# FRANCHISE DISCLOSURE DOCUMENT

Uni K Wax Franchising, LLC
A Delaware limited liability company

117 NW 9th Terrace, Bay#1
Hallandale Beach, Florida 33009

Phone: (305) 949-9294
Email: franchise@unikwaxgroup.com
Website: www.unikwax.com/franchises/

Uni K Wax Franchising, LLC grants franchises for the development and operation of a studio specializing in wax hair removal services utilizing proprietary products and techniques.

The total investment necessary to begin operation of a UNI K WAX® studio is $413,912 to $768,600. This includes $72,300 to $79,450 that must be paid to the franchisor and affiliate.

The total investment necessary to begin operation of 3 to 5 studios under an Area Development Agreement is $482,912 to $916,600. This includes $141,300 to $227,450 that must be paid to the franchisor and affiliate.

This Disclosure Document summarizes certain provisions of your franchise agreement, area development agreement and other information in plain English. Read this Disclosure Document and all accompanying agreements carefully. You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document**.

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the franchisor at 117 NW 9th Terrace, Bay#1, Hallandale Beach, Florida 33009 or by phone at (305) 949-9294.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, such as "*A Consumer's Guide to Buying a Franchise*," which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission (the "FTC"). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at *www.ftc.gov* for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 20, 2026

## How to Use this Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

| QUESTION | WHERE TO FIND INFORMATION |
|---|---|
| **How much can I earn?** | Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or EXHIBIT "F". |
| **How much will I need to invest?** | Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use. |
| **Does the franchisor have the financial ability to provide support to my business?** | Item 21 or EXHIBIT "G" includes financial statements. Review these statements carefully. |
| **Is the franchise system stable, growing, or shrinking?** | Item 20 summarizes the recent history of the number of company-owned and franchised outlets. |
| **Will my business be the only UNI K WAX® Studio in my area?** | Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you. |
| **Does the franchisor have a troubled legal history?** | Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings. |
| **What's it like to be a UNI K WAX® franchisee?** | Item 20 or EXHIBIT "F" lists current and former franchisees. You can contact them to ask about their experiences. |
| **What else should I know?** | These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents. |

## What You Need To Know About Franchising *Generally*

**Continuing responsibility to pay fees**. You may have to pay royalties and other fees even if you are losing money.

**Business model can change**. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

**Supplier restrictions**. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

**Operating restrictions**. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

**Competition from franchisor**. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

**Renewal**. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

**When your franchise ends.** The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

## Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in EXHIBIT "A".

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

## Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement and area development agreement require you to resolve disputes with the franchisor by mediation and/or litigation only in Florida. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Florida than in your own state.

2. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.

3. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

4. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

5. **Operating History.** The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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**THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.**

Each of the following provisions is void and unenforceable if contained in any document relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

  (i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

  (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

  (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

  (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

**THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.**

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

## ITEM 1 FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, "we," "us" and "the Company" mean Uni K Wax Franchising, LLC - the franchisor. "You" means the person who buys a UNI K WAX® franchise - the franchisee, and includes your partners if you are a partnership, your shareholders if you are a corporation, and your members if you are a limited liability company.

For purposes of this Disclosure Document, a "Studio" refers to any wax hair removal studio that we authorize to operate under our Marks and use our System (as such terms are defined below), including any Studio operated by us, our affiliate, you, or another franchisee.

### Corporate Information

Uni K Wax Franchising, LLC is a Delaware limited liability company that was organized on March 15, 2023. Our principal business address is 117 NW 9th Terrace, Bay#1, Hallandale Beach, Florida 33009. Our telephone number is (305) 949-9294. Our agents for service of process are disclosed in EXHIBIT "A" (for franchise registration states) and EXHIBIT "B" (for other states). We do not do business under any names other than "Uni K Wax Franchising, LLC" and our tradename UNI K WAX®.

### Business History

Noemi Grupenmager, founder of the UNI K WAX® concept, opened the first Studio in South Beach, Florida in April 1993. Our company, Uni K Wax Franchising, LLC, began offering Studio franchises in June 2023 after acquiring the franchise system from our predecessor, UKW Franchising Company, LLC ("UKW-FC"). We are not engaged in any business other than offering Studio franchises and administering the franchise system. We have never offered franchises in any other line of business. We have never directly owned and operated a Studio.

### Predecessor

Our predecessor UKW-FC offered Studio franchises from October 2006 until April 2023. UKW-FC also offered area representative franchises from December 2016 until May 2020 under a separate Franchise Disclosure Document. During this time, UKW-FC sold a total of 3 area representative franchises. Area representatives helped UKW-FC solicit, sell and support Studio franchises within a defined development area. There are no area representatives currently in operation. UKW-FC never offered franchises in any other line of business. UKW-FC never directly owned or operated a Studio, although its affiliates owned and operated company-owned Studios from time to time. We do not offer area representative franchises. UKW-FC's principal business address is 117 NW 9th Terrace, Bay# 1, Hallandale Beach, Florida 33009.

### Parents

We have the following direct and indirect parent companies:

| Name | Principal Business Address | Direct or Indirect |
|---|---|---|
| Uni K Wax Group Inc. | Same as ours | Direct |
| Uni K Wax Holdings, LLC | Same as ours | Indirect |

### Affiliates

Our affiliate Uni K Wax Distribution, LLC ("UKW Distribution") is a supplier for uniforms and certain furniture, retail items, promotional and print materials and operating supplies and equipment purchased by franchisees. UKW Distribution has never operated a Studio or offered franchises in this or any other line of business. UKW's principal business address is 117 NW 9th Terrace, Bay#1, Hallandale Beach, Florida 33009.

From April 2019 to present, our affiliate Uni K Wax International, LLC ("UKW-International") has offered franchises outside of the United States for: (a) Studios (i.e., the same business offered under this Disclosure Document); and (b) master franchises, pursuant to which the master franchisee solicits and sells subfranchises, trains and supports subfranchisees, and administers our franchise system, all within a defined development

territory. Both of these businesses are operated under the name "UNI K WAX". UKW-International has never offered franchises in any other line of business. As of December 31, 2025, UKW-International sold 0 franchises. UKW-International has never directly operated a Studio. UKW's principal business address is the same as ours.

Except for UKW Distribution and UKW-International, we do not have any affiliates that: (a) supply goods or services to our franchisees; and/or (b) offer (or have ever offered) franchises in this or any other line of business.

**Description of Franchised Business**

The franchised business offered under this Disclosure Document is for a studio featuring wax hair removal services using certain proprietary products and techniques. The individuals who perform waxing services are referred to as "Waxers". Studios typically include between 4 and 6 waxing rooms. Studios also offer and sell various retail items that we designate or approve. We implemented a membership model in October 2023. All Studios are required to participate in the program.

If we award you a franchise, you must sign the form of franchise agreement attached to this Disclosure Document as EXHIBIT "C" (the "Franchise Agreement"). We refer to the franchised business you purchase as your "Studio" or your "Business". The Franchise Agreement grants you a license to use certain service marks, trademarks, trade names and logos, including the service mark UNI K WAX® and related logos (collectively, the "Marks"). The Marks also include our distinctive trade dress used to identify a Studio or the products it sells. The Franchise Agreement also grants you a license to use the system developed for the operation of a Studio (the "System"). The operational aspects of a Studio are described in our confidential Brand Standards Manual (the "Manual"). You will operate your Studio as an independent business using the Marks, the System and the support, guidance and other methods and materials we provide.

**Area Development Rights**

If you satisfy our criteria for multi-unit developers, we may (but need not) offer you the right to enter into an Area Development Agreement in the form attached to this Disclosure Document as EXHIBIT "D" (an "ADA"). The ADA grants you the right and obligation to develop, open and operate multiple Studios within a defined "development territory" according to a predetermined "development schedule". You must develop, open and operate all of the Studios identified in the development schedule. We only offer ADAs to franchisees who commit to develop a minimum of 3 Studios. You will sign a separate franchise agreement for each Studio you develop under the ADA. Each franchise agreement will be our then-current form of franchise agreement, which may differ from the current form of Franchise Agreement attached to this Disclosure Document.

**Market and Competition**

The target market for UNI K WAX® customers includes men, women and teens between the ages of 14 and 80. The majority of UNI K WAX® customers are women between the ages of 16 and 54. Sales are relatively consistent throughout the year but tend to be stronger during swim season (i.e., Spring and Summer).

The hair removal industry is developed and highly competitive. Our primary competition includes other businesses specializing in hair removal services, including waxing, sugaring and laser hair removal. To a lesser degree, our competition also includes: (a) other businesses in the beauty, cosmetology and aesthetics industry, such as health clubs, spas and beauty salons; and (b) ecommerce and other retail businesses that sell waxing and hair removal products and devices for home use. Some of our competitors are local independently owned and operated businesses while others are local, regional or national chains. Some of our competitors operate through a franchise model.

**Laws and Regulations**

You must comply with all federal and state licensing and other regulatory requirements relating to the operation of your Studio. Many states prohibit any person who is not a licensed aesthetician or cosmetologist from performing waxing services. Some state laws restrict the types of services aestheticians may provide and/or prohibit rendering certain types of waxing services to customers under a certain age. If required by applicable law, you must ensure that only licensed aestheticians and/or cosmetologists perform waxing services at your Studio.

As a retail business, you must comply with various consumer protection laws, such as those prohibiting false or deceptive advertising or trade practices. Our Studios currently allow customers to purchase a "series" of multiple treatments at a discounted price paid in advance. Some states have consumer protection laws regulating the offer and sale of prepaid packages and/or the offer of financing for the purchase of these packages. Some of these laws could require Studios to be bonded in order to sell prepaid packages/series (we are currently not aware of any such laws).

The Payment Card Industry Data Security Standard ("PCI") requires that all companies that process, store, or transmit credit or debit card information maintain a secure environment. PCI applies to all organizations or merchants, regardless of size or number of transactions, that accept, transmit or store any cardholder data. Your Studio will accept credit card payments and must comply with PCI standards.

You must also comply with all local, state and federal laws that apply to businesses generally, including laws governing discrimination and sexual harassment in the workplace, minimum wage, smoking in public areas as well as EEOC and OSHA standards. The Americans with Disabilities Act of 1990 requires readily accessible accommodations for disabled people and may affect your building construction, site design, entrance ramps, doors, seating, bathrooms, drinking facilities, etc. Building codes and requirements vary in different jurisdictions and it is important for you and your architect to be aware of and comply with all local laws.

There may be other local, state and/or federal laws or regulations that apply to your Studio. We strongly suggest that you investigate these laws before buying this franchise.

## ITEM 2 BUSINESS EXPERIENCE

**Chief Executive Officer: Heather Harris**

Heather Harris has held the following positions during the past 5 years:

| Employer Name | Location | Title | Time Period |
|---|---|---|---|
| Uni K Wax Franchising, LLC | Hallandale Beach, FL | Chief Executive Officer | Jun 2024 to present |
| Intelligent Office | Cincinnati, OH | President | Oct 2022 to Feb 2024 |
| Corporex | Covington, KY | Senior VP of Sales & Marketing | Feb 2021 to Oct 2022 |
| | | Chief Operating Officer | Aug 2019 to Oct 2022 |

**VP of Finance and Technology: Herbert Zea**

Herbert Zea has held the following positions during the past 5 years:

| Employer Name | Location | Title | Time Period |
|---|---|---|---|
| Uni K Wax Franchising, LLC | Hallandale Beach, FL | VP of Finance and Technology | July 2025 to present |
| Exaltare Capital Partners | Boston, MA/Virtual | Senior Associate | Oct 2021 to Jun 2025 |
| | | Intern | Oct 2020 to Mar 2021 |
| Harris Williams | Richmond, VA | Associate | Apr 2021 to Aug 2021 |

## ITEM 3 LITIGATION

No litigation is required to be disclosed in this Item.

## ITEM 4 BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

## ITEM 5 INITIAL FEES

**Initial Franchise Fee**

You pay us a nonrefundable $49,500 initial franchise fee at the time you sign the Franchise Agreement. Qualified veterans receive a 20% discount on the initial franchise fee (the initial franchise fee is reduced to

$39,600). “Qualified veteran” means an honorably discharged United States veteran with a DD Form 214. The veteran’s discount cannot be combined with any other discounts and is not applicable to area development deals unless the developer only commits to open 3 Studios (in which case an $23,700 discount will be applied to the development fee). The initial franchise fee is uniformly imposed except as discussed above for qualified veterans and below for area developers.

**Initial Training Fee**

You pay us a nonrefundable $5,000 initial training fee at the time you sign the Franchise Agreement, which covers the following initial training programs (each described in detail in Item 11): (a) Orientation Training for franchise owners; (b) Management Training for your Managing Operator and Designated Managers; (c) Waxer Instructor Training for your Certified Waxer Instructor; (d) Waxer Training for your Waxers (only if needed); (e) Onsite Preopening Training for your Managing Operator and staff; and (f) Bounce-Back Training. If Onsite Preopening Training exceeds the standard 4-day period, you must pay us an additional training fee of $500 per trainer per day commencing with the 4th day of training or support.

**Startup Package**

Prior to opening you must purchase our designated package of various items necessary for the development and/or operation of your Studio (the “Startup Package”). You purchase the Startup Package from our affiliate, UKW Distribution. Our current Startup Package includes: (a) uniforms; (b) furniture; (c) retail inventory items; (d) promotional and printed materials; and (e) operating supplies and equipment. The Startup Package does not include all of the furniture, operating supplies and equipment you must purchase (any items not included in the Startup Package must be purchased from third-party suppliers). Currently, our Startup Package is estimated to cost $17,800 to $24,950, including shipping and taxes, and includes the following items:

| STARTUP PACKAGE | |
|---|---|
| **Item** | **Estimated Cost** |
| Uniforms | $450 - $625 |
| Furniture<br>(gift card display; POP displays; bamboo card holder, cotton container, tester tray & drawer; magnetic board; K Sign; Tear K Drop; signs; and personal items holder) | $4,600 to $6,000 |
| Retail Inventory Items<br>(loofahs; retail tweezers and display; and K-Beauty products including hydrating body lotion, aloe lotion, scrub lotion, bikini brush, bikini balm and ingrown hair serum) | $1,200 - $1,350 |
| Promotional and Printed Materials<br>(intake forms; touch-up cards; right to refuse service cards; Uni K nail files; and Uni K pens) | $1,800 - $2,250 |
| Operating Supplies & Equipment<br>(wax; gloves; spatulas; wet wipes; brushes; toner; cold packs; oil; gel; aloe; antiseptic; bottles; tissue paper box; bed roll paper; pillows and pillowcases; powder; cotton; body/foot covers; masks; hair nets; plastic bags; retail bags; gift cards; steel rulers; hand mirror; wax warmers and labels; Body Chart; scissors; tweezers; step stool; bamboo pens; clipboards; bladeless fan; and phones) | $10,200 - $14,590 |
| Estimated Taxes | $800 - $1,250 |
| Estimated Shipping Costs | $150 - $1,000 |
| **TOTAL** | **$17,800 - $24,950** |

The total cost varies depending on the size, layout and number of waxing rooms in your Studio. The estimate above assumes 4 waxing rooms for the low estimate and 6 waxing rooms for the high estimate. The purchase price is nonrefundable and uniformly imposed. However, we may change the items included in the Startup Package (and the associated cost) at any time. We also reserve the right to require you to purchase some or all of the items included in the Startup Package directly from third-party suppliers, in which case you do not pay our affiliate for those items.

**Development Fee**

If you are an area developer, you pay us a nonrefundable development fee when you sign the ADA. The development fee includes the initial franchise fee for each Studio you commit to develop. The amount of the initial franchise fee for each Studio varies in accordance with the following table:

| Number of Studios Purchased | Initial Franchise Fee |
|---|---|
| 3 to 5 Studios | $39,500 per Studio |
| 6 or more Studios | $35,000 per Studio |

For example, if you purchase the right to develop 4 Studios you pay us a $158,000 development fee (4 X $39,500) but if you purchase the right to develop 6 Studios you pay us a $210,000 development fee (6 X $35,000). You do not pay us any additional initial franchise fees when you sign Franchise Agreements for these Studios. We expect most area developers will purchase the right to develop between 3 and 5 Studios, which translates to development fees ranging from $118,500 to $197,500.

Qualified veterans who sign an ADA for the development of 3 Studios receive an $23,700 discount on the development fee, resulting in a discounted development fee of $94,800. The veteran's discount does not apply to veterans who sign ADAs for the development of 4 or more Studios. The development fee is uniformly imposed except as otherwise noted with respect to the veteran's discount. The development fee is uniformly imposed.

## ITEM 6 OTHER FEES

| TYPE OF FEE [1] | AMOUNT [2, 3] | DUE DATE | REMARKS |
|---|---|---|---|
| Royalty Fee | 7% of Gross Sales | Day of each week that we specify (currently Wednesday) for Gross Sales generated during prior reporting period | Our current reporting period runs from Monday through Sunday. We may change the reporting period and royalty fee due date upon 30 days' prior notice. You must send us weekly reports of Gross Sales. |
| Brand Fund Fee | Greater of 2% of Gross Sales or $1,000 per month (beginning when you open) | Same as royalty fee | You must contribute this amount to the Brand Fund we administer. You have no voting rights pertaining to the administration of the Brand Fund, the creation or placement of advertising, or the amount of the brand fund fee. |
| Cooperative Advertising Fee | Up to 2.5% of Gross Sales (not currently imposed) | Same as royalty fee | Company-owned outlets have the same voting power as franchised outlets in a cooperative. If a majority of outlets are company-owned, we will not increase the fee without the majority vote of franchised outlets in favor of the fee increase. Cooperative advertising fees are credited against your Local Advertising Commitment. |
| Local Advertising Commitment | *[Grand Opening Period]* $20,000 prior to opening and $5,000 per month for 3 months after opening | Prior to, and 3 months after, opening date | You must spend this amount with local suppliers on local advertising. You do not pay it to us. This amount is in addition to the Brand Fund fee. |
| | *[Rest of Term]* Greater of 2.5% of Gross Sales or $1,500 per month | As incurred (measured quarterly) | |

| TYPE OF FEE [1] | AMOUNT [2, 3] | DUE DATE | REMARKS |
|---|---|---|---|
| Additional Training Fee | Up to $350 per person per day (plus Travel Expenses for onsite training) | 10 days after invoice | Imposed for each person who attends training after opening including: Management Training; Waxer Training; Waxer Instructor Training; retraining (if trainee fails a prior attempt); supplemental training; remedial training; or additional training you request. You must also reimburse our Travel Expenses if we train your personnel onsite at your Studio (excluding 3 days of Onsite Preopening Training). You do not pay us training fees for Waxers trained by your Certified Waxer Instructor. |
| Special Assistance Fee | Up to $1,000 per day plus Travel Expenses | 10 days after invoice | Imposed if you request, and we provide, onsite assistance (other than training) at your Studio. |
| Conference Registration Fee | Up to $750 per person per conference ($750 non-attendance fee owed if you fail to attend a required conference without our approval) | 10 days after invoice | We may hold conferences to discuss matters affecting franchisees. Your Managing Operator, Regional Manager and Designated Managers must attend unless (a) we designate attendance as optional or (b) we waive the obligation to attend based on showing of good cause. |
| Technology Fees | Up to $1,500 per month (currently $1,000 per month – a separate fee is charged for each Studio you own) | 10 days after invoice or as we otherwise specify | Includes amounts you pay us or our affiliate for Technology Systems, including (a) amounts paid for proprietary items, (b) amounts we collect from you and remit to third-parties and (c) an administrative fee for managing the technology platform and negotiating/managing relationships with third-party licensors. It does not include amounts you pay to third parties. |
| System Program Fees | Up to $100 per month per program (not currently charged) | 10 days after invoice or as we otherwise specify | You must participate in customer loyalty, gift card or membership programs we establish and pay required fees and program contributions to us or a third party to administer the program. |
| Call Center Program | Up to $1,000 per month (not currently imposed) | 10 days after invoice or as we otherwise specify | Imposed if we choose to administer a call center. Our fee would be reasonable compared to what other franchise systems charge and taking into account (a) features and functionality offered, (b) costs we incur for labor, operations, technology and infrastructure, legal, compliance, training, quality assurance, translation services and related matters and (c) a reasonable markup to cover our administrative expenses. If a third party administers the call center, you pay fees to the third-party provider unless we collect the fees from you and remit them to the provider. |
| Product Purchases | Varies depending on item purchased | 10 days after invoice | We and our affiliates may, but need not, supply goods or services purchased by franchisees, such as the items currently included in the Startup Package, or other items we specify in the future. |
| New Product or Supplier Testing | $1,000 plus actual costs we incur to test product or supplier you propose | 10 days after invoice | This covers the costs of testing new products or inspecting new suppliers you propose. |
| Relocation Fee | $5,000 | At time we approve relocation | Imposed if we allow you to relocate your Studio. |
| Renewal Fee | $5,000 | At time you sign renewal agreement | Imposed if you renew your franchise rights. |

| TYPE OF FEE [1] | AMOUNT [2, 3] | DUE DATE | REMARKS |
|---|---|---|---|
| Transfer Fee | 20% of our standard, then-current, initial franchise fee | Before Transfer | You pay the transfer fee for all Transfers other than Permitted Transfers. If our broker finds the buyer, you must also reimburse us for all commissions we pay the broker. |
| Reimbursement of Quality Assurance Program Costs | Actual cost paid to company we hire | 10 days after invoice | If we hire a person or company to inspect your Studio, you must reimburse us for all amounts we pay them for the inspection. |
| Reimbursement of Reinspection Costs | All Travel Expenses and other costs we incur to visit and inspect your Studio | 10 days after invoice | Imposed if we inspect your Studio to determine if you remedied a (a) health or safety issue identified by a government agency or (b) breach of system standards we bring to your attention. |
| Audit Fee | Actual cost of audit (including Travel Expenses for audit team) | 10 days after invoice | Imposed if an audit (a) is necessary because you fail to send us required information or reports in a timely manner or (b) reveals you understated Gross Sales by 3% or more. |
| Late Fee | $100 plus default interest at lesser of (a) 18% per annum (prorated on daily basis) or (b) highest rate allowed by applicable law | 10 days after invoice | If our debit of your account is rejected or your check is returned for insufficient funds, we may charge (in addition to the late fee) an NSF fee of $50 per incident. Default interest is limited to 10% per annum in California. |
| Noncompliance fee | Up to $500 per incident | Upon demand | Imposed if you breach a mandatory standard or operating procedure (including submission of required reports) and fail to cure within the time period we require. We may impose an additional $500 fee every 48 hours the breach remains uncured after we impose the initial fee. We will deposit these fees into the Brand Fund. |
| Default Reimbursements | All costs we incur to cure your default | 10 days after invoice | If you fail to cure a breach of the Franchise Agreement or our brand standards in the time period we require, we may take steps to cure on your behalf and you must reimburse us for our costs (examples include failure to pay suppliers, maintain insurance or meet quality standards). |
| Management Fee | $500 per day plus reimbursement of Travel Expenses and other costs | 10 days after invoice | If you fail to cure a Franchise Agreement default or Managing Operator dies, we can designate a person to manage your Studio until the default is cured or Managing Operator replaced. |
| Indemnification | Amount of our damages, losses or expenses | 10 days after invoice | You must indemnify us for losses and expenses we incur due to your operation of the Studio or breach of the Franchise Agreement. |
| Attorneys' Fees and Costs | Amount of attorneys' fees and costs we incur | Upon demand | You must reimburse us for all attorneys' fees and costs we incur relating to your breach of the Franchise Agreement or any related agreement. |
| Liquidated Damages | 2 years of royalty & brand fund fees - see Note 4 | 30 days after invoice | Imposed if we terminate due to your default or you terminate in any manner not permitted by the Franchise Agreement. |

| TYPE OF FEE [1] | AMOUNT [2, 3] | DUE DATE | REMARKS |
|---|---|---|---|
| Prepaid Liabilities | Amount of your Studio's total outstanding Prepaid Liabilities | At time of Transfer, expiration or termination of Franchise Agreement | Under current policy you may sell Series and retain all proceeds from these sales (including Prepaid Liabilities for unredeemed treatments) as long as you satisfy certain criteria. We may require you to pay the total amount of your Prepaid Liabilities to us (upon termination or expiration of the Franchise Agreement) or a transferee (as a condition to Transfer). We may also require you to purchase a surety bond to satisfy Prepaid Liabilities if your Studio closes. |

Notes:

1. Nature and Manner of Payment: All fees are imposed by and payable to us except: (a) you purchase products directly from our affiliate, UKW Distribution; (b) you pay the cooperative advertising fee directly to your advertising cooperative (we may instead require you to pay this fee to us, in which case we will remit the fee to the cooperative on your behalf); and (c) you spend the Local Advertising Commitment directly with third-party suppliers. All fees are nonrefundable and uniformly imposed. You must sign an ACH Authorization Form (attached to the Franchise Agreement as ATTACHMENT "E") permitting us to electronically debit your designated bank account for all amounts owed to us and our affiliates (other than fees due within 15 days after signing the Franchise Agreement). You must deposit all Gross Sales into the bank account and ensure sufficient funds are available for withdrawal before each due date. You are responsible for all taxes imposed on you or us (other than our income taxes) based on products, intangible property (including trademarks) or services we provide to you or payments you make to us.

2. Definitions: As used in this Disclosure Document, the following capitalized terms have the meanings given to them below:

   "***Brand Fund***" means the brand and system development fund we currently administer to promote public recognition of our brand and improve our System.

   "***Gross Sales***" means all gross sums you generate from all goods and services you sell (including memberships, Series and packages), plus all other sums you collect from the operation of your Studio, including any advertising revenues, sponsorship fees and business interruption insurance proceeds. Gross Sales includes the full amount of our suggested retail price of any free or discounted goods or services you provide unless we approve the discount program in advance. Gross Sales excludes: (a) sales or use taxes; (b) amounts refunded to customers; (c) revenues from the sale of furniture, fixtures and equipment in the ordinary course of business; and (d) tips paid to and retained by staff members as a gratuity. The Manual may include policies governing the manner in which proceeds from the sale of gift cards, memberships, Series and packages are treated for purposes of calculating Gross Sales, including the treatment of Prepaid Liabilities. The Manual may also provide details on the calculation of Gross Sales relating to qualifying purchases and redemptions by members under a customer loyalty or membership program.

   "***Permitted Transfer***" means a Transfer: (a) between existing owners; or (b) by the owners to a new business entity that is 100% owned and controlled by the transferring owners. It does not include a Transfer described in (a) or (b) that results in the Managing Operator no longer holding a material ownership interest in the franchised business.

   "***Prepaid Liabilities***" means the total amount of outstanding prepaid liabilities carried by your Studio as a liability for unredeemed gift cards, Series, memberships or other prepaid items purchased by customers from your Studio (provided that we allow you to retain all of the proceeds from these sales).

   "***Series***" means a prepaid purchase that entitles the customer to redeem multiple treatments (or other goods or services) on subsequent visits. Series are currently branded under the name K PACK™.

   "***Technology Systems***" means all information and communication technology systems that we designate, including computer systems, point-of-sale systems, webcam systems, telecommunications systems,

surveillance systems, security systems, music systems, digital display systems and similar systems, together with the associated hardware, software (including cloud-based software) and related equipment, software applications, mobile apps and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems.

"***Transfer***" means a transfer or assignment of: (a) the Franchise Agreement or ADA (or any interest in either such agreement); (b) the Studio's assets (other than the sale of fixtures or equipment in the ordinary course of business); (c) an ownership interest in the entity that is the "franchisee" or "area developer"; or (d) the franchised business you conduct under the Franchise Agreement or ADA.

"***Travel Expenses***" means all travel, meals, lodging, local transportation and other living expenses incurred: (a) by us and our trainers, field support personnel, auditors or other representatives to visit your Studio; or (b) by you or your personnel to attend training programs or conferences.

3. CPI Adjustments: All fees (and minimum fees) expressed as a fixed dollar amount are subject to adjustment based on changes to the U.S. Consumer Price Index (CPI). We may periodically review and increase these fees based on changes to CPI, but only if the increase to CPI is more than 5% higher than the corresponding CPI in effect on: (a) the effective date of the Franchise Agreement (for the initial fee adjustment); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments). We will notify you of any CPI adjustment at least 60 days before the fee adjustment becomes effective. We may implement no more than 1 fee adjustment during any 5-year period.

4. Liquidated Damages: You pay us liquidated damages if: (a) we terminate the Franchise Agreement due to your default; or (b) you terminate the Franchise Agreement prior to the expiration of the term (except in accordance with the provisions governing your right to terminate following our uncured breach). Liquidated damages are calculated as the sum of average weekly royalty fees and brand fund fees imposed during the 52-week period preceding termination (or during the period of operation if less than 52 weeks) multiplied by the lesser of: (a) 104 (representing 2 years); or (b) the total number of weeks remaining under the term as of the termination date. If you pay us liquidated damages in a timely manner, we may not pursue a claim against you for lost profits (but we may still seek other damages we incur due to your breach).

## ITEM 7 ESTIMATED INITIAL INVESTMENT

| YOUR ESTIMATED INITIAL INVESTMENT | | | | |
|---|---|---|---|---|
| **TYPE OF EXPENDITURE** | **AMOUNT** [1] | **METHOD OF PAYMENT** | **WHEN DUE** | **TO WHOM PAYMENT IS TO BE MADE** |
| Initial Franchise Fee | $49,500 | Lump sum | At time you sign Franchise Agreement | Us |
| Initial Training Fee [2] | $5,000 | Lump sum | At time you sign Franchise Agreement | Us |
| Initial Training Expenses [3] | $1,500 to $6,000 | As incurred | Prior to opening | Suppliers |
| Real Estate Management Fee [4] | $5,000 | Lump sum | At time you sign lease or purchase agreement | Supplier |
| Project Management Fee [5] | $19,500 to $25,000 | Lump sum | At time you sign lease or purchase agreement | Project Manager |
| Site Survey [6] | $0 to $3,000 | Lump sum | Before you sign lease or purchase agreement | Supplier |
| Lease Deposit & Rent [7] (3 months) | $12,000 to $40,000 | Lump sum | Monthly (with security deposit paid before opening) | Landlord |
| Architect Fees | $19,500 | As incurred | Before construction | Architect |
| Construction [8] | $194,173 to $375,000 | As incurred | Before opening | Contractor & suppliers |
| Signage & Digital Graphics [9] | $11,860 to $19,800 | Lump sum | Before opening | Suppliers |

| YOUR ESTIMATED INITIAL INVESTMENT | | | | |
|---|---|---|---|---|
| **TYPE OF EXPENDITURE** | **AMOUNT** [1] | **METHOD OF PAYMENT** | **WHEN DUE** | **TO WHOM PAYMENT IS TO BE MADE** |
| Furniture, Fixtures & Equipment [10] | $4,674 to $6,000 | As incurred | Before opening | Suppliers |
| Millwork & Casework [11] | $18,000 to $50,000 | As incurred | Before opening | Suppliers |
| Startup Package [12] | $17,800 to $24,950 | Lump sum | Before opening | UKW Distribution |
| Technology Systems [13] | $3,005 to $7,050 | Lump sum | Before opening | Suppliers |
| Grand Opening Advertising [14] | $25,000 to $40,000 | As incurred | 90 days before through 90 days after opening | Suppliers |
| Utility Deposits | $150 to $500 | As incurred | Before opening | Utility companies |
| Licenses and Permits [15] | $1,500 to $2,500 | Lump sum | Before opening | Government agencies |
| Professional Fees [16] | $2,000 to $7,000 | Lump sum | Before opening | Lawyer & accountants |
| Insurance (12 months of premium) | $1,500 to $3,000 | Lump sum | Before opening | Insurance companies |
| Preopening Payroll [17] | $2,250 to $4,800 | As incurred | Before opening | Employees |
| Additional Funds [18] (3 months) | $20,000 to $75,000 | As incurred | As incurred | Suppliers and employees |
| **Total Estimated Initial Investment** [19] | $413,912 to $768,600 | | | |

The table below estimates the initial investment for the purchase of area development rights for 3 to 5 Studios:

| YOUR ESTIMATED INITIAL INVESTMENT | | | | |
|---|---|---|---|---|
| **TYPE OF EXPENDITURE** [1] | **AMOUNT** | **METHOD OF PAYMENT** | **WHEN DUE** | **TO WHOM PAYMENT IS TO BE MADE** |
| Development Fee [20] | $118,500 to $197,500 | Lump sum | At time you sign ADA | Us |
| Initial Investment to Open Initial Studio | $364,412 to $719,100 | This is the total estimated initial investment in Table above less the initial franchise fee that is included in development fee | | |
| **Total Estimated Initial Investment** [19] | $482,912 to $916,600 | | | |

Notes:

1. Financing and Refunds: We do not offer direct or indirect financing. No amounts paid to us are refundable. We are not aware of any fees paid to third-party suppliers that are refundable, although your landlord may refund your security deposit at the end of the lease if you do not damage the property or default.

2. Initial Training Fee: You pay us a $5,000 initial training fee for: (a) Orientation Training for the franchise owners; (b) Management Training for your Managing Operator and managers; (c) Waxer Instructor Training; (d) Waxer Training (if needed); (e) Onsite Preopening Training; and (f) Bounce-Back Training.

3. Initial Training Expenses: This estimates your cost to send 1 to 2 people to attend Management Training and 1 person to attend Certified Waxer Training in Florida. Your actual training expenses may vary depending on: (a) the number of people you send to training; (b) the distance they must travel; and (c) the level and quality of accommodations, travel and dining selected.

4. Real Estate Management Fee: You must contract with a real estate company we designate to provide certain real estate management services ("Real Estate Management Services"), including assistance with: selecting and supervising a local real estate broker; educating landlords on our concept; evaluating potential sites for your Studio; assessing site feasibility; negotiating a letter of intent for the lease or purchase of the premises; reviewing and negotiating the lease or purchase contract for the premises; and providing real estate and territory analytics. Our designated real estate company agreed to provide Real Estate Management Service

in exchange for a discounted flat fee of $5,000 (subject to change).

5. Project Management Fee: You must hire the company we designate (the "Project Manager") to provide project management services relating to the design, construction and development of your Studio ("Project Management Services"), including assistance with: developing a preliminary layout and design for your Studio; procuring site surveys (cost of 1 site survey is included with the $19,500 to $25,000 fee); selecting, and coordinating with, an architect and reviewing construction plans; obtaining permits; preparing bids and selecting your general contractor; and monitoring construction progress. Most of the underlying services are provided by outside suppliers and you pay these suppliers directly for their services. The Project Manager's role is to oversee and coordinate with the various members of your development team (architects, engineers, general contractor, etc.) in an effort to manage the overall Studio development process and allow you to open as quickly as possible. The project management fee is uniformly imposed.

6. Site Survey: You must procure a site survey for the premises for your Studio. We estimate the cost for a typical site survey ranges from $2,000 to $3,000. The fee paid to our designated Project Manager includes 1 site survey. The low estimate assumes you only need 1 site survey. The high estimate assumes you need to purchase an additional site survey (for example if you need site surveys completed for multiple properties).

7. Rent: This estimate assumes you lease your premises. Rent varies depending on factors such as the size and location of the premises and local market conditions. We expect most Studios will range in size from 800 to 1,200 square feet with rent ranging from $3,000 to $10,000 per month. Landlords typically require security deposits equal to 1- or 2-months' rent and may, in addition, require payment in advance of the first and/or last (or more) month's rent. The estimate in the table includes 1 month's security plus 3 months' rent. Some franchisees may prefer to own the Studio's premises. The cost to purchase real estate varies so widely that we cannot reasonably estimate the cost.

8. Construction: We estimate the cost of construction and leasehold improvements will range from $194,173 to $375,000, which assumes the premises is delivered in a Vanilla Shell condition with all prior improvements removed, existing utilities, restroom and HVAC system intact. This cost estimate does not include expediting or permitting fees. The cost of construction and leasehold improvements vary widely based on a number of factors including:

   - the size and condition of the leased space
   - whether the premises is first- or second-generation retail space
   - the extent and nature of existing leasehold improvements
   - the amount of landlord contributions, if any, towards leasehold improvement costs (a "TI Allowance")
   - demolition and construction costs and prevailing wage rates in the local market

   Some landlords provide a TI Allowance but increase monthly rent to recapture the TI Allowance and amortize it over the lease term (or part of the lease term). A significant factor in determining whether a landlord will provide a TI Allowance, and if so, the amount, is whether the building is first-generation or second-generation space. The one Studio that opened in 2025 received a TI Allowance in the amount of $36,000. The estimated construction costs listed in the table do not include any TI Allowance. If you receive a TI Allowance your costs may be lower.

9. Signage and Graphics: You must purchase and install all signage and graphics as specified in our Brand Standards Manual. You may need to modify our standard signage to conform to local zoning laws, property use restrictions and/or lease terms. In some instances, exterior signage may be prohibited due to applicable zoning or use restrictions.

10. Furniture, Fixtures and Equipment: This estimates your costs for furniture, fixtures, and furnishings. These costs vary depending on the size of your Studio and number of waxing rooms. This estimate does not include the cost of any items that are included in the Startup Package.

11. Millwork & Casework: This estimates your costs for any custom fabricated studio elements coordinated through construction and design partners including waxing beds and carts, podium and or front desk units, slat wall or retail wall elements and other built in word or laminate architectural features fabricated to UKW

design specification. Millwork and casework is sourced through approved vendors or qualified local providers depending on the project requirements.

12. Startup Package: Item 5 includes a description of the items included in the Startup Package.

13. Technology Systems: This estimates your initial cost to purchase, install and configure your Technology Systems, including:

| TECHNOLOGY SYSTEMS – INITIAL COST | |
|---|---|
| **Technology System** | **Estimated Cost** |
| Computer and Point-of-Sale System | $1,625 to $4,450 |
| Network and Audio System | $525 to $1,000 |
| Telephone System | $225 to $450 |
| Music System | $150 to $250 |
| DVR/Surveillance System | $100 to $300 |
| Security System | $200 to $300<br>(alarm company may provide equipment at no cost) |
| UHD Digital Display TV | $180 to $300 |
| **Total** | **$3,005 to $7,050** |

These estimated costs do not include wiring or speaker and camera installation.

14. Grand Opening Advertising: You must spend a minimum of $25,000 on grand opening advertising during your grand opening period, which begins 90 days before opening and ends 90 days after opening. The grand opening advertising expenditures include digital media advertising before and after the Studio opening, a preopening promotion, a soft opening event (opening your Studio to the public) and a grand opening event (30 days after soft opening). This estimate does not include the cost of any print or promotional materials included in the Startup Package.

15. Licenses and Permits: You are responsible for the cost of all required licenses, construction and signage permits, and state health department inspections and certifications.

16. Professional Fees: This includes the estimated fees for professionals you may choose to hire in order to:
    - assist you in reviewing this Disclosure Document and negotiating your Franchise Agreement
    - advise you regarding local laws and regulations applicable to your Studio
    - form a business entity
    - set up your books, records and accounts
    - develop a business plan and budget for the development and operation of your Studio

    These services are optional but recommended.

17. Preopening Payroll: You must hire your Designated Managers and Waxers (including a Certified Waxer Instructor) prior to opening to allow them to complete our required preopening initial training programs. This estimates your costs for preopening payroll for your Designated Managers and Waxers.

18. Additional Funds: This estimates your expenses during the first 3 months of operation, including payroll costs (excluding any wage or salary paid to you), technology fees, advertising expenses, utilities, inventory replenishment costs and other miscellaneous expenses and required working capital. Your initial 3 months of rent and 12 months of insurance premium are separately stated in the table above. These figures are estimates based on: (a) the experience of our management team in developing, opening and operating company-owned Studios; and (b) the experience of our franchisees in developing, opening and operating franchised Studios (including data provided by franchisees in response to surveys of their investment costs).

19. Budget and Initial Investment Report: We strongly recommend you hire an accountant, business advisor or

other professional to assist you in developing a budget for the construction, opening and operation of your Studio. Within 60 days after your opening date, you must send us a report (or complete a survey), in the form we designate, listing the expenses you incur to develop and open your Studio. We may use this data to update the initial investment estimate in future versions of our Franchise Disclosure Document.

20. Development Fee: Item 5 discusses how the development fee is calculated. This initial investment estimate assumes you commit to develop either 3 Studios (low estimate) or 5 Studios (high estimate). If you purchase the right to develop more than 5 Studios, your development fee will increase. This estimate does not include your costs to develop any Studio other than the first Studio you develop under the ADA.

## ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

**Source-Restricted Purchases and Leases - Generally**

You must purchase or lease certain source-restricted goods and services for the development and operation of your Studio. "Source-restricted" means the good or service must meet our specifications and/or must be purchased from an approved or designated supplier (in some cases, an exclusive designated supplier, which may be us or an affiliate). The Manual includes our specifications and supplier list. We notify you of changes to our specifications and supplier list by email, updates to the Manual, bulletins or other means of communication.

**Supplier Criteria**

Our criteria for evaluating suppliers include standards for: (a) quality, performance, design, appearance and price of the product or service; and (b) dependability, production capabilities, reputation and financial strength of the supplier. Upon request, we will provide you with any objective specifications pertaining to our evaluation of a supplier or product, although certain important subjective criteria (e.g., product appearance, design, functionality, etc.) are important to our evaluation but cannot be described in writing.

If you wish to purchase or lease a source-restricted item from a non-approved supplier, you must send us: (a) a written request for approval; (b) product samples for testing purposes; and (c) all additional information we request. The supplier must agree to comply with our minimum insurance, indemnification and confidentiality requirements for system suppliers and allow us to periodically inspect their facility. We will notify you of our decision within 30 days after we receive all required information and product samples. We may periodically reinspect approved products and suppliers and revoke our approval if a product or supplier fails to meet our then-current criteria. You must pay us a $1,000 fee and reimburse us for all actual costs we incur to review products and suppliers you propose. We do not consider substitute goods or alternative suppliers for goods that are proprietary to us and/or branded with our Marks.

**Current Source-Restricted Items**

We estimate that 85% to 95% of the total purchases and leases to establish and operate your Studio will consist of source-restricted goods or services, as further described below.

*Site Selection Services*

You must use the real estate company we designate to assist you in finding a suitable site for your Studio. However, it is ultimately your responsibility to find a suitable site meeting both your and our minimum standards and other requirements.

*Lease / Purchase Agreement*

You must contract with our designated real estate company to assist you in reviewing and negotiating your lease or purchase agreement. If you lease the premises for your Studio, you must use best efforts to ensure your landlord signs the Lease Addendum attached to the Franchise Agreement as ATTACHMENT "C".

*Design and Construction Services*

The Manual includes our standards and specifications pertaining to the design, layout, equipping and trade dress for a Studio. We may also provide you with prototype plans for a Studio. You must hire an architect to prepare initial design plans and detailed construction plans, each of which must be: (a) consistent with our prototype

plans and the requirements in the Manual; and (b) approved by us as meeting our system standards. Once approved, you must construct and equip your Studio according to the approved plans and the specifications in the Manual. Your architect, engineer and general contractor must be appropriately licensed and bonded to the extent required by applicable law. We may require that you utilize an architect, engineer and/or general contractor that we designate or approve.

*Project Management Services*

You must utilize the Project Manager we designate to provide the Project Management Services.

*Technology Systems*

Your Technology Systems (including hardware, software, equipment, software applications, mobile apps and similar items) must meet our standards and specifications. You must use the specific software, Apps, and technology platforms that we designate. Certain Technology System components must be purchased from approved or designated suppliers. Other components may be purchased from any supplier of your choosing. We may require you to purchase certain services relating to the establishment, use, maintenance, monitoring, security or improvement of Technology Systems from approved or designated suppliers. To ensure compatibility with our designated point-of-sale system, you must exclusively use the company we designate to provide merchant processing services.

*Furniture, Fixtures, Millwork, Casework, Equipment and Décor*

All furniture, fixtures, operating equipment and décor must meet our standards and specifications and be purchased from suppliers we designate or approve (including our affiliate).

*Millwork and Casework*

All millwork and casework must meet our standards and specifications and be purchased from and provided by suppliers we designate or approve (including our affiliate).

*Signage*

All exterior and interior signage, graphics and window treatments must meet our standards and specifications and be purchased from suppliers we designate or approve.

*Uniforms*

Your employees must wear the uniforms we require. You must purchase these uniforms from suppliers we designate or approve (currently our affiliate).

*Inventory*

All inventory must meet our standards and specifications and must be purchased from suppliers we designate or approve (currently our affiliate).

*Operating Supplies*

You must purchase certain operating supplies that meet our standards and specifications. Substantially all of operating supplies used in providing waxing services (including the wax) must be purchased from suppliers we designate or approve (including our affiliate).

*Marketing Materials and Services*

All marketing materials must comply with our standards and requirements. We must approve your marketing materials prior to use. You must purchase branded and other marketing materials only from us or other suppliers we designate or approve. We may require that you utilize a designated supplier to implement your grand opening marketing campaign and perform ongoing marketing activities. Currently we manage certain social media platforms on behalf of all Studios but allow franchisees to manage other social media platforms. You must purchase social media content management and administration services from the supplier we designate.

*Insurance Policies*

You must obtain the insurance coverage we require (whether in the Franchise Agreement or in the Manual) from licensed insurance carriers rated A or better by Alfred M. Best & Company, Inc., including the following:

| Policy Type | Minimum Coverage |
|---|---|
| "All risk" Property Insurance | Replacement value of property and contents |
| Comprehensive General Liability Insurance | $1,000,000 per occurrence and $3,000,000 in the aggregate |
| Professional Liability and Malpractice Insurance | $1,000,000 per occurrence |
| Sexual Assault and Molestation Insurance | $1,000,000 per occurrence |
| Products/Completed Operations Insurance | $1,000,000 per occurrence |
| Personal & Advertising Injury Insurance | $1,000,000 per occurrence |
| Automobile Liability Insurance | $1,000,000 per occurrence (if vehicle used in operation of Studio) |
| Business Interruption Insurance | At least 3 months' coverage |
| Worker's Compensation Insurance | As required by law |
| Landlord-Required Insurance | As required by lease |

The required coverage and policies are subject to change. Each policy must be endorsed to: (a) name us and our owners, officers and directors as additional insureds; (b) waive all subrogation rights against us; and (c) provide us with 10 days' prior written notice of the termination, expiration, cancellation or modification of the policy.

**Purchase Agreements**

We attempt to negotiate relationships with suppliers to enable our affiliates and franchisees to purchase certain items at discounted prices. We may also purchase items in bulk and resell them to you at our cost plus a reasonable markup. Currently there are no purchasing cooperatives, but we may establish them in the future. You do not receive any material benefits for using designated or approved suppliers other than having access to any discounted pricing we negotiate.

**Franchisor Revenues from Source-Restricted Purchases**

We are currently the exclusive supplier for the technology and related services provided in exchange for the technology fee. Our affiliate UKW Distribution is currently the exclusive supplier for your initial and ongoing supply of all items included in the Startup Package (including wax). We and our affiliates may generate a profit from these purchases. Except for UKW Distribution, there is no person affiliated with us that is currently an approved (or the only approved) supplier. There are no approved or designated suppliers in which any of our officers own an interest.

We and our affiliates may receive rebates, payments or other material benefits from suppliers based on franchisee purchases and we have no obligation to pass them on to our franchisees or use them in any particular manner. As of the issuance date of this Disclosure Document, we receive rebates from various suppliers ranging from 5% to 10% of the purchase price of signs, credit card processing services, graphics and window treatments.

Our total revenue for the fiscal year ended December 31, 2025 was $3,532,442. During that year, we generated $690,000 in revenue as a result of franchisee purchases or leases, which represents 19.5% of our total revenue for that year.

During the fiscal year ended December 31, 2025, our affiliate UKW Distribution generated $2,373,011 in revenue as a result of franchisee purchases or leases. The source of this information is audited financial statements prepared for UKW Distribution for the fiscal year ended December 31, 2025.

## ITEM 9 FRANCHISEE'S OBLIGATIONS

**This table lists your principal obligations under the Franchise Agreement (FA), Area Development Agreement (ADA) and other agreements. It will help you find more detailed information about your obligations in these agreements and other items in this Disclosure Document.**

| OBLIGATION | SECTIONS IN AGREEMENT | DISCLOSURE DOCUMENT ITEM |
|---|---|---|
| a. Site selection and acquisition/lease | FA: 7.1 & 7.2<br>ADA: 4.3 | Item 7 & Item 11 |
| b. Preopening purchases/leases | FA: 6.2, 11.6& 15.1<br>ADA: Not Applicable | Item 5, Item 7, Item 8 & Item 11 |
| c. Site development and other preopening requirements | FA: 7.3, 7.4 & 7.6<br>ADA: 4.3 | Item 6, Item 7 & Item 11 |
| d. Initial and ongoing training | FA: 5<br>ADA: Not Applicable | Item 6 & Item 11 |
| e. Opening | FA: 7.6<br>ADA: 4.1 | Item 11 |
| f. Fees | FA: 4.2, 5.5, 5.6, 6.2, 6.5, 6.8, 6.9, 7.1, 8.6, 10.1, 10.4, 11.6, 11.8, 11.10, 11.15, 13, 15.1, 16, 19.2 & 21.3<br>ADA: 5 & 7.2 | Item 5 & Item 6 |
| g. Compliance with standards and policies/Operating Manual | FA: 6.1, 7.1, 7.3, 7.4, 10.3, 11 & 17.1<br>ADA: 4.3 | Item 11 |
| h. Trademarks and proprietary information | FA: 17<br>ADA: 2 | Item 13 & Item 14 |
| i. Restrictions on products/services offered | FA: 11.3 & 11.4<br>ADA: Not Applicable | Item 16 |
| j. Warranty and client service requirements | FA: 11.13<br>ADA: Not Applicable | Not Applicable |
| k. Territorial development and sales quotas | FA: Not Applicable<br>ADA: 4.1 | Item 12 |
| l. Ongoing product/service purchases | FA: 11.6<br>ADA: Not Applicable | Item 8 |
| m. Maintenance, appearance and remodeling requirements | FA: 11.8 & 11.10<br>ADA: Not Applicable | Item 11 |
| n. Insurance | FA: 15.1<br>ADA: Not Applicable | Item 6, Item 7 & Item 8 |
| o. Advertising | FA: 10<br>ADA: Not Applicable | Item 6, Item 7 & Item 11 |
| p. Indemnification | FA: 18<br>ADA: Not Applicable | Item 6 |
| q. Owner's participation/ management/staffing | FA: 8<br>ADA: Not Applicable | Item 11 & Item 15 |
| r. Records/reports | FA: 15.2 & 15.3<br>ADA: Not Applicable | Item 6 |

| OBLIGATION | SECTIONS IN AGREEMENT | DISCLOSURE DOCUMENT ITEM |
|---|---|---|
| s. Inspections/audits | FA: 16<br>ADA: Not Applicable | Item 6 & Item 11 |
| t. Transfer | FA: 19<br>ADA: 7 | Item 17 |
| u. Renewal | FA: 4<br>ADA: 4.5 | Item 17 |
| v. Post termination obligations | FA: 21<br>ADA: Not Applicable | Item 17 |
| w. Non-competition covenants | FA: 14<br>ADA: Not Applicable | Item 17 |
| x. Dispute resolution | FA: 22<br>ADA: 10 | Item 17 |
| y. Franchise Owner Agreement (brand protection covenants, transfer restrictions and financial assurance for owners and spouses) | FA: 9 & ATTACHMENT "D"<br>ADA: Not Applicable | Item 15 |

## ITEM 10 FINANCING

We do not offer direct or indirect financing. We do not guarantee any of your notes, leases or obligations.

## ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

**Except as listed below, we are not required to provide you with any assistance.**

Before you open your Studio, we will:

1. Provide access to our Manual which will help you establish and operate your Studio. The Manual includes 352 pages. The Table of Contents is attached as EXHIBIT "E". (§6.1, 11.2 & 24.8)
2. Provide access to E-Studio, which is our current extranet platform from which you may access the Manual, training materials and other materials we deem appropriate. We may discontinue E-Studio at any time. (§6.6)
3. Provide an initial training program, as discussed below under "Training Program". (§5.1)
4. Designate the Project Manager who will provide the Project Management Services. (§7.5)
5. Evaluate sites you propose for your Studio, as discussed below under "Site Development". (§7.1 & 7.6)
6. Provide our written specifications for goods and services you must purchase to develop, equip and operate your Studio and a list of approved and/or designated suppliers for these goods and services. (§11.2)
7. Cause our affiliate to sell to you, and deliver to your Studio, a Startup Package that includes certain items necessary for the development and operation of your Studio. Neither we nor our affiliate: (a) deliver any other items you purchase for the development of your Studio; or (b) install any items you purchase. (§6.2)
8. Evaluate your Studio's design and buildout, as discussed below under "Site Development". (§7.3, 7.4 & 7.6)
9. Send a representative to your Studio to conduct our 4-day Onsite Preopening Training program, as discussed below under "Training Program". (§5.1)

During the operation of your Studio, we will:

1. Provide access to an ongoing supply of our proprietary and/or branded products. (§11.6)
2. Provide our guidance and recommendations on ways to improve the operation of your Studio. (§6.3)
3. Provide periodic training programs, as discussed below under "Training Program". (§5.3)
4. Maintain a corporate website to promote our brand and a local webpage with information about your Studio, as discussed below under "Advertising and Marketing". (§6.7)
5. Administer the Brand Fund, as discussed below under "Advertising and Marketing". (§10.1)
6. Provide you with our suggested retail pricing model, which may include regional variations. You may deviate from our suggested retail pricing in your discretion. However, you must obtain our approval of any deviation more than 5% higher or lower than our suggested retail pricing, unless such pricing is part of a temporary advertising campaign that we have approved. To the extent permitted by applicable law, we may set maximum or minimum prices on the goods and services you sell. (§11.4)

During the operation of your Studio, we may, but need not:

1. Conduct periodic field visits to provide onsite consultation, assistance and guidance pertaining to the operation and management of your Studio. (§6.4)
2. Provide additional training or assistance you request, as discussed below under "Training Program". (§5.3)
3. Establish a call center program, in which case you must participate and pay the associated fees. (§6.9)
4. Negotiate purchase agreements with suppliers to obtain favorable pricing. We may also purchase items in bulk and resell them to you at our cost plus shipping and a reasonable markup. (§6.8)
5. Hold periodic conferences to discuss relevant business and operational issues such as industry changes or new services, products, technology or marketing strategies. (§5.6)
6. Create a franchise advisory council, as discussed below under "Advisory Council". (§12)
7. Provide centralized revenue services relating to purchases of gift cards, Series, memberships, or other prepaid items. If we choose to provide this service, you must fully participate and follow all procedures in the Manual pertaining to customers who purchase a gift card, Series, membership or other prepaid item from your Studio. We would disburse these payments to you and/or other Studios in accordance with the policies and procedures we establish. Under current policy, a franchisee may retain all sales proceeds from Series sold by their Studio provided the franchisee satisfies certain criteria. (§6.5)

We do not provide area developers with any support under their ADA.

**Training Program** (§5)

*Initial Training Programs*

We offer a variety of training programs through K University®, which refers to our online and in-person training programs and materials. We offer 6 separate initial training programs through K University®, including: Orientation Training; Management Training; Waxer Certification Training; Waxer Instructor Training (if needed); Onsite Preopening Training; Bounce-Back Training. Some training is held virtually. In-person training takes place either at (a) your Studio or (b) our Training Facility (which is our company-owned Studio in Aventura, Florida). At any time, we may designate additional or substitute training locations which may (but need not) include other company-owned Studios, franchised Studios or other training facilities.

K University® training materials include the Manual as well as online training materials accessible through E-Studio and Monday boards. We do not charge additional fees for training materials. Each required attendee must successfully complete initial training to our satisfaction before performing the associated responsibilities at your Studio. We intend to offer our initial training programs on an as-needed basis to meet the opening schedules of

franchisees. The table below provides an overview of our initial training programs.

| OVERVIEW OF INITIAL TRAINING PROGRAMS | | | | | |
|---|---|---|---|---|---|
| **Program** | **When Conducted** | **Required Attendees** | **Additional Fees** | **Duration** | **Location** |
| Orientation Training | Before Management Training | Managing Operator | None | 3 hours | Virtual |
| Management Training | 12 weeks before opening | Managing Operator, Designated Managers & Regional Manager | None | 4 days (35 hours) | 2 days virtual & 2 days at our Training Facility |
| Waxer Instructor Training | 12 weeks before opening (recertification required every 2 years) | Certified Waxer Instructor | None | 4-5 days (35 hours) | 2 days virtual & 2-3 days at our Training Facility |
| Waxer Training | Virtual training occurs prior to in-person training<br>In-person training occurs prior to soft opening | Waxers (only needed for Waxers who are not trained by your Certified Waxer Instructor) | $500/trainer/day if onsite training exceeds 3 days (beginning 4th day) | Up to 5 days (42 hours) | 2 days virtual & 3 days at your Studio or our Training Facility |
| Onsite Preopening Training | Immediately prior to, during and after soft opening | Managing Operator or 1 Designated Manager & Various Staff | $500/trainer/day if onsite training exceeds 4 days (beginning 5th day) | Up to 4 days (35 hours) | Onsite at your Studio |
| Bounce-Back Training | 6-8 weeks after opening | Managing Operator & Designated Managers | None | 3 days (24 hours) | 3 days at your Studio or virtual |

### *1. Orientation Training*

We provide an informal 3-hour Orientation Training program for the franchise owners. This training is conducted virtually and includes new franchisee orientation, real estate training and precertification training. New franchisee orientation and real estate training includes system setup, introduction to project management services, project management software training, site selection, real estate acquisition and design and construction training. Precertification training is comprised of tasks, study, and general preparation for Management Training.

### *2. Management Training*

Management Training includes 4 days of franchise management and operations training. The program consists of classroom and hands-on field instruction and provides practical training in the operation of a Studio, including software training, business operations, business administration, marketing methods, inventory control, financial controls and service delivery training, amongst other similar topics. Management Training includes both virtual training and training at our Training Facility. The following table provides additional details on Management Training.

**TRAINING PROGRAM**

| MANAGEMENT TRAINING | | | |
|---|---|---|---|
| **SUBJECT** | **HOURS OF CLASSROOM TRAINING** | **HOURS ON THE JOB TRAINING** | **LOCATION** |
| HR & Legal Overview | 1 | 0 | Virtual & Training Facility |
| Core Marketing Channels | 3 | 0 | Virtual & Training Facility |
| Reporting | 2 | 0 | Virtual & Training Facility |
| Financials | 2 | 0 | Virtual & Training Facility |
| Studio Operations | 2 | 2 | Virtual & Training Facility |
| Customer Experience | 3 | 3 | Virtual & Training Facility |
| POS System | 3 | 3 | Virtual & Training Facility |

| MANAGEMENT TRAINING | | | |
|---|---|---|---|
| SUBJECT | HOURS OF CLASSROOM TRAINING | HOURS ON THE JOB TRAINING | LOCATION |
| Distribution | 1 | 0 | Virtual & Training Facility |
| Wax Lab | 1 | 2 | Training Facility |
| Principles of Waxing | 2 | 0 | Virtual & Training Facility |
| Waxing Technique & Procedures | 0 | 2 | Training Facility |
| Studio Standards | 0 | 2 | Training Facility |
| UKW Support Services | 1 | 0 | Virtual & Training Facility |
| TOTAL | 21 | 14 | |

### *3. Waxer Instructor Training*

You must designate a Waxer to serve as your Certified Waxer Instructor. Once fully trained, your Certified Waxer Instructor will be authorized to provide Waxer Training (and recertification training) to your Waxers, eliminating the need for us to train new Waxers you hire (or retrain existing Waxers). Any person you appoint to serve as a Certified Waxer Instructor must satisfy each of the following criteria:

- the person must have at least 6 months' experience working as a Waxer in a Studio or, with our approval, another waxing studio not affiliated with our brand
- the person must successfully complete Waxer Instructor Training, which is our "train-the-trainer" certification training program (and which also includes Waxer Training)
- the person must successfully complete recertification training (not more than once every 2 years)

Waxer Instructor Training includes virtual training and additional training that takes place at our Training Facility. Waxer Instructor Training occurs at the same time as Management Training. The following table provides additional details on Waxer Instructor Training.

**TRAINING PROGRAM**

| WAXER INSTRUCTOR TRAINING | | | |
|---|---|---|---|
| SUBJECT | HOURS OF CLASSROOM TRAINING | HOURS ON THE JOB TRAINING | LOCATION |
| Company Culture | 2 | 1 | Virtual & Your Studio |
| General Communication and Training techniques | 2 | 2 | Virtual & Your Studio |
| Waxing Training Techniques/Waxing Services | 4 | 4 | Virtual & Your Studio |
| Sales Techniques | 4 | 2 | Virtual & Your Studio |
| Training Day Organization/Training Material | 3 | 3 | Virtual & Your Studio |
| Final Overview | 1 | 0 | Virtual & Your Studio |
| Field Test | 1 | 0 | Virtual & Your Studio |
| Role Play | 0 | 6 | Virtual & Your Studio |
| TOTAL | 17 | 18 | |

### *4. Waxer Training*

All Waxers (including your Certified Waxer Instructor) must successfully complete Waxer Training before they may perform services at your Studio. Under our standard training program, all of your Waxers (other than your Certified Waxer Instructor) will be trained by your Certified Waxer Instructor. We will not train your Waxers unless both: (a) you do not have a Certified Waxer Instructor on your staff when the training occurs; and (b) there are no Certified Waxer Instructors employed at other Studios who are available to provide Waxer Training for your Waxer(s). Our standard 5-day certification training program includes: (a) 2 days of virtual training; and (b) 3 days of training at our Training Facility or your Studio. The following table provides additional details on

Waxer Training.

**TRAINING PROGRAM**

| WAXER TRAINING | | | |
|---|---|---|---|
| **SUBJECT** | **HOURS OF CLASSROOM TRAINING** | **HOURS ON THE JOB TRAINING** | **LOCATION** |
| General Concepts | 2 | 0 | Virtual |
| Exploring Uni K Wax: History & Culture | 1 | 0 | Virtual |
| Characteristics of the Proprietary ElastiK Wax | 1 | 0 | Virtual |
| Waxer Etiquette/Customer Service | 1 | 1 | Virtual & Your Studio |
| Wax Room and Lounge Procedures | 1 | 1 | Virtual & Your Studio |
| Understanding Skin Anatomy/ The Hair Growth Cycle | 1 | 0 | Virtual |
| Waxer and Customer Positioning | 0 | 2 | Virtual & Your Studio |
| Uni K Wax Technique/Wax Application and Removal | 2 | 3 | Virtual & Your Studio |
| The Different Waxing Services | 2 | 3 | Virtual & Your Studio |
| Retail & Professional Supplies Products | 1 | 0 | Virtual |
| Point of Sale (POS)/ Intake Forms | 1 | 0 | Virtual |
| General Evaluation | 1 | 0 | Virtual |
| Hands-On Practice | 0 | 18 | Your Studio |
| TOTAL | 14 | 28 | |

### *5. Onsite Preopening Training*

Onsite Preopening Training includes at least 35 hours of field training on various topics such as inventory setup and controls, daily operational processes, software training, staff/customer scheduling and sales and marketing. If you purchase an existing Studio whose staff has previously completed Onsite Preopening Training, we may reduce this training by up to 16 hours at our discretion. At all times during Onsite Preopening Training, at least 2 members of your management team who successfully completed Management Training must be present at the Studio. The in-person part of Waxer Training is conducted onsite at your Studio at the same time we conduct Onsite Preopening Training. The following table provides additional details on Onsite Preopening Training.

**TRAINING PROGRAM**

| ONSITE PREOPENING TRAINING | | | |
|---|---|---|---|
| **SUBJECT** | **HOURS OF CLASSROOM TRAINING** | **HOURS ON THE JOB TRAINING** | **LOCATION** |
| Studio Setup | 0 | 8 | Your Studio |
| Customer Experience Coordinator Training | 0 | 8 | Your Studio |
| Studio Brand Standards | 0 | 3 | Your Studio |
| Operations Review | 0 | 8 | Your Studio |
| Soft Opening Day | 0 | 8 | Your Studio |
| TOTAL | 0 | 35 | |

### *6. Bounce-Back Training*

We provide a “bounce-back” management and operational training visit between 6 and 8 weeks after Studio opening. Bounce-Back Training also includes monthly virtual meetings that take place during the initial 8 to 12-month period after opening.

Bounce-Back Training is an informal program that is intended to refresh and reinforce lessons learned during Management Training, Waxer Certification Training and Onsite Preopening Training. Prior to Bounce-Back Training, we evaluate your initial operations and develop a customized training agenda based on the areas where we believe additional training is warranted. Depending on the nature of this training, Bounce-Back Training may be conducted virtually or onsite at your Studio (or it may include some virtual training and some onsite training at your Studio). The subjects covered vary from Studio to Studio. Training typically lasts 3 days (24 hours). We do not charge any fees or require reimbursement of Travel Expenses for Bounce-Back Training unless more than 3 days of onsite training is required at your Studio.

*Ongoing Training Programs*

From time to time, we may require that your Managing Operator, Designated Managers, Regional Manager (if applicable), Waxers, Certified Waxer Instructor and/or other personnel attend system-wide refresher or supplemental training courses.

Any new Managing Operator, Designated Manager, Regional Manager, Certified Waxer Instructor or Customer Experience Coordinator you designate or hire must successfully complete our then-current initial training program applicable to the relevant position. For each new employee you hire, you must enter all information we designate into our Monday Board system so we can track their certifications and training credentials to ensure our brand standards are upheld.

Any new Waxer you hire must complete Waxer Training. Waxers must also complete periodic Waxer recertification training. If you have a Certified Waxer Instructor on staff, that individual may provide Waxer Training (and recertification training) for your Waxers. If you do not have a Certified Waxer Instructor on staff and there are no other Certified Waxer Instructors available to conduct the training, then we will provide this training and you must: (a) pay us additional training fees; and (b) reimburse our Travel Expenses if we conduct the training onsite at your Studio.

Any new Certified Waxer Instructor you appoint must complete Waxer Instructor Training before he or she may provide Waxer Certification Training for your Waxers. We may require that your Certified Waxer Instructor complete recertification training not more often than once every 2 years. Your Certified Waxer Instructor may also provide Waxer Training (and recertification training) to Waxers who work at other Studios.

If we determine your Studio is not (a) operating in compliance with the Franchise Agreement or the Manual or (b) achieving expected key performance indicators, we may require that your Managing Operator, Designated Managers, Regional Manