c. If this Agreement requires litigation to be conducted in a forum other than the State of Illinois, the requirement is void under the Illinois Franchise Disclosure Act.
- d. If this Agreement requires that it be governed by a state's law, other than the State of Illinois, to the extent that such law conflicts with the Illinois Franchise Disclosure Act, the Act shall control.
- e. Section 22(c) of this Agreement is null and void with respect to claims under the Illinois Franchise Disclosure Act and is hereby deleted.
- f. Section 23(i) of this Agreement is amended to state that the representations made in the Offering Circular are not excluded from that on which You may rely.

2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

3. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on this ____ day of _____, _____.

FRANCHISOR:

PASSPORT HEALTH, INC.,
a Maryland corporation

ATTEST:

Witness

By: _____
Name: _____
Title: _____

FRANCHISEE:

Witness

By: _____
Name: _____
Title: _____

ATTEST:

CONTROLLING PRINCIPALS

Witness

Name: _____

Witness

Name: _____

Witness

Name: _____

**AMENDMENT TO PASSPORT HEALTH, INC.
FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND**

The Passport Health, Inc. Franchise Agreement between _____ (“Franchisee” or “You”) and Passport Health, Inc. (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

MARYLAND LAW MODIFICATIONS

1. The Maryland Securities Division requires that certain provisions contained in franchise documents be amended to be consistent with Maryland law, including the Maryland Franchise Registration and Disclosure Law, Md. Code Ann., Bus. Reg. §§ 14-201 - 14-233 (1998 Repl. Vol. & Supp. 2002). To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. The Franchisee is required in this Agreement to execute a release of claims as a condition to transfer and renew the franchise. Such release shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law, and such release shall be void with respect to claims under the Law.
- b. This Agreement requires you to assent to a release of claims, estoppel or waiver of liability, to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act or a rule or order under the Act in order to purchase the franchise. Such release, estoppel or waiver shall exclude claims arising under the Maryland Franchise Registration and Disclosure Law, and such acknowledgments shall be void with respect to claims under the Law.
- c. This Agreement requires you to bring any claim you have before the expiration of the earlier of: (i) 1 year after the date of discovery of the facts resulting in such liability or obligation, or (ii) 2 years after the date of the first act or omission giving rise to the alleged liability or obligation, except that where state or federal law mandate or make possible by notice or otherwise a shorter period, such shorter period shall apply. The Maryland Franchise Registration and Disclosure Law provides that Franchisee must bring any claims under the Law within 3 years from the grant of the franchise, which period apply for claims under such Law.
- d. If this Agreement requires litigation to be conducted in a forum other than the State of Maryland, the requirement shall not be interpreted to limit any rights you may have under Sec. 14-216 (c)(25) of the Maryland Franchise Registration and Disclosure Law to bring suit in the state of Maryland.

2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

3. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

IN WITNESS WHEREOF, the parties hereto have fully executed, sealed and delivered this Amendment to the Franchise Agreement on this ____ day of _____, _____.

FRANCHISOR:

PASSPORT HEALTH, INC.,
a Maryland corporation

ATTEST:

Witness

By: _____
Name: _____
Title: _____

FRANCHISEE:

Witness

By: _____
Name: _____
Title: _____

ATTEST:

CONTROLLING PRINCIPALS

Witness

Name: _____

Witness

Name: _____

Witness

Name: _____

**AMENDMENT TO PASSPORT HEALTH, INC.
FRANCHISE AGREEMENT AND OFFERING CIRCULAR
FOR THE STATE OF MINNESOTA**

The Passport Health, Inc. Franchise Agreement between _____ (“Franchisee” or “You”) and Passport Health, Inc. (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

MINNESOTA LAW MODIFICATIONS

1. The Commissioner of Commerce for the State of Minnesota requires that certain provisions contained in franchise documents be amended to be consistent with Minnesota Franchise Act, Minn. Stat. Section 80.01 *et seq.*, and of the Rules and Regulations promulgated under the Act (collectively the “Franchise Act”). To the extent that the Agreement and Offering Circular contain provisions that are inconsistent with the following, such provisions are hereby amended:

