

(iii) Location should have assigned parking for the building, and (iv) Location should not be in a sublet within another business, unless there is a dedicated Franchise entrance or space is in a professional “business suites” or “Co-working” business environment.

In the unlikely event that Franchisor and Franchisee cannot agree on a site, the two parties would utilize our Early Dispute Resolution procedure by either party notifying the other party to set a date to meet within 30 days to discuss and attempt to resolve the differences over a 60-day period. If there is no agreement, either party may move the dispute to independent third-party mediation or arbitration process under the arbitration rules of the American Arbitration Association and both will abide by that 3rd party resolution decision. This Dispute Resolution, Mediation, and Arbitration process is further outlined and described in Item 19 in the Franchise Agreement Document.

If we assign an existing lease to you, your landlord will expressly waive any responsibility on our part for your lease obligations should you fail to meet the terms of your lease agreement, or should you default in your Franchise Agreement with us. In either case, we will retain the right to enter and retake the premises of your Trustegrity® Business and your Franchise. Franchisor provides no assistance in conforming the leased premises to local ordinances and building codes and obtaining any required permits. Further, Franchisor provides no assistance with constructing, remodeling or decorating the leased premises.

2. Hiring and Training Employees: We will provide you or a designated principal, plus one additional person with up to 5 full consecutive days of initial training in operating the Trustegrity® Business. We may also require you to complete additional initial training at one of our office locations or at another location designated by us, which shall not exceed 5 consecutive days of additional initial training. You will, however, be responsible for paying for this additional initial training at the rate of \$350 per day. If we reasonably and in good faith determine that additional opening assistance is needed, we will provide you such assistance at a cost of \$250.00 per person per day, plus all out of pocket expenses incurred. We will support you with certain operating assistance that may include advice and guidance with respect to hiring. (Franchise Agreement Section 5.) Ongoing training is also available as detailed in Section 11.III.1, below.

3. Equipment, Signs, Fixtures, and Inventory: After you sign your Franchise Agreement, pay your Initial Franchise Fee, and complete initial training, we will loan you one copy of our Operations Manual which describes our prescribed methods of operation and provides names and contact information of approved vendors/suppliers from whom you will obtain equipment, signs, fixtures, inventory and supplies. The Operations Manual includes written specifications for such items. We do not install or deliver such items. The Operations Manual remains our property, and you must give all parts, reproductions, etc. back to us when and if you no longer own and/or operate your Franchise and permanently erase any electronic copies under your jurisdiction or control. (Franchise Agreement Section 5)

II. Time to Opening:

The typical length of time between the earlier of your signing of the Franchise Agreement or your first payment of consideration for the franchise and the opening of your Trustegrity® Business may vary from as little as thirty (30) days to more than six (6) months. This timeframe is dependent on a number of factors, including, but not limited to which, if any, of the necessary preparations you have completed prior to signing the franchise agreement or paying the franchise fee, whether you have already secured financing or how quickly you are able to obtain financing. (Franchise Agreement Sections 5 and 6).

III. Obligations during Operations During your operation of your Franchise, we will provide you with the following assistance:

1. During the operating of your Trustegrity® Business, we will provide to you, at your cost, additional training at your request or as we deem necessary in order to ensure that your operation of your Trustegrity® Business meets our specifications. We may conduct training at your Trustegrity® Business

or require you, your Trustegrity® Business Manager, and/or your Regional Administrator to undergo training in the greater Atlanta Metropolitan Area or another area of our choosing. Training may be conducted by any of our corporate instructors or quality control personnel and will include those topics requested by you or those in which we deem necessary to ensure that your Franchise is meeting quality control standards, although it is not our responsibility of your Trustegrity® Business fails to meet quality control standards or fails to comply with the law in any way. We charge our then-current training fee, plus our actual expenses incurred during training if we perform training at your Trustegrity® Business. You must pay for all of your related expenses and travel costs for additional training, including employee salaries. Training for any one individual and training at your Trustegrity® Business should not occur more than 1 time per year and for no longer than 5 consecutive days at any time. (Franchise Agreement Section 3 and 6)

