

The Franklin-Thomas Company, Inc



CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM 10,000,000 SHARES OF COMMON STOCK \$50,000,000

The Franklin-Thomas Company, INC., a Florida Corporation ("FTC", or the "Company"), is offering 10,000,000 Shares of its authorized voting common stock ("the Shares") to qualified investors at a purchase price of \$5.00 per Share (the "Offering"). The minimum subscription is 1,000 Shares (\$5,000), unless the Company, in its sole discretion, elects to accept subscriptions for fewer Shares.

THE SHARES HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") OR THE SECURITIES LAWS OF ANY STATE, IN RELIANCE UPON ONE OR MORE SPECIFIC EXEMPTIONS FROM THE REGISTRATION OR QUALIFICATION REQUIREMENTS THEREOF. NEITHER THE SECURITIES AND EXCHANGE COMMISSION, NOR ANY OTHER FEDERAL OR STATE AUTHORITY HAS PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	Price to Investors	Offering Fees	Net Proceeds
Per Share	\$5	\$0.50	\$4.50
10,000,000	\$50,000,000	\$5,000,000	\$45,000,000

- (1) The Company may pay fees to bona fide finders of up to 10% of the Gross Proceeds (\$10,000,000, if fully subscribed) of this private placement; however, finders may also be paid additional fees in the form of cash, common stock

and/or warrants to purchase common stock, and be collectively allowed accountable expense reimbursements of up to \$20,000, all of which to the extent incurred will reduce the Net Proceeds realized by the Company. In addition, the Company may elect in its discretion to selectively discount the purchase price per share to any purchaser, based on size of a subscription, timing of purchase, and other factors deemed to be relevant by the Company.

- (2) Also, the Company estimates it may incur up to \$20,000 of legal and accounting expenses and \$10,000 of promotional expenses in connection with this private placement.
- (3) No minimum number of Shares must be sold in order for the Company to accept any subscription. All accepted subscription funds will be immediately available for Company purposes without impound or escrow.

The Franklin-Thomas Company, Inc

268 Kettering Rd.

Deltona, FL 32725

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<https://www.ftcinnovations.com/>

September 14, 2020

THE SHARES OFFERED HEREBY ARE HIGHLY SPECULATIVE, INVOLVE A HIGH DEGREE OF RISK AND SHOULD NOT BE PURCHASED BY ANYONE WHO CANNOT AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT. SEE "RISK FACTORS." THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THERE IS CURRENTLY NO PUBLIC MARKET FOR THE SHARES AND INVESTORS MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

THE SHARES ARE NOT PUBLICLY TRADED AND NO MARKET EXISTS. CONSEQUENTLY, THE PURCHASE PRICE OF THE SHARES HAS BEEN ARBITRARILY DETERMINED BY THE COMPANY WITHOUT ARM'S LENGTH NEGOTIATIONS AND DOES NOT NECESSARILY BEAR ANY RELATIONSHIP TO MARKET VALUE, ASSETS, BOOK VALUE, OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.

WHEN USED IN THIS MEMORANDUM, THE WORDS "FORECASTS," "PLANS," "ESTIMATES," "PROJECTIONS" AND OTHER SIMILAR EXPRESSIONS ARE

INTENDED TO QUALIFY FORWARDLOOKING STATEMENTS. SUCH STATEMENTS ARE SUBJECT TO VARIOUS RISKS AND UNCERTAINTIES, INCLUDING THOSE DISCUSSED IN "RISK FACTORS," THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM PROJECTED RESULTS. NO ASSURANCE CAN BE MADE AS TO ACTUAL RESULTS. THE COMPANY HAS NO OBLIGATION TO PUBLICLY OR PRIVATELY DISCLOSE ANY REVISIONS TO ANY SUCH FORWARD-LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER SEPTEMBER 10, 2020, OR TO SUBSEQUENTLY DISCLOSE THE OCCURRENCE OF UNANTICIPATED NEGATIVE OR POSITIVE EVENTS. NEITHER THE DELIVERY OF THIS MEMORANDUM NOR ANY SALE MADE HEREUNDER SHALL IMPLY THAT THERE HAS BEEN NO MATERIAL CHANGE IN THE AFFAIRS OF THE COMPANY SINCE SEPTEMBER 10, 2020, OR THAT THE INFORMATION CONTAINED HEREIN IS COMPLETE OR CORRECT AS OF ANY SUBSEQUENT TIME.

THIS OFFERING IS SUBJECT TO WITHDRAWAL, CANCELLATION OR MODIFICATION BY THE COMPANY WITHOUT NOTICE. THE COMPANY RESERVES THE RIGHT TO REJECT ANY SUBSCRIPTION IN WHOLE OR IN PART FOR ANY REASON, OR TO ALLOT TO ANY SUBSCRIBER LESS THAN THE NUMBER OF SHARES SUBSCRIBED FOR, OR TO WAIVE ANY CONDITIONS TO PURCHASE OF THE SHARES.

IN MAKING AN INVESTMENT DECISION, INVESTORS SHOULD RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING POTENTIAL BENEFITS AND RISKS. THE PURPOSE OF THIS MEMORANDUM IS TO AID IN SUCH AN EXAMINATION AND NOT TO BE THE SOLE BASIS FOR AN INVESTMENT DECISION.

EACH OFFEREE MAY MAKE INQUIRIES OF THE COMPANY ABOUT THE COMPANY'S BUSINESS, OR ANY OTHER MATTERS RELATING TO THE COMPANY, AND AN INVESTMENT IN THE SHARES. EACH OFFEREE MAY OBTAIN ADDITIONAL INFORMATION AND / OR DOCUMENTS IN CONNECTION WITH MAKING AN INVESTMENT DECISION BY VERIFYING THE ACCURACY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM (TO THE EXTENT THAT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORT OR EXPENSE). ANY DOCUMENT AN OFFEREE WISHES TO REVIEW MAY BE MADE AVAILABLE FOR INSPECTION AND COPYING OR FURNISHED, UPON REQUEST, SUBJECT TO

THE OFFEREE'S AGREEMENT TO MAINTAIN SUCH INFORMATION IN CONFIDENCE. ANY SUCH INQUIRIES OR REQUESTS FOR ADDITIONAL INFORMATION OR DOCUMENTS SHOULD BE MADE IN WRITING TO THE COMPANY, ADDRESSED AS FOLLOWS: The Franklin-Thomas Co, 268 Kettering Rd., Deltona, FL 32725 Telephone 1 (386) 747-3999 Email: JoeShepard@ftcinnovations.com

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION, OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS MEMORANDUM, IN CONNECTION WITH THE OFFER OF THE SHARES AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MAY NOT BE RELIED UPON BY A SUBSCRIBER AS HAVING BEEN AUTHORIZED BY THE COMPANY. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR THE SOLICITATION OF AN OFFER TO BUY, ANY SECURITY OTHER THAN THE SHARES OFFERED HEREBY. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, THE SHARES TO ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED, OR IN WHICH THE COMPANY IS NOT QUALIFIED TO DO SO.