- a. The Minnesota Department of Commerce requires that Franchisor indemnify Minnesota franchisees against liability to third parties resulting from claims that the Franchisees’ use of the Intellectual Properties infringes trademark rights of the third party. If the Agreement and/or the Offering Circular contain(s) a provision that is inconsistent with the Franchise Act, the provisions of the Agreement shall be superseded by the Act's requirements and shall have no force or effect.
- b. Franchise Act, Sec. 80C.14, Subd. 4., requires, except in certain specified cases, that a franchisee be given written notice of a franchisor's intention not to renew 180 days prior to expiration of the franchise and that the franchisee be given sufficient opportunity to operate the franchise in order to enable the franchisee the opportunity to recover the fair market value of the franchise as a going concern. If the Agreement and/or the Offering Circular contain(s) a provision that is inconsistent with such requirement of the Franchise Act, the provisions of the Agreement shall be superseded by the Act's requirements and shall have no force or effect.
- c. Franchise Act, Sec. 80C.14, Subd. 3., requires, except in certain specified cases that a franchisee be given 90 days notice of termination (with 60 days to cure). If the Agreement and/or the Offering Circular contain(s) a provision that is inconsistent with such requirement of the Franchise Act, the provisions of the Agreement shall be superseded by the Act's requirements and shall have no force or effect.
- d. If the Agreement and/or the Offering Circular require(s) Franchisee to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Franchise Act, such release shall exclude claims arising under the Franchise Act, and such acknowledgments shall be void with respect to claims under the Act.
- e. If the Agreement and/or the Offering Circular require(s) that it be governed by a state's law, other than the State of Minnesota or arbitration or mediation, those provisions shall not in any way abrogate or reduce any rights of the Franchisee as provided for in the Franchise Act, including the right to submit matters to the jurisdiction of the courts of Minnesota.

- f. To the extent Minnesota Rule 2860.4400J. prohibits a franchisor from requiring You to consent to the Franchisor obtaining injunctive relief, Section 23 (e) of the Franchise Agreement is hereby revised to reflect that Franchisor may seek injunctive relief and that whether any bond be necessary be determine by the court.
- g. Section 80C.17 of the Act provides that no action may be commenced pursuant to that section more than three years after the cause of action accrues. Section 23(f)(viii) shall not be construed to limit the time period for You to bring a claim under the Act.

2. Each provision of this Agreement shall be effective only to the extent that the jurisdictional requirements of the Minnesota law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

3. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Amendment to the Agreement on this ____ day of _____, _____.

FRANCHISOR:

PASSPORT HEALTH, INC.,
a Maryland corporation

ATTEST:

Witness

By: _____
Name: _____
Title: _____

FRANCHISEE:

Witness

By: _____
Name: _____
Title: _____

ATTEST:

CONTROLLING PRINCIPALS

Witness

Name: _____

Witness

Name: _____

Witness

Name: _____

**AMENDMENT TO PASSPORT HEALTH, INC.
FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK**

The Passport Health, Inc. Franchise Agreement between _____ (“Franchisee” or “You”) and Passport Health, Inc. (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

NEW YORK LAW MODIFICATIONS

1. The New York Department of Law requires that certain provisions contained in franchise documents be amended to be consistent with New York law, including the General Business Law, Article 33, Sections 680 through 695 (1989). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. If the Franchisee is required in the Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the General Business Law, regulation, rule or order under the Law, such release shall exclude claims arising under the New York General Business Law, Article 33, Section 680 through 695 and the regulations promulgated thereunder, and such acknowledgments shall be void. It is the intent of this provision that non-waiver provisions of Sections 687.4 and 687.5 of the General Business Law be satisfied.
- b. If the Agreement requires that it be governed by a state's law, other than the State of New York, the choice of law provision shall not be considered to waive any rights conferred upon the Licensee under the New York General Business Law, Article 33, Sections 680 through 695.

2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the New York General Business Law, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

3. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties hereto have fully executed, sealed and delivered this Amendment to the Agreement on this ____ day of _____, _____.