2. We may hold annual conferences to discuss promotional techniques, performance standards, advertising programs and general topics. You will pay our then-current fee for these conferences, and you must pay for all of your travel and living expenses separately. We typically hold these conferences in or around Atlanta, Georgia, and we may require that you attend such conferences. In the future, we may hold these conferences at various locations around the world (Franchise Agreement Section 3). If you do not attend the annual conference, you must pay us a non-attendance fee equal to 1.5x the then-current annual conference fee. We may provide certain advertising, marketing and/or promotional materials to you from time to time and as you request. These materials may include but are not limited to sticky pads, pens, and fliers and workbooks. If we provide any such promotional materials, we will do so at no additional charge. (Franchise Agreement Section 12). The aforementioned promotional materials are separate from any Promotional Items that we may require you to purchase. (Franchise Agreement Section 12)

3. We may conduct from time to time, as we deem necessary, inspections of your Trustegrity® Business and interview your employees, contractors or chairs at any reasonable time to ensure that your Trustegrity® Business is being operated in accordance with the terms and conditions of your Franchise Agreement, the Operations Manuals and other rules and regulations which we may adopt or impose. Our inspections are also designed to make sure you are operating in compliance with federal, state and local laws, regulations and ordinances. You are responsible for paying our expenses, including lodging, travel and meals, for one (1) inspection visit per calendar year, unless additional inspections are due to your non-compliance, in which case we may require that you pay for additional inspection visits. (Franchise Agreement Section 7)

4. We may provide to you, from time to time, as we deem appropriate, advisory assistance and materials pertaining to the operation and/or operational problems of your Franchise. These include periodic updates of the Operations Manuals (as the need arises) and advice in operating your Franchise productively (as information becomes available to us and only as we may deem appropriate). We provide this assistance free of charge. (Franchise Agreement Section 3.2)

5. We will use our best efforts to ensure that you maintain high standards of quality, appearance, professionalism and service in your Trustegrity® Business. (Franchise Agreement Section 3)

6. We will use our best efforts to make sure that our approved suppliers make available to you for purchase all Approved Equipment, supplies, inventory and other products we require or have approved. (Franchise Agreement Section 3)

7. We will, at your request, examine information or samples provided by you about products or services which are not approved by us but which you would like to offer at your Trustegrity® Business. We will decide, based on the information supplied by you and by information we might obtain elsewhere, whether or not to approve the product or service you have presented to us. You are required to pay all of our expenses in connection with any such examination, testing or inspection. (Franchise Agreement Section 3 and 6)

8. We may from time to time offer guidance to you as to price levels of products or services as we reasonably determine is a good business practice, however you have the sole right to set prices, subject to maximum and minimum prices we may impose based on competition in the industry, to the extent permitted by federal and other law. (Franchise Agreement Section 1)

9. Our Operations Manual includes information on administrative, bookkeeping, accounting, sales process and group management that will aid you in the operation of your business. The Operations Manual and the aforementioned information are proprietary and confidential. (Franchise Agreement Section 10).

IV. Advertising/Marketing Program

We set minimum standards for your local advertising program which you must follow in order to remain in compliance with our rules and regulations. These minimum requirements that you must meet are described in Section 12 of the Franchise Agreement. You may distribute your advertising in any local media. You may also use your own advertising material provided you obtain our prior, written consent.

During the fiscal year ended December 31, 2023, we collected a total of \$5,108.17 in Advertising Fund contributions. The marketing fund had expenditures as follows: (i) 39.33% on media production and (ii) 60.67% on media placement.

The Advertising/Marketing Fund is for the purpose of our promotion of Trustegrity® brands regionally, nationally and globally. We have complete discretion over the type, quality, quantity, geographic location, timing, placement and choice of media we use in administering the Advertising Fund. We may use in-house, national, or regional advertising agencies as we determine is most beneficial. We are not required to spend any minimum amount on advertising in your local or regional area and advertising need not be proportionate to the amount any franchisee contributes. The Advertising Fund will be audited at Franchisor's discretion or as required. Each year end an accounting of the Advertising Fund is available to you upon request. Any funds not spent in the fiscal year in which they accrue will be spent on advertising in the subsequent year, and if the Advertising Fund is discontinued, will be expended for advertising or promotion of our Trustegrity® brands. The requirements for contributions to this fund are in Item 6 of this Disclosure Document and in Section 12 of the Franchise Agreement. Beginning 30 days from the Franchise opening date, the Franchise will contribute 3% Gross Profit monthly to the Advertising Fund subject to a cap of \$20,000 annually. The Franchises are contributing per the same formula and may be contributing differing amounts as the Advertising Fund deposits are based on each Franchisee's Gross Profit of their owned units. Franchisor or Affiliate outlets will contribute based on the same formula. (Franchise Agreement 12.2.2.1 – 12.2.2.2) This Fund is administered by the Director of Marketing of Trustegrity®.

There is currently no advertising council composed of franchisees that assist us in determining our advertising policies, though we may create one or more such counsels in the future. If we were to form such a council, we would select the council's members, and we would retain the right to change or dissolve the council at any time. We anticipate that a council would serve in an advisory capacity, but we may grant to any such council any operational or decision-making powers that we deem appropriate.

Though we currently have no local or regional advertising cooperatives ("Cooperatives") for Franchisees, we may require you to participate in a Cooperative in the future. The amount of your required contribution to the Cooperative would be determined by the Cooperative's members. We may designate any geographic area for purposes of establishing a Cooperative, determine whether a Cooperative applies to your area, and require that any existing Cooperative be changed, dissolved, or merged with another. We may require that any Cooperative operate from written governing documents. We anticipate that any Cooperative would be administered by members of the Cooperative who are duly elected by the other members and that it would be required to seek and receive our prior written approval of any promotional materials or advertising plans to be used or produced by the Cooperative. We anticipate that any Cooperative to which you belong would be required to prepare annual financial statements and make them

available for you and us to review. We may form, change, dissolve or merge an advertising cooperative or an advertising fund. (Franchise Agreement Section 12)

V. Computer Systems

You must obtain and maintain a minimum of 1 computer or tablet in your Trustegrity® Business, each no more than 4 years old, with processing power and storage capacity sufficient at time of purchase to meet our then current specifications, which we may update periodically, but no more than annually, to keep pace with technological changes and developments. Your computers must have high-speed (broadband or similar) internet access and must be equipped, at minimum, one (1) printer and one (1) scanner. You will use the computer system in your main office to track all of your sales and for general communication and management purposes. Our company runs on Apple platforms, and we strongly recommend Apple products.¹²

We require you to maintain the functionality, integrity, and security of your computer systems using appropriate security measures, such as controlled access procedures, regularly updated antivirus software, and reasonable password protection. We require you to install on your computer system and use the most recent version of Microsoft Office software (the “Software”). You may purchase the Software from any supplier. You are required to obtain upgrades and/or updates of the Software no more than one time per calendar year. You are required to obtain independent Software support. Trustegrity® franchisees do not use cash registers, and instead use a computer system for any cash register related functions. The estimated annual costs incurred by the franchisees for any optional or required maintenance updating, upgrading or support contracts for the computer systems is \$100 - \$300 monthly or \$1200 - \$3600 annualized. You must use the Software exclusively to record and store all administrative and promotional data, mailing lists, handle all invoicing, accounts receivables and payables, and run management reports on the recorded data. You must generate and submit to us reports, which we prescribe, from time to time, from this software. (Franchise Agreement Section 6.2.17)

The cost to purchase the computer system is currently \$2,500.

Trustegrity® will have independent access to the information generated and stored in the cash registers or computer system as is stated in Item 11.7 in the Trustegrity® Franchise Agreement. There are no contractual limitations imposed upon the Franchisor’s access to franchisee’s data.

VI. Operating Manual

We have attached a copy of the Table of Contents of our Operations Manual as **Exhibit D**. You will receive a copy of the entire Operations Manual prior to opening your Trustegrity® Business. The current number of pages of the Operations Manual is 148 pages. You will also have access to a wiki inside our membership dashboard which is the operations manual for our membership platform.

VII. Training Program:

We will provide your owners and/or those full-time managers named by you and approved by us to be your Trustegrity® Business managers with no less than 5 days of training in the day-to-day management and operation of a Trustegrity® business. The training program allows up to two individuals to attend training. For every individual after the two individuals an additional charge of \$1,500 will be incurred to you for every additional person that attends our training program. This required initial Franchisee training may be provided in virtual, in-person, or combination of virtual and in-person format to be determined at the sole discretion of the Franchisor. We refer to this as the “Training Program.” We primarily conduct the Training Program at our corporate office and at one or more of our businesses located in Atlanta, Georgia, and surrounding areas; however, we may require additional training at any location in the United States. We offer the Training Program on an as-needed basis. Before you open your

¹² We are not affiliated with Apple and do not claim any right to use the Apple trademark.

Trustegrity® Business, you must complete the Training Program to our satisfaction. You must complete the Training Program no less than 30 days before you open your Trustegrity® Business.

Any new Trustegrity® Business Manager or Connector, or other employee hired by you may, at your option, as is not a requirement of Trustegrity®, attend the Training Program during any calendar year. As a condition to opening your Trustegrity® Business, you or your principal, Business Manager or On-Site Manager must successfully complete training. We also conduct corporate and on-site additional training on an as-needed basis. You may request such additional training or re-training, or we may require that you attend or that we provide such training or re-training, if, in our sole discretion, such training appears to be necessary. Information regarding additional training can be found in Section 3.1 of the Franchise Agreement.

You are responsible for all of the wages, and, if applicable, costs of travel, food and lodging incurred by you and any of your managers or employees during training. Fees associated with training are also located in this Disclosure Document in sections 6, 7, and 11.I.5.

We will not conduct on-site, pre-opening training nor permit you to open for business if your business does not comply with our requirements for design, safety, equipment, inventory, staffing, and experience for the operation of a Trustegrity® business.

Our Training Program is under our direction and is conducted by Sybil Melton, our Franchise Development Officer, who has served in this role since April 29, 2020, located in Marietta, GA. Concurrently, she has also served as our Nexpert Coach Facilitator from July 1, 2019 and as Franchise Sales and Development Officer of High Achievers Enterprises, LLC from January 1, 2018 to present, located in Charlotte, NC. From January 1, 2010, to December 31, 2017, she was the Area Director of Referrals 4 Life, LLC, dba Business Network International (BNI) located in Sherrills Ford, NC. Additionally, others with experience in owning, operating, or managing Trustegrity® franchisees or with technical knowledge in particular areas necessary for the management and/or operation of such a business may help with training. Each person that trains will have no less than two years of experience. Some of our trainers have considerable experience with Trustegrity® franchisees in particular; others, such as equipment vendors or legal consultants, may be retained by us on a one-time, regular, or as-need basis. Trainers use a combination of lecture, discussion, and audio-visual materials and hands-on demonstrations and practice. (Franchise Agreement Section 3).

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TRAINING PROGRAM

Subjects Taught	Hours of Classroom Training ¹	Hours of On-the-Job Training ¹	Location of Training ²
Orientation (Vision, Mission, Values)	1	0	Corporate Offices/ Virtual
Corporate Philosophy	1	0	Corporate Offices/ Virtual
Advertising and Marketing	2	0	Corporate Offices/ Virtual
Chair Certification	3	0	Corporate Offices/ Virtual
State Rules, Regulations, and Licensure	1	0	Corporate Offices/ Virtual
Prospecting and membership Recruiting	3	0	Corporate Offices/ Virtual
Bookkeeping and POS Systems	.5	0	Corporate Offices/ Virtual
Membership Portal Training	2	0	Corporate Offices/ Virtual
Purchasing and Inventory	.5	0	Corporate Offices/ Virtual
Staffing and Business Planning	2	0	Corporate Offices/ Virtual
Customer Relations	1	0	Corporate Offices/ Virtual
Member Orientation	2	0	Corporate Offices/ Virtual
Operations	3	0	Corporate Offices/ Virtual
Total Hours	22	0	

Notes:

1. The exact time spent on each training topic varies depending upon the particular individuals in the Training Program and their prior knowledge of the material.
2. While all training is planned to take place live in our corporate offices located in Atlanta, GA, we may, at our discretion, offer training or retraining at a different location, which may be, for example, in an operating business or in your Trustegrity® Business, and/or be offered in a virtual format.

ITEM 12: TERRITORY

We grant you a territory in which neither we nor any other franchisee of ours will open a Trustegrity® Business. You will receive an exclusive territory. The Franchisor grants an exclusive territory within which to develop your Trustegrity® Business groups (each a “Trustegrity® Business”), and you will be permitted to set up an unlimited number of Trustegrity® Business within your Territory. We reserve the right to: (1) Trustegrity® Global and Trustegrity® franchisees may sell Nexpert Coaching and Consulting programs in any location because Franchisee does not hold an exclusive territory for Coaching clients.

Franchisees may also create or transition virtual Trustegrity® Business as long as the Chair resides within Franchisee's territory. The Trustegrity® Business physically meeting within Franchisee's territory shall be permitted to hold virtual meetings, as necessary. So long as you are in full compliance with the Franchise Agreement we will not own, operate, sell, or issue a license for any other Trustegrity® Business to be opened in your Territory as defined by the maps in your franchise agreement. There are no circumstances that permit the franchisor to alter the franchisee's territorial rights as long as the franchisee is in compliance with the terms of the Franchise Agreement. The Franchisor or affiliate reserves the right to use the other channels of distribution, including the Internet, within the franchisee's territory using the Franchisor's principal trademarks or using trademarks other than those that the Franchisee will use. The Franchisor will not solicit or accept orders inside your territory but will refer all inquiries to the Franchisee marketing within Franchisee's territory. The Franchisor will provide those prospects to the Franchisee. Notwithstanding the foregoing, another Trustegrity® franchisee recruiting in your Territory may, but is under no obligation to, refer any or all inquiries to you. There is no compensation the Franchisor or Trustegrity® franchisee must pay the Franchisee for soliciting orders within the Franchisee's territory. The Franchisor will allow the Franchisee to use other channels of distribution, such as the Internet, telemarketing, or other direct marketing outside the Franchisee's territory to market Trustegrity®, recruit Trustegrity® Business membership for both virtual and physical Trustegrity® Business and make sales for Nexpert Coaching clients.

The license we grant you is for one Trustegrity® Franchise only, and we must approve the location of your Trustegrity® Business, as described in this Disclosure Document. The minimum territory we will grant will consist of 8,000 local businesses. The Franchise business does not require a physical location. It is the point of origin of the meeting location of the Trustegrity® Business which must be within the territory. The franchisor will not approve relocating the franchise territory. We may, at our discretion, reduce the size of your territory if you are in default of the Franchise Agreement or the Area Development Agreement. If we reduce your territory for any reason, we may offer you the right to open and operate an additional franchise within the new territory created, provided that you are in all respects in compliance with your Franchise Agreement. If we make you such an offer, you will have a thirty-day (30) period during which you may accept the offer by signing a new franchise agreement for the new franchise. If you do not exercise this right within the 30-day period, we will have the right to open the business ourselves or offer the new territory to another franchisee or prospective franchisee. Continuation of your non-exclusive territory is not dependent upon your achieving a certain sales volume, market penetration or other contingency.

The Franchisee is not granted any other options, rights of first refusal, or other similar right to acquire additional franchises, unless granted via a separate Option Agreement or Development Agreement. The Franchisor or an affiliate does not operate or plan to operate franchise businesses under a different trademark that will sell goods and services that are the same or similar to those the Franchisee will sell.

ITEM 13: TRADEMARKS

Upon signing of the Franchise Agreement, we will grant you the right to use the Trustegrity® trade name and trademarks for your Franchise and to use any trademarks that we own or license, now or in the future, as we may designate (collectively, the “Trademarks”). The Trademarks include any trade names,

trademarks, service marks and logos, and trade dress used to identify our System and your Franchise. We have registered the following trademarks on the Principal Register with the United States Patent and Trademark Office:

Trademark	Registration Date	Serial or Registration No.
Trustegrity®	Registration: March 14, 2012 Renewed March 9, 2022	Reg. No. 4,225,750
High Achievers®	Registration: November 6, 2021	Reg. No. 4,236,944
High Achievers Network®	Registration: November 6, 2021	Reg. No. 4,236,945

Table Notes: We have filed all required affidavits for the Trademarks with Registration Numbers 4,236,944 and 4,236,945.

There are no agreements currently in effect which significantly limit our right to use or license the use of the Trademarks in any manner material to you. There are no effective material determinations of the United States Patent and Trademark Office or Trademark Administrator of this state or any court, and there are no pending infringements, interferences, opposition or cancellation proceedings or pending or other material litigation involving our Trademarks. The Trademarks have not been registered in any state.

You must follow our rules when you use our Trademarks. You must seek and gain our written approval for your company name, which cannot contain our corporate name or any part of our Trademarks. You may not use our Trademarks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by us. If your Franchise Agreement terminates for any reason, you must cease using all names that contain our Trademarks, including, but not limited to corporate names, trade names, and domain names, and assign such names to us or our assignee without further payment.

You must modify or discontinue the use of a Trademark if we modify or discontinue it. If we are, at any time, required by a court of law or the terms of a settlement agreement to destroy or transfer ownership in any item bearing our Trademarks, and if such item is in your possession, whether or not you have purchased such item, you are required, upon written notice by us and without payment or compensation, to take all requested steps to destroy or transfer ownership in such items according to our instructions. In any such event, you will be responsible for making any necessary changes, at your own cost, to signage, inventory, advertising materials, or any other affected materials that we may specify.

We have the right at any time, upon notice to you, to modify any of the Trademarks to the extent which we in good faith determine to be consistent with the overall best interests of the franchised operations. If we modify any of our Trademarks, we may require that you cease using any of the former Trademarks or versions of such Trademarks, assign to us and deliver to us at our expense, but without additional remuneration, all materials bearing such Trademarks, and cease all use of such Trademarks for any purpose whatsoever.

We will use our best efforts to protect our Trademarks, including taking any action which we, in our discretion, deem appropriate in the event of any claimed or apparent infringements of such Trademarks. You must notify us promptly when you learn about an infringement of or challenge to our Trademarks. We have the absolute right to take the action we think appropriate and to control all litigation or administrative action involving one or more of our Trademarks. You must not, under any circumstances, start any legal action relating to our Trademarks without first obtaining our written consent to do so.

We will indemnify you against any claim of infringement resulting from your authorized use of any of our Trademarks, provided that you immediately notify us of any such infringement claim. We have the sole right to conduct the defense of and settle any such claim and to retain control of any negotiations related to any such claim. You must cooperate in all actions taken by us with respect to any such claim and must assist us, at our expense, in the defense of any such claim. If you fail to notify us of any such claim,

or if you take any unauthorized action with respect to the settlement of any such claim, including the conduct of any settlement negotiations relative to such claims, our indemnity of you shall be deemed waived and released in all respects.

You agree never to contest, directly or indirectly, our ownership, title, right or interest in or to the aforementioned Trademarks, or any of our trade secrets or business techniques, or to take any action whatsoever in derogation of such claimed interests, including any attempt by you to adopt, use or register any name, mark or logo similar to those licensed to you by us.

Upon expiration or termination of the Franchise Agreement, all of your rights to use our Trademarks will terminate automatically.

ITEM 14: PATENTS AND COPYRIGHTS AND PROPRIETARY INFORMATION

At this time we do not own rights in or licenses to patents, nor do we have any pending patent applications. Although we have not filed an application for a copyright registration for the Operations Manuals or for this Disclosure Document, we claim a copyright and the information provided therein and herein is proprietary. We will use our best efforts to protect our copyrights, including taking any action which we, in our discretion, deem appropriate in the event of any claimed or apparent infringements of such copyrights. You must notify us promptly when you learn about any possible infringement of or challenge to our copyrights. We have the absolute right to take the action we think appropriate and to control all litigation or administrative action involving one or more of our copyrights. You must not, under any circumstances, start any legal action relating to our copyrights without first obtaining our written consent to do so.”

Item 11 of this Disclosure Document describes limitations on the use of the Operations Manuals by you and your employees. In addition to the Operations Manual and this Disclosure Document, we will provide you with other information that we consider competitively sensitive and strictly confidential. This “confidential information” includes our specifications and equipment, marketing strategies, operations techniques, financial information, training programs and prospective franchisee lists. You and your officers, managers, and principal employees are prohibited from using all of the information we consider proprietary and/or confidential for long as such information remains confidential, and are required to sign agreements as to the same. To the extent that we disclose any trade secrets to you or any of your principals, you, said principals, and all employees are also are prohibited from duplicating or disclosing such trade secrets as long as the information remains secret.

Also, you are required to sign agreements with us which prohibit you from competing against us, or working in any way with someone else who does, during the term of your Franchise Agreement and for two (2) years afterward. You will also be prohibited from soliciting customers or employees from us or other franchisees during the term of your Franchise Agreement and for a period of one (1) year afterward. Your principals, officers, managers, and principal employees are required to sign similar agreements prohibiting competition and solicitation of our customers and employees during the term of their employment with you and for a period of 2 years following termination of their employment. You must also promptly tell us when you learn about unauthorized use of any proprietary information including the trademarks that we license you to use. We are not obligated to take any action based on the information you provide us, but we will respond to this information as we think appropriate.

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

You must participate personally in the operation of your Franchise to the extent described in this section. We encourage you to recruit group chairs and a regional administrator. At least one owner of your Franchise is required to spend adequate time each week working on behalf of and/or at the Trustegrity® Business to ensure that it complies with all of our requirements for operations. These duties are what we call the “Oversight Responsibilities.”

In addition, you (or your principal if you are a partnership, corporation, or limited liability company) are personally required to maintain or verify all accounting records, submit all weekly and/or monthly reports and balance sheets and income statements required under your Franchise Agreement, and submit to us copies of your annual federal, state and city income tax returns to the extent that they relate to the operation of your Franchise. The foregoing duties shall be referred to as "Accounting Responsibilities."

If you operate more than one franchise, you (or your principal) must spend the required time on Oversight Responsibilities and Accounting Responsibilities at each Trustegrity® Business. In addition, you must ensure that a person to whom you have delegated management authority and responsibility is regularly visiting groups and actually supervising your operations. There are no limits on whom the franchisee may hire as a supervisor. If Franchisee is a business entity, it is not required that the supervisor have any equity in the Franchisee. Each Franchisee will be trained on how to train Trustegrity® Business Group Chair persons who will lead groups. Each Trustegrity® Business Group Chair person must successfully complete the Trustegrity® Business Chair Training in Trustegrity® Academy initial training program or training provided locally by the Franchisee who has successfully completed Trustegrity® Academy initial training program. You must be aware that a substantial amount of time and attention is required in order to operate a franchise properly. Your failure to devote sufficient time and effort in performing your duties is a breach of your Franchise Agreement and will likely lead to the failure of your business and the termination of the Franchise Agreement.

You may divulge information designated by us as confidential only to those personnel who must have access to it in order to operate your Franchise. You must require each of your Managers and all other personnel having access to confidential information to execute an agreement that they will maintain the confidentiality of information they receive in connection with their employment at your Trustegrity® Business and that they will abide by certain requirements regarding non-competition and non-solicitation. You, your partners, shareholders or members (if you are a partnership, corporation or limited liability company) and each of your Managers must agree to and sign covenants not to compete, not to disclose confidential and/or proprietary information, and not to solicit our employees or the employees of other franchisees, which are described in Item 17 below and in the sample franchise agreement attached to this Disclosure Document. Additionally, each partner, shareholder or member must personally guarantee full payment and performance of all duties and obligations of the franchisee under the terms of the Franchise Agreement and any other agreement with us, by signing our personal guarantee, attached to the Franchise Agreement as Attachment 5.

ITEM 16: RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

In order that we may maintain the quality and consistency of our products and services and protect the value of our brand, you must offer for sale all of the goods and services that we specify in the Operations Manuals and only those goods and services. We may update the list of approved goods and services from time to time, though not more than annually. You are not allowed to offer any goods or services which we have not specifically approved, and you must cease offering any goods or services which become unapproved or unauthorized. If you violate this policy we can terminate your Franchise Agreement. You are prohibited from using the premises of the Trustegrity® Business for any purpose other than the operation of your Franchise without our prior, written approval. You are not limited in the customers to whom you may offer your products and services.

From time to time, in our sole discretion, we may change the list of authorized goods and services that you may purchase and sell by adding to or reducing the list. We will provide you with reasonable notice of any changes. From time to time, you may be required to sell or offer for sale certain of our Promotional Items. You are required to provide all of the services authorized by us.

Except in relation to the Trustegrity® Business, neither you nor your partners, shareholders or members (if you are a partnership, corporation or limited liability company) may provide any services that,