## The Hemp Farmacy Franchising FAQ's

1. Is there a standard/generic P&L that can be reviewed by the franchisee?

Not at this time, but we will have one available soon.

2. How close of parameters can one HF franchise be to another?

We try to maintain a 5 mile radius around each Hemp Farmacy. Special inner city high density locations may not conform, and receive a variance.

3. How many stores can fit in the territory I am interested in?

Number of stores is based off of population density, and general layout of the area. Franchisees already in a "territory" get first right of refusal if another franchisee becomes interested in an adjoining territory. Franchisee has 7 day period to commit or the new interested party can then move forward.

4. Who is the finance company? Do you offer business financing?

Hempleton self-finances some qualified franchisees for a portion of their initial fee with no other business financing is currently offered for stock or build out.

5. Are there other franchise owners that I can get in contact with?

As of right now there are no franchise owners are available, this is a new program and they are all in development or initial start-up phases. Managers can be made available of Hempleton corporate franchise models for general questions after commitment has been made.

6. What is the CC processing fee?

Between 6%-7%. This is being developed currently and Hemp Farmacy stores will receive a discount of approx. .5% vs outside accounts through the processing vehicle.

7. What is offered to franchises as far as marketing/social media?

There is a Marketing/Social Media Package offered that can be sent via email. Franchisees can have their own social media pages, but will have to follow certain guidelines explained in the marketing package.

8. What is the minimum amount of money that can be put down to hold a location?

\$10,000 – Once payment is made it triggers a 60 day count down to securing your location and construction beginning.

9. What is the longest amount of time you can finance the remaining total for?

24 months it the maximum financing period for initial franchise fees.

10. What does the \$50,000 initial fee cover?

Just like with any franchise fee it covers entering an existing branding platform with demand, and market recognition. The fee also covers plug in processes, and access to network resources. <u>Half of the franchise fee is applied to Hempleton Distribution Center for lead stock. This stock allowance is not prepaid stock, it is an investment of Hemp Farmacy Inc to Hempleton currently to beef up lead time for store delivery. This can change with no notice, upon Hemp Farmacy management assessment for lead time from vendors.</u>

11. What does the \$1,500 monthly fee cover?

Branding/licensing fee- use of HF name/logos/branding, access to franchise support staff.

12. Will the Hemp Farmacy be a part of choosing franchisee location?

Franchisee chooses 3 to 5 locations and Hemp Farmacy Staff assists with selecting and evaluating potential performance, signage options, and final approval.

- 13. What is the average investment payback time period?
  - 12 16 months. With economical upfits and lower construction costs, and efficient management 9 month ROI is obtainable.
- 14. What is a better location choice, strip malls or stand alone?

Free Standing locations on a corner location are best.