FRANCHISOR:

PASSPORT HEALTH, INC.,
a Maryland corporation

ATTEST:

Witness

By: _____
Name: _____
Title: _____

FRANCHISEE:

Witness

By: _____
Name: _____
Title: _____

ATTEST:

CONTROLLING PRINCIPALS

Witness

Name: _____

Witness

Name: _____

Witness

Name: _____

**AMENDMENT TO PASSPORT HEALTH, INC.
FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND**

The Passport Health, Inc. Franchise Agreement between _____ (“Franchisee” or “You”) and Passport Health, Inc. (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

RHODE ISLAND LAW MODIFICATIONS

1. The Rhode Island Securities Division requires that certain provisions contained in franchise documents be amended to be consistent with Rhode Island law, including the Franchise Investment Act, R.I. Gen. Law. ch. 395 Sec. 19-28.1-1 -19-28.1-34. To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. If this Agreement requires litigation to be conducted in a forum other than the State of Rhode Island, the requirement is void under Rhode Island Franchise Investment Act Sec. 19-28.1-14.
- b. If this Agreement requires that it be governed by a state's law, other than the State of Rhode Island, to the extent that such law conflicts with Rhode Island Franchise Investment Act it is void under Sec. 19-28.1-14.
- c. If the Franchisee is required in this Agreement to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act, such release shall exclude claims arising under the Rhode Island Franchise Investment Act, and such acknowledgments shall be void with respect to claims under the Act.

2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Act, with respect to each such provision, are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

3. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties hereto have fully executed, sealed and delivered this Amendment to the Agreement on this _____ day of _____, _____.

FRANCHISOR:

PASSPORT HEALTH, INC.,
a Maryland corporation

ATTEST:

Witness

By: _____
Name: _____
Title: _____

FRANCHISEE:

Witness

By: _____
Name: _____
Title: _____

ATTEST:

CONTROLLING PRINCIPALS

Witness

Name: _____

Witness

Name: _____

Witness

Name: _____

**AMENDMENT TO PASSPORT HEALTH, INC.
FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON**

The Passport Health, Inc. Franchise Agreement between _____ (“Franchisee” or “You”) and Passport Health, Inc. (“Franchisor”) dated _____ (the “Agreement”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “Amendment”):

WASHINGTON LAW MODIFICATIONS

1. The Director of the Washington Department of Financial Institutions requires that certain provisions contained in franchise documents be amended to be consistent with Washington law, including the Washington Franchise Investment Protection Act, WA Rev. Code §§ 19.100.010 to 19.100.940 (1991). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

- a. Washington Franchise Investment Protection Act provides rights to You concerning nonrenewal and termination of the Agreement. If the Agreement contains a provision that is inconsistent with the Act, the Act control.
- b. If the Franchisee is required in the Agreement to execute a release of claims, such release shall exclude claims arising under the Washington Franchise Investment Protection Act; except when the release is executed under a negotiated settlement after the Agreement is in effect and where the parties are represented by independent counsel. If there are provisions in the Agreement that unreasonably restrict or limit the statute of limitations period for claims brought under the Act, or other rights or remedies under the Act, those provisions may be unenforceable.
- c. If the Agreement requires litigation, arbitration or mediation to be conducted in a forum other than the State of Washington, the requirement may be unenforceable under Washington law. Arbitration involving a franchise purchased in the State of Washington, must either be held in the State of Washington or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.
- d. If the Agreement requires that it be governed by a state’s law, other than the State of Washington, and there is a conflict between the law and the Washington Franchise Investment Protection Act, the Washington Franchise Investment Protection Act control.

2. Each provision of this Amendment shall be effective only to the extent that the jurisdictional requirements of the Washington law applicable to the provision are met independent of this Amendment. This Amendment shall have no force or effect if such jurisdictional requirements are not met.

3. As to any state law described in this Amendment that declares void or unenforceable any provision contained in the Franchise Agreement, the Franchisor reserves the right to challenge the enforceability of the state law by, among other things, bringing an appropriate legal action or by raising the claim in a legal action or arbitration that you have initiated.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, the parties hereto have fully executed, sealed and delivered this Amendment to the Agreement on this _____ day of _____, _____.

FRANCHISOR:

PASSPORT HEALTH, INC.,
a Maryland corporation

ATTEST:

Witness

By: _____
Name: _____
Title: _____

FRANCHISEE:

Witness

By: _____
Name: _____
Title: _____

ATTEST:

CONTROLLING PRINCIPALS

Witness

Name: _____

Witness

Name: _____

Witness

Name: _____