THE STATEMENTS CONTAINED HEREIN ARE BASED ON INFORMATION BELIEVED BY THE COMPANY TO BE RELIABLE. THIS MEMORANDUM CONTAINS SUMMARY REFERENCES TO CERTAIN DOCUMENTED DATA RELATING TO THE COMPANY AND THE PURCHASE OF THE SHARES, AS WELL AS STATEMENTS OF BUSINESS OBJECTIVES THAT REFLECT MANAGEMENT'S OPINIONS ABOUT THE APPLICABILITY OF NATIONAL AND INTERNATIONAL LAWS AND REGULATIONS. SUCH STATEMENTS AND SUMMARY REFERENCES ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE TEXTS OF THE ORIGINAL DOCUMENTATION, LAWS AND REGULATIONS, WHICH WILL BE MADE AVAILABLE TO OFFEREEES ON REQUEST.

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INTRODUCTION

The following summary provides certain limited information about the Company and this Offering. It should be read in conjunction with and is qualified in its entirety by, the detailed information appearing elsewhere in this Memorandum. You are urged to read this entire Memorandum before making an investment.

THE COMPANY

The Franklin-Thomas Company, a Florida 'C' Corporation, builds generators/gensets and licenses companies to manufacture electrical generators/gensets and associated equipment. The generators use a novel way to eliminate magnetic cogging and, thus, increase efficiency.

BACKGROUND OVERVIEW

I, Joe Shepard, President of FTC developed a zero cogging electrical generator almost 10 years ago. I took this generator to Advanced Energy in Raleigh, NC for testing. Advanced Energy, after extensive testing, stated the generator was 92.3% efficient at converting mechanical energy into electrical energy. That report can be found here - <https://www.ftcinnovations.com/FTCReport.pdf> They also said it was a game-changer.

Not being experienced in raising money to expand the business, I dutifully soldiered on building generators for those who wanted them. The only advertising was putting videos on YouTube, which resulted in a continuous stream of sales to keep the business afloat. It was hard, seven days a week work.

When I asked people who were supposedly experts in the financial world if FTC could raise investment money I was told that the SEC had locked that down to the point that it was nearly impossible. However, one day I saw a news story that the SEC was going to allow direct placement for stocks. That got me looking at the SEC rules and regulations.

What I found was the SEC was not blocking raising investment as the 'experts' had told me, but was actually making raising money easier. One would just have to go through some simple steps, follow some reasonable rules, and money could be raised.

I followed the rules and filed under SEC Form D 506(c). I figured out what I needed to do to build the business and am now ready to raise the money and change the direction of FTC.

After listening to customers for 10 years, I realized I needed to take my highly efficient generator, combine it with a prime mover (engine), and a good inverter. I would have to build a sound-proof enclosure as well. This would allow the average person to have a turnkey system that would work on or off-grid.

Once assembled, the system would have to be certified by UL and/or CE. That's an expensive but necessary step.

The whole package would be attractive to the average customer because with the efficiency of generator, testing had shown power could be generated for as little as 3 cents per kilowatt hour.

Over the years, I have improved the efficiency of the generator. Back when I first had the generator tested in 2014 I used 0.024" laminations. Recently, I have been able to get the lamination thickness down to 0.014". The thinner the laminations, the less the eddy currents in the steel limit the efficiency. The tested efficiency of 92.3% with 0.024" laminations has been expected to be boosted to nearly 96% with 0.014" laminations. One of the results of raising money will be to once again have the generators tested with all the improvements I have made.

I will be able to buy sophisticated manufacturing equipment and CNC machine tools to meet the worldwide demand. To date, I have had to come up with designs that could be fabricated with simple laser cutters. Some say the genius was that ability to use simple designs to make highly efficient generators.

I also was forced to use 'off the shelf' rectangular magnets. With money, I will be able to get magnets shaped to precisely fit my generators. This will increase power and efficiency.

The generators are open frame because I could not afford to get professional housings. I have the design for housings and will have those housings made. The whole genset (generator, engine, inverter, etc.) needs to be housed in a special sound-proof enclosure, which I will have designed and built.

The money raised will allow more independent testing of more and larger generators. I have requests for generators up to 500 megawatts. The raised money allows the development, the testing, and the manufacturing of the products to happen.

The raised money will allow FTC to get a proper facility to manufacture, test, and develop new products. With my AI computer background, I can offer sophisticated technology. I co-authored two books on AI edited by Columbia University professors.

With my AI, our generators will possess the ability to learn and change to meet demands.

For example, I can deliver gensets to people in faraway places that can be remotely monitored. The genset could provide power and notify a central station of how much to bill the user. The technology could monitor the genset 'health', call for repairs, request fuel, and/or shut the unit down for non-payment of the bill. It would also monitor the location to prevent theft.

FTC has also authorized licenses to companies to build and sell our generators. FTC is paid 10% royalty of the MSRP of the generators sold.

These licensees have reported sales contracts with various groups. For example:

Ventana Tek, one of our licensees, has already reported and it has been confirmed in the media that they have 30 million dollars' worth of FTC generator sales with African countries. They also have multiple major U.S.

sales happening. Based on the contract we have with Ventana Tek, we will receive \$3 million as a royalty from just this licensee so far.

Bitcoin miners are rushing to get FTC gensets because the FTC genset will double their profit.

BENEFITS OF FTC GENSETS

The current political climate and the state of the world put the ubiquitous electrical grid at risk for, among other things, sabotage, hurricanes, and Electro Magnetic Pulses (EMP). This risky grid is centralized power delivery. Without this grid, people are back in the Stone Age. People accept this fact and just hope the grid stays up. You hear the people howling when a hurricane shuts down power for even a few hours. The first thing the news media reports is power outage from any wind storm and how many are affected. FTC gensets change all that and can reshape the world as we know it.

To explain a parallel, think back 50 years when people wanted use of a computer they went to a large mainframe to have the work done. That, too, was centralized like the centralized electrical grid – centralized computing. Laptop and desktop computers quickly arrived and changed that centralized computing into distributed computing. Nearly everybody has a computer of some sort now.

DISTRIBUTED POWER

FTC gensets change centralized high cost electrical power into extremely low cost **distributed power**. This distributed power is constant. People often think current standby gensets are the same as the FTC gensets – they are not the same. FTC gensets, unlike current gensets, are designed to run uninterrupted for years.

Instead of worrying about power outages, FTC users will enjoy seamless low-cost power for decades. They are immune from storms and Electro Magnetic Pulses (EMP). The magnets are expected to last 2,400 years. The only wear components are bearings and a shot of grease every six months

handles that. If the full ceramic bearings option is added, the bearing could last a lifetime.

Standby gensets use a huge amount of fuel and clearly state that they should only be run for just a few hours at most. FTC changes all that. The FTC gensets use permanent magnets arranged in such a way as to run cool and in a highly efficient manner. They do not depend on the engine running as a high speed for hours. They are all hybrid systems. They charge batteries that keep the actual time the engine is running to a minimum.

FTC HYBRID GENSETS

To explain hybrid, the engine starts, drives the FTC generator that powers the on-board inverter to supply the building with grid-quality power, and simultaneously charges the on-board batteries. When the batteries are fully charged, the engine shuts off and the batteries continue to supply grid-quality power. Once the batteries are depleted, the engine automatically restarts and the whole process repeats. Because the system uses an on-board inverter, the engine only has to run fast enough to meet the inverter's needs.

The market for the FTC genset is in the hundreds of millions worldwide. The FTC genset will also change the clustering of people. People now gravitate to areas where there are available electrical grids – jammed cities. Instead of cramped cities, people with FTC gensets can spread out and use all the land.

PRODUCTS UNDER DEVELOPMENT

EV CHARGING STATIONS

FTC, through its licensees, is developing a huge array of standalone EV charging stations. These charging stations are unique in that they are not connected to the grid and they can provide much higher charging. In each charging station, there is a natural gas engine that starts when a customer begins charging a vehicle. Because FTC has such powerful generators, these charging stations significantly out-produce current charging stations. These

powerful FTC generators allow faster, cheaper charging. Further, without having to be connected to the grid, the FTC charging stations can be placed anywhere and everywhere there is a need. The market is enormous and growing. The user is billed via their credit card through the Internet.

DISTRIBUTED POWER CENTERS

To create distributed power centers, FTC has to develop an engine/generator combination that is efficient as well as quiet. Engineers are working with suppliers to package our systems in attractive reduced sound enclosures. These systems also must meet stringent local regulations as well as UL/CE. Aside from being quiet and efficient, the units have to be weather-proof and vandal resistant. We have the software to tie the units directly to the Internet.

In other words, we can lease the systems out to customers. It is our understanding from talking to an IRS lawyer that a leased system means the customer can **deduct the cost of power from their taxes**. Imagine deducting the cost of power of your taxes. The demand for this product will be enormous.

FIRST USE OF THE RAISED MONEY

The first items to be addressed when sufficient money is raised are getting the latest generators independently tested by Advanced Energy in Raleigh, NC. Independent testing proves to customers that our generators are what we say they are. It also gives customers a blueprint on how to implement our equipment into their specific needs.

The next step would be to get the generators UL/CE certified. With UL/CE certification, people are willing buy and install in homes and businesses. UL/CE allows the generators to be insured.

THE OFFERING

FTC is offering 10,000,000 Shares of its authorized voting common stock ("the Shares") to accredited investors at a purchase price of \$5.00 per Share (the "Offering"). The Shares are offered pursuant to Rule 506(c) of Regulation D of the Securities Act of 1933 ("Securities Act") and applicable state securities laws. The minimum subscription is 1,000 Shares (\$5,000), unless the Company, in its sole discretion, elects to accept subscriptions for

fewer Shares. The Shares, when issued, will be fully paid and non-assessable voting shares.

The Offering price of the Shares has been arbitrarily determined by the Company and bears no relationship to the assets, earnings, or book value of the Company.

SELLING AND OTHER OFFERING EXPENSES

The Company plans to pay promotional expenses and legal fees, and also may pay fees to bona fide finders of up to 10% of the Gross Proceeds (\$5,000,000 if fully subscribed) of this private placement; finders also may be paid additional fees in the form of cash, common stock and/or warrants to purchase common stock of the Company and can, in the Company's discretion, be collectively allowed accountable expense reimbursements of up to \$30,000, which to the extent incurred will reduce the Net Proceeds realized by the Company. Also, the Company may elect to sell more than 10,000,000 shares in this Offering, which may increase the potential selling and other offering expenses.

ACCEPTANCE OR REJECTION OF SUBSCRIPTIONS; No Escrow; Withdrawal of Offering

In order to subscribe for the Shares, a prospective investor must complete and execute the Subscription Agreement, a form of which is attached hereto as Exhibit A – "Form of Subscription Agreement". Subscriptions must be accompanied by a bank wire transfer or check to the order of The Franklin-Thomas Company for the purchase of the Shares. Each properly completed and tendered subscription constitutes an irrevocable offer to purchase Shares for thirty (30) calendar days, unless sooner accepted or rejected by the Company in its discretion. In the event that Company rejects a requested subscription for any reason, a full refund, without deduction or interest, will be made by the Company. After such refund has been made, the Company and its directors, officers, and agents will have no further liability to the prospective investor.

No minimum number of Shares must be sold in order for the Company to accept any subscriptions, and all net proceeds of the offering will be immediately available for Company purposes without escrow or impound. The Company may increase or decrease the size of the Offering, and may withdraw the Offering, at any time in its sole discretion.

INVESTOR SUITABILITY STANDARDS

THE SUITABILITY STANDARDS DISCUSSED BELOW REPRESENT MINIMUM SUITABILITY STANDARDS FOR PROSPECTIVE INVESTORS. EACH PROSPECTIVE INVESTOR SHOULD DETERMINE WHETHER AN INVESTMENT IN THE SHARES IS APPROPRIATE. NO OFFER IS MADE TO ANY PERSON WHOSE PARTICIPATION AS AN OFFEREE WOULD PRECLUDE THIS OFFERING FROM QUALIFYING FOR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE FEDERAL SECURITIES LAWS AND/OR FROM THE QUALIFICATION REQUIREMENTS OF APPLICABLE STATE SECURITIES LAWS. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO ANY SUCH PERSON.

The Offering is available only to "Accredited Investors" as defined in Regulation D of the Securities Act. Investors who wish to subscribe to the Shares, after reviewing the information contained in the Memorandum, must complete and execute the Subscription Documents and post them with their checks (or separately wire transfer the subscription funds) to the order of The Franklin-Thomas Company, INC. An investment in the Shares may be considered to be speculative, involves certain risks, and is suitable only for prospective purchasers who have sufficient financial means to bear such risks, who have substantial other assets to provide for current needs and future contingencies, and therefore have no need for immediate liquidity with respect to this investment, and who can withstand a possible total loss of this investment. See "RISK FACTORS."

The Offering of the Shares is not being registered under the Securities Act and is not being qualified under any state securities laws, in reliance upon one or more exemptions from registration or qualification. These exemptions include, but are not necessarily limited to, a federal exemption under Rule 506(c) of Regulation D and applicable state exemptions. Sales of Shares hereunder will be made only to "Accredited Investors" (as defined in Regulation D). A prospective investor will qualify as an "Accredited Investor" only if the investor meets one of the following tests:

- (1) The investor is a natural person who is subscribing on behalf of himself or herself (or on behalf of a revocable trust of which

- subscriber is the grantor), whose net worth or joint net worth with his or her spouse exceeds \$1,000,000;
- (2) The investor is a natural person who is subscribing on behalf of himself or herself (or on behalf of a revocable trust of which the subscriber is the grantor), whose individual income exceeds \$200,000, or, in either case, whose income together with that of his or her spouse exceeded \$300,000 in each of the two most recent years and who reasonably expects such income to exceed \$200,000, in the case of individual income, or \$300,000, in the case of joint income, in the current year;
 - (3) The investor is an employee benefit plan within the Employee Retirement Income Security Act of 1974 ("ERISA"): (a) where the investment decision is being made by a plan fiduciary, as defined in Section 3(21) thereof, which is a bank, a savings and loan association, an insurance company or a registered investment advisor; or (b) where the investment decision is made by a plan fiduciary who is not among those listed in clause (a) above, but the plan has total assets in excess of \$5,000,000;
 - (4) The investor is a self-directed employee benefit plan where the investment decisions are made solely by persons that are "Accredited Investors" and the investments are made only on behalf of those investors;
 - (5) The investor is an irrevocable trust which has total assets in excess of \$5,000,000, was not formed for the specific purpose of acquiring the Shares, whose purchase is directed by a "Sophisticated Person" as described in Rule 506(b)(2)(ii) of Regulation D (i) by reason of the business or financial experience of such person or (ii) by reason of the business or financial experience of the Purchaser Representative of such trust who is unaffiliated with and who is not, directly or indirectly, except as may otherwise be expressly disclosed, compensated by the Company or its affiliates, and who has the capacity to protect its own interests in connection with its purchase of the Shares;
 - (6) The investor is (a) a bank as defined in Section 3(a)(2) of the Act, whether acting in its individual or fiduciary capacity, or (b) a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; (c) a broker or dealer registered pursuant to

- Section 15 of the Securities Exchange Act of 1934; (d) an insurance company as defined in Section 2(13) of the Act; (e) an investment company registered under the Investment Company Act of 1940; (f) a business development company, as defined in section 2(a)(48) of the Investment Company Act of 1940; (g) a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; or (h) a private business development company, which meets the definition in Section 202(a)(22) of the Investment Advisers Act of 1940;
- (7) The investor is a plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, which plan has total assets in excess of \$5,000,000;
 - (8) The investor is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, a corporation, a Massachusetts or similar business trust or a partnership, which has assets in excess of \$5,000,000 and which was not organized for the purpose of investing in the Shares;
 - (9) The investor is a director or executive officer of the Company;
 - (10) The investor is an entity in which all the equity owners are "Accredited Investors";
 - (11) The investor is an individual retirement account (IRA), and the participant (i.e., the equity owner of the account) is an "Accredited Investor".

Additionally, each investor will also be required to represent that the Shares are being acquired for the investor's own account and not with a view to or for sale in connection with a distribution of the Shares.

The Company will not accept subscriptions from any person (a) who does not represent in a Subscription Agreement in the form attached hereto as Exhibit B ("Form of Subscription Agreement") that he meets the foregoing standards, or (b) who the Company believes does not meet such standards.

The Company is authorized to rely upon the accuracy of the prospective investor's representations contained in the executed Subscription Agreement.

The Company reserves the right to review the suitability of the Shares for investment by any proposed subscriber and, in connection with such review, the Company reserves the right, in its sole discretion, to reject subscriptions for the Shares, notwithstanding compliance with such standards by a prospective investor. All decisions of the Company concerning such matters are final and conclusive.

LIABILITY FOR MISREPRESENTATION

If any representation made by an offeree, or other person acting on his behalf, misleads the Company as to the financial or other circumstances of a particular offeree, or if, because of any error or misunderstanding as to such circumstances, a numbered copy of this Memorandum is delivered to such offeree, such delivery shall not be deemed to be an offer, and the Memorandum will be immediately returned to the Company. Any false representations or warranty made by any purchaser of the Shares may subject such purchaser to liability in connection therewith.

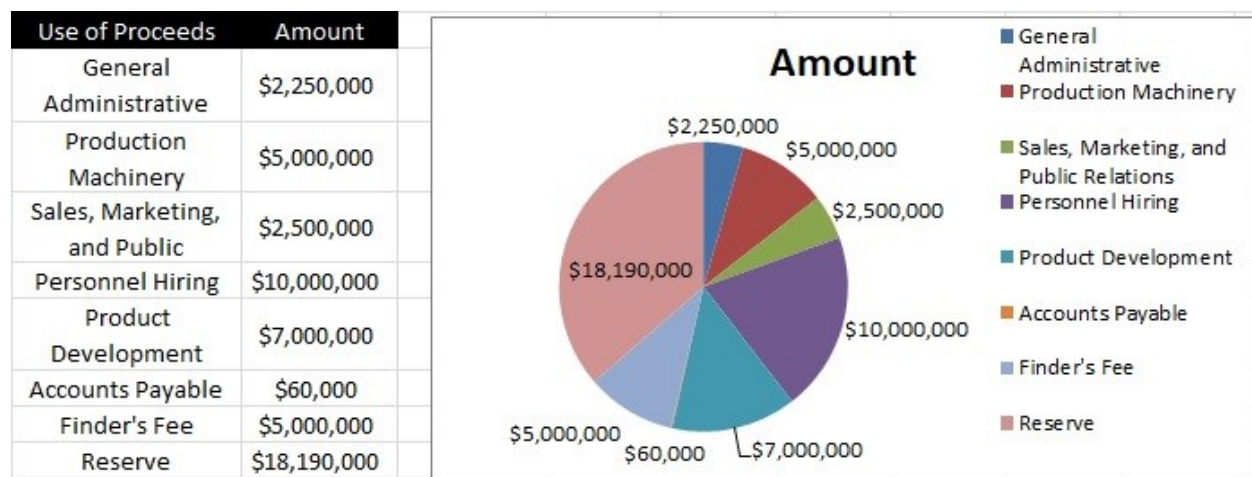
DESCRIPTION OF THE BUSINESS

This Memorandum, including the following summary description of our business, contains certain forward-looking statements that involve risks and uncertainties. These statements relate to our future plans, goals, expectations and intentions, and may be identified by the use of words such as "expects," "anticipates," "intends," "believes," "plans," "will," "may," "pro forma", and similar expressions. Our actual results could differ materially from the results anticipated in these forward-looking statements. Factors that could contribute to such differences include, but are not limited to, the risk factors discussed in this Memorandum under "Risk Factors," as well as other events and uncertainties that may be outside of our control. Also, many of the statements set forth below are based on our beliefs, intentions, ideas and insights and may or may not be based on actual or historical data. Unless otherwise required by applicable law, we do not intend to update any

forward-looking statements in this Memorandum to reflect occurrences, developments, events or circumstances after the date of this Memorandum.

USE OF PROCEEDS

The following sets forth summary information about the estimated use of offering proceeds, based on the sale of all 10,000,000 Shares on offer. If this private placement is fully subscribed, the anticipated net proceeds from the sale of the Shares offered, after deducting maximum offering and organization expenses and fees, is estimated at approximately \$45,000,000. However, the actual net proceeds the Company will receive will depend on the number of Shares sold. The planned use of proceeds shown below is subject to change based on the actual net proceeds received from this Offering, actual expenses, changes in general business, economic and competitive conditions, timing and management discretion, each of which may change the amount of proceeds expended for the purposes intended.



RISK FACTORS

An investment in the Shares is highly speculative and involves substantial risks. You should carefully consider the risks described below, as well as the other information in this Memorandum, when evaluating whether to make an investment in the Shares. You should also consult with your own legal, tax and financial advisors about an investment in the Shares. If any of the following risks actually occur, our business, financial condition and results of operation could be materially and adversely affected. In such case you could lose all or part of your investment. You should not invest in the Shares unless you can afford the loss of your entire investment. You and your advisors are invited to ask us questions and to request information about the terms and conditions of this private placement for purposes of evaluating the merits and risks of an investment in the Shares. We will provide such information to the extent we possess the information or can acquire it without unreasonable effort or expense.

OPERATION AND COMPANY RISKS

Because of FTC's operating history, it is more difficult to accurately assess growth rate and earnings potential. It is possible that FTC will face many difficulties typical for expanding companies.

These may include, among others: relatively limited financial resources; developing new generator/genset products; delays in reaching its goals; unanticipated start-up costs; potential competition from larger, more established companies; and difficulty recruiting and retaining qualified employees for management and other positions.

The Company has limited working capital and requires significant additional financing, which may or may not be available.

The Company may face these and other difficulties in the future, some of which may be beyond its control. If FTC is unable to successfully address these difficulties as they arise, the Company's future growth and earnings will be negatively affected. The Company cannot be assured that FTC's business model and plans will be successful or that FTC will successfully

address any problems that may arise. It is possible that you could lose your entire investment.

FTC may incur significant losses and there can be no assurance that FTC will ever become a profitable business.

FTC does not plan to declare dividend distributions to its shareholders in the near future and there is no guarantee it will ever receive any profit from its operations so as to be able to declare and pay dividends to its shareholders.

There can be no assurance with respect to the amount and timing of dividends to the Company's shareholders, or that they will ever be made.

The Company initially intends to retain cash from its operations to fund the development and growth of its business. The Company has broad discretion on how the net proceeds of this private placement are utilized.

The Company has limited working capital and requires significant additional financing, which may or may not be available. The Company has limited working capital and there may not be sufficient financial resources available to carry out planned FTC operations. We depend upon timely availability of adequate working capital in order to meet the objectives of our technology development and business plans. We estimate that the additional externally-generated equity investment required for FTC to achieve self-sustaining positive cash flow from operations in 2021 will be approximately \$100 million, and it is currently planned that this funding will be provided by the proceeds of this private placement, but there can be no assurance that positive cash flow will ever occur.

FTC may not be able to create and maintain a competitive advantage, given the rapid technological and other competitive changes affecting all markets worldwide. FTC success will depend on its ability to keep pace with any such changes.

There can be no assurance that the Company will sell the maximum number of shares offered in this private placement, or that FTC development and commercial operations will not require additional capital greater than or sooner than currently anticipated. If FTC is unable to obtain additional

capital if needed, in the amount and at the time needed, this may restrict planned development and/or rate of growth of generator sales; limit FTC's ability to take advantage of future opportunities; negatively affect its ability to implement its business strategies and meet its goals; and possibly limit its ability to continue operations.

The Company's working capital requirements may significantly vary from those currently anticipated. FTC may incur significant losses and there can be no assurance that FTC will ever become a profitable business.

SECURITY OWNERSHIP OF BENEFICIAL OWNERS AND MANAGEMENT

The following sets forth information relating to the beneficial ownership of the Company's common stock held by the Company's management and those persons beneficially holding more than 5% of its issued and outstanding common stock as of September 5, 2020.

Joe Shepard holds 11,000,000 Shares of common stock (52.38%)

LEGAL PROCEEDINGS

The Company is not party to any legal proceedings.

DESCRIPTION OF CAPITAL STOCK

The Company is authorized to issue up to 21,000,000 common shares. As of September 5, 2020, there are 11,000,000 common shares outstanding and owned by 1 shareholder of record – Joe Shepard. All common shares have identical rights, including voting rights of one vote per common share on all matters to be voted upon by the shareholders. Holders of common shares are entitled to ratably receive such dividends, if any, as may be declared by the Board of Directors out of funds legally available. Upon the liquidation, dissolution, or winding up of the Company, the holders of its common shares are entitled to share ratably in all its assets that are legally available for distribution after payment of all debts and other liabilities. Holders of

common shares have no preemptive, subscription, redemption or conversion rights. The outstanding common shares are, and the shares being sold by the Company in this offering will be, when issued and delivered, validly issued, fully paid and non-assessable.

Exhibit A

FORM OF SUBSCRIPTION AGREEMENT

The Franklin-Thomas Company, INC
268 Kettering Rd.,
Deltona, FL 32725 USA

Attn: Board of Directors

Gentlemen:

1. **Subscription.** The undersigned (the "Subscriber") hereby tenders this subscription and applies to purchase _____unregistered common shares (the "Shares") offered by The Franklin-Thomas Company, INC., a Florida corporation (the "COMPANY"), at a price of \$5.00 per Share, and further sets forth statements upon which COMPANY may rely to determine the suitability of the Subscriber to purchase the Shares. The minimum subscription is 1,000 Shares (\$10,000), unless the Company, in its sole discretion, elects to accept subscriptions for fewer Shares. The Shares, when issued, will be fully paid and non-assessable voting shares.

Unless otherwise specifically stated, any reference to "Securities" shall mean the Shares. Unless otherwise defined herein, capitalized terms used herein have the respective meanings assigned to them in the Confidential Private Placement Memorandum, dated as of September 5, 2020, as may be further updated, amended or supplemented after the date hereof in connection with this offering of Shares by the Company (the "Memorandum").

The Subscriber understands that the purchase price for the Securities is payable to The Franklin-Thomas Company, INC. in full upon subscription. Interest will not be earned on subscriptions.

2. **Representations and Understandings.** The Subscriber hereby makes the following representations, warranties and agreements and confirms the following understandings:

The Subscriber understands and agrees:

(a) That the Securities have not been registered under the Securities Act of 1933, as amended (the "Act"), and are being sold pursuant to the exemption provided by Rule 506 promulgated hereunder; and,

(b) that the Securities have not been registered or qualified under the applicable state securities laws of any jurisdiction, and that the Securities are being offered and sold pursuant to applicable exemptions there from; and,

(c) That a legend will be placed on each of the share certificates that comprises and represents the Shares which will state as follows:

"THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO THEIR DISTRIBUTION OR RESALE, AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR THESE SECURITIES UNDER THE ACT, OR THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL OR OTHER EVIDENCE, SATISFACTORY TO THE COMPANY, TO THE EFFECT THAT SUCH REGISTRATION IS NOT REQUIRED";

3. (d) that a notation in the records of the Company will be made regarding any restrictions on transfer of the Securities pursuant to Paragraph 2(I) (c) above.
4. (ii) The Subscriber is purchasing the Securities for its own account and not with a view to resell or distributes the Securities except in full compliance with all applicable U.S. federal and state securities laws. The Subscriber has such knowledge and experience in financial and business matters that Subscriber is capable of evaluating the merits and the risks of the acquisition of the Securities and, by reason of Subscriber's financial and business experience (either alone or

together with any purchaser representative), Subscriber has the capacity to protect Subscriber's interest in connection with the acquisition of the Securities.

5. (iii) The Subscriber has received a copy of the Memorandum, has reviewed it carefully and has had an opportunity to question representatives of the Company and to obtain such additional information concerning the Company as it has requested.
6. Subscriber is not purchasing the Securities as the result, directly or indirectly of any form of general solicitation or general advertising, including any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio.
7. (iv) The Subscriber has evaluated the risks of its investment in the Company, including those risks particularly described in the Memorandum under the Section thereof entitled "RISK FACTORS." In evaluating such investment, the Subscriber has been provided with a reasonable opportunity to consult with its own investment and/or legal advisor(s).
8. (v) Subscriber **[PLEASE INITIAL THE APPROPRIATE SPACE]** is _____ is not _____ an "Accredited Investor," as such term is defined in Rule 501 promulgated under the Act. If Subscriber is an Accredited Investor, please initial and complete all of the spaces in this Paragraph 2(v) appropriate to Subscriber's facts:
9. (a) ___ Subscriber is a natural person who is subscribing on behalf of himself or herself (or on behalf of a revocable trust of which subscriber is the grantor), whose net worth or joint net worth with his or her spouse exceeds \$1,000,000.
10. (b) ___ Subscriber is a natural person who is subscribing on behalf of himself or herself (or on behalf of a revocable trust of which subscriber is the grantor), whose individual income exceed \$200,000, or whose income together with that of his or her spouse exceeded

\$300,000, in either case, in each of the two most recent years and who reasonably expects such income to exceed \$200,000 in the case of individual income or \$300,000 in the case of joint income in the current year.

11. (c) ___ Subscriber is an employee benefit plan within the Employee Retirement Income Security Act of 1974 ("ERISA") [PLEASE INITIAL THE SPACE APPROPRIATE TO SUBSCRIBER'S FACTS]:

(1) ___ where the investment decision is being made by a plan fiduciary, as defined in Section 3(21) thereof, which is (i) ___ a bank, (ii) ___ a savings and loan association, (iii) ___ an insurance company or (iv) ___ a registered investment advisor; or

(2) ___ where the investment decision is made by a plan fiduciary who is not among those listed in clause (c)(1) above, but the plan has total assets in excess of \$5,000,000; or

12. (d) ___ Subscriber is a self-directed employee benefit plan where the investment decisions are made solely by persons that are "Accredited Investors" and the investments are made only on behalf of those persons, in which case the Subscriber has set forth below the name of each such person and each such person has completed and signed a supplemental copy of this Subscription Agreement (indicating therein that it is such a supplement and not intended to constitute a separate subscription) [PLEASE SET FORTH EACH NAME IN THE SPACE PROVIDED].

13. (e) ___ Subscriber is an irrevocable trust which has total assets in excess of \$5,000,000, which was not formed for the specific purpose of acquiring the Securities, and whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D, by reason of the business or financial experience of such person or by reason of the business or financial experience of the Purchaser Representative of such trust, who is unaffiliated with and who is not, directly or indirectly, compensated by the COMPANY or its affiliates,

which business and financial experience consists of the following:
[PLEASE DESCRIBE, WITH APPROPRIATE REFERENCE TO EDUCATIONAL BACKGROUND AND BUSINESS, PROFESSIONAL AND INVESTMENT EXPERIENCE; IF A PURCHASER REPRESENTATIVE IS USED, THAT PERSON MUST SIGN THE CERTIFICATE OF THE PURCHASER REPRESENTATIVE WHICH IS ATTACHED AS AN ADDENDUM TO THIS SUBSCRIPTION AGREEMENT]

(f) ___ Subscriber is (1) a bank as defined in Section 3(a)(2) of the Act, whether acting in its individual or fiduciary capacity, or (2) a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity.

(g) ___ Subscriber is a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934.

(h) ___ Subscriber is an insurance company as defined in Section 2(a) (13) of the Act.

(i) ___ Subscriber is an investment company registered under the Investment Company Act of 1940.

(j) ___ Subscriber is a business development company, as defined in section 2(a) (48) of the Investment Company Act of 1940.

(k) ___ Subscriber is a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958.

(l) ____ Subscriber is a private business development company, which meets the definition in Section 202(a) (22) of the Investment Advisers Act of 1940.

(m) ____ Subscriber is a plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, which plan has total assets in excess of \$5,000,000.

(n) ____ Subscriber is an organization described in Section 501(c) (3) of the Internal Revenue Code of 1986, as amended, a corporation, a Massachusetts or similar MSI DRAFT PPM – 022409 – Draft 28 CONFIDENTIAL business trust or a partnership, which has assets in excess of \$5,000,000 and which was not organized for the purpose of investing in the Securities, or is a non-USA organization whose beneficial ownership interests do not include citizens or permanent residents of the USA.

(o) ____ Subscriber is a director or executive officer of the COMPANY.

(p) ____ Subscriber is an entity in which all the equity owners are “Accredited Investors,” in which case the Subscriber has set forth below the name of each such person and each such person has completed and signed a supplemental copy of this Subscription Agreement (indicating therein that it is such a supplement and not intended to constitute a separate subscription) **[PLEASE SET FORTH EACH NAME IN THE SPACE PROVIDED]**

(q) ____ Subscriber is an individual retirement account (IRA), and the participant (i.e., the equity owner of the account) is an “Accredited Investor,” in which case the Subscriber has set forth

below the name of such participant, and such person has completed and signed a supplemental copy of this Subscription Agreement (indicating therein that it is such a supplement and not intended to constitute a separate subscription. **[PLEASE SET FORTH NAME IN THE SPACE PROVIDED]**

- 14. (vi) If Subscriber is a foundation or endowment fund or an employee benefit plan governed by ERISA, such person’s investment has been duly approved by all persons whose approval is required and is not prohibited or restricted by any provisions of the governing - or any related - instrument of - or pertaining to - such foundation, plan or endowment, and such foundation, plan or endowment has consulted its counsel and other advisors with respect to its investment.
- 15. (vii) Subscriber [PLEASE INITIAL] is ____ a U.S. Person, as defined in this section; if Subscriber is a U.S. Person, Subscriber agrees to notify the COMPANY within 60 days of the date it ceases to be a U.S. Person. U.S. Person means:
 - (a) any natural person resident in the United States;
 - (b) any partnership or corporation organized or incorporated under the laws of the United States;
 - (c) any estate of which any executor or administrator is a U.S. Person;
 - (d) any trust of which any trustee is a U.S. Person;
 - (e) any agency or branch of a foreign entity located in the United States;
 - (f) any non-discretionary account or similar account held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
 - (g) any discretionary account or similar account held by a dealer or other fiduciary organized, incorporated, or (if individual) resident in the United States; and
 - (h) Any partnership or corporation if:
 - (1) organized or incorporated under the laws of any foreign jurisdiction; and

(2) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated and owned, by accredited investors who are not natural persons, estates or trusts.

16. Notwithstanding the foregoing definition of "U.S. Person";
- (a) Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organized, incorporated, or (if individual) resident in the United States shall not be deemed a U.S. Person.
 - (b) Any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person shall not be deemed a U.S. Person if:
 - (1) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate; and
 - (2) the estate is governed by foreign law.
 - (c) Any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. Person.
 - (d) Any employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a U.S. Person.
 - (e) Any agency or branch of a U.S. Person located outside the United States shall not be deemed a U.S. Person if:
 - (1) the agency or branch operates for valid business reasons; and
 - (2) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

(f) The International Monetary Fund, the International Bank for Reconstruction and Development Bank, the Asian Development Bank, the African Development Bank, the United Nations and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

(viii) Subscriber's net worth is in excess of ten (10) times its proposed investment in the Shares and Subscriber has ascertained by independent financial advice that the proposed investment is suitable and that Subscriber is financially able to bear the economic risk of the investment, including the total loss thereof.

(ix) Subscriber has no need for any liquidity in its investment and is able to bear the economic risk of its investment for an indefinite period of time. Subscriber has been advised and is aware that there is currently no public market for the Securities and that no public market for the Securities can be assured or promised.

(x) Subscriber has relied solely upon the Memorandum and independent investigations made by it or its representatives with respect to the Securities subscribed for herein.

(xi) Subscriber agrees not to transfer or assign its subscription hereunder or any interest therein.

(xii) If executing this Subscription Agreement in a representative or fiduciary capacity, the undersigned has full power and authority to execute and deliver this Subscription Agreement on behalf of its principal for whom the undersigned is executing this Subscription Agreement, and such principal has the full right and power to perform pursuant to this Subscription Agreement and to acquire the Securities.

(xiii) This subscription constitutes an irrevocable offer to purchase the Shares for thirty (30) calendar days, unless sooner accepted or rejected by the Company in its discretion. If rejected by the Company for any reason, a full refund, without deduction or interest, will be made to Subscriber by Company and its directors, officers and agents will have no further liability to the prospective Subscriber.

(xiv) There can be no assurance as to the federal or state tax consequences of an investment in the Shares.

(xv) The information contained in the Memorandum is confidential and nonpublic, and all such information shall be kept in confidence by the Subscriber and shall not be used by the Subscriber to the Subscriber's personal benefit (other than in connection with the subscription for the Shares) or disclosed to any third party for any reason; provided, that this obligation shall not apply to any such information which

- (i) is part of the public knowledge or literature and readily accessible at the date hereof;
- (ii) becomes part of the public knowledge or literature and readily accessible by publication (except as a result of a breach of these provisions); or
- (iii) is received from third parties (except third parties who disclose such information in violation of any confidentiality agreements including, without limitation, any Subscription Agreement they may have with the Company).

(xvi) Neither this Subscription Agreement nor any provisions hereof shall be waived, modified, changed, discharged, terminated, revoked, or canceled except by an instrument in writing signed by the party against whom any change, discharge, or termination is sought. (xvii) Failure of the Company to exercise any right or remedy under this Subscription Agreement or any other agreement between the Company and the Subscriber, or otherwise, or delay by the Company in exercising such right or remedy, will not operate as a waiver thereof. No waiver by the Company will be effective unless and until it is in writing and signed by the Company.

(xviii) This Subscription Agreement shall be enforced, governed and construed in all respects in accordance with the laws of the State of Florida, as such laws are applied by Florida courts to agreements entered into and to be performed in Florida, and shall be binding upon the Subscriber, the Subscriber's heirs, estate, legal representatives,

successors and assigns and shall inure to the benefit of the Company and its successors and assigns.

(xix) In the event that any provision of this Subscription Agreement is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform to such statute or rule of law. Any provision hereof which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

(xx) This Subscription Agreement, the Memorandum and any documents referenced therein constitute the entire agreement among the parties hereto with respect to the subject matter hereof and supersede any and all prior or contemporaneous representations, warranties, agreements and understandings in connection therewith. Except as otherwise provided in this Paragraph (XX), this Subscription Agreement may be amended only by a writing executed by all parties hereto.

(xxi) The Subscriber has previously made the following types of investments [PLEASE INITIAL THE APPROPRIATE SPACES]:

_____ Listed Stocks

_____ OTC Stocks

_____ Bonds

_____ Mutual Funds

_____ Public Direct Investments (limited partnership or limited liability company)

_____ Private Direct Investments (limited partnership or limited liability company)

_____ Venture Capital or other Early-Stage Investments 3.

No Regulatory Endorsement.

Subscriber understands that no Federal or state agency has recommended or endorsed the purchase of the Securities or passed upon the adequacy or accuracy of the information set forth in the Memorandum (including the Exhibits thereto).

Indemnification

Subscriber warrants the truth and accuracy of all Subscriber’s representations, warranties and agreements, and the truth and accuracy of all of the information provided by Subscriber and included in this Subscription Agreement, and agrees to indemnify and defend the Company and its directors and officers and hold them harmless from and against any and all liability, damage, cost or expense incurred on account of or arising out of any breach of or inaccuracy in Subscriber’s representations, warranties or agreements herein, including any action, suit or proceeding based on a claim that any of such representations, warranties or agreements were inaccurate or misleading or otherwise cause for obtaining damages or redress from the Company or any of its directors or officers under the Act or any applicable state securities laws of any jurisdiction.

Attorney’s Fees and Costs

The court may award either party in any controversy, claim or litigation relating to this Subscription Agreement reasonable attorney’s fees and costs, in addition to any other appropriate relief.

SHARE SUBSCRIPTION:

DOLLAR AMOUNT: \$_____

NUMBER OF SHARES: _____

PLEASE INITIAL ONE OF THE FOLLOWING:

- INDIVIDUAL OWNERSHIP (one signature)
- JOINT TENANT WITH RIGHT OF SURVIVORSHIP (two signatures)
- COMMUNITY PROPERTY (two signatures)
- TENANTS IN COMMON (two signatures)
- CUSTODIAN UNDER UNIFORM GIFT TO MINORS ACT

- ___ TRUST
- ___ PARTNERSHIP
- ___ CORPORATION
- ___ IRA
- ___ OTHER [PLEASE SPECIFY]

Dated: _____, 2020

Authorized Signature

Title or capacity of signing party if Subscriber is a partnership, corporation, trust or other non-individual entity. PLEASE TYPE OR PRINT THE FOLLOWING INFORMATION:

Full name(s) of Subscriber(s) as it/they should appear on Securities

Social security, employer I.D., or other taxpayer I.D. number of Subscriber

Address of Permanent Residence 1

Telephone Number _____

Fax Number _____

Email Address _____

ACCEPTANCE OF SUBSCRIPTION:

The Franklin-Thomas Company, INC., A Florida Corporation By:

Dated: _____, 2020

Chairman/President _____

If Subscriber is a corporation, partnership, trust or other form of business organization, please provide the address of the Subscriber's principal office in lieu of permanent residence address.

ADDENDUM TO SUBSCRIPTION AGREEMENT CERTIFICATE OF PURCHASER REPRESENTATIVE

1. I hereby certify that I have acted as the Purchaser Representative of

_____ in connection with such person's investment in Securities of The Franklin-Thomas Company, INC, a Florida corporation ("COMPANY"), and that the statements made with respect to me in the Subscription Agreement executed in connection therewith by said person are true and correct. The following is a description of the business and investment experience, education and other bases of my background which gave me such knowledge and experience in business and financial matters that I am capable of evaluating the merits and risks of an investment in the Securities [PLEASE COMPLETE]:

2. The following sets forth any material relationship between me or my affiliates and the COMPANY and its affiliates that now exists, is mutually understood to be contemplated or that has at any time during the previous two (2) years existed, and sets forth any compensation received or to be received as a result of such relationship [PLEASE COMPLETE]:

3. The undersigned is not an affiliate, director, officer or other employee of the COMPANY or beneficial owner of ten percent (10%) or more of any class of its equity securities or of ten percent (10%) or more of the equity of the COMPANY.

By: _____

Purchaser Representative

Dated: _____, 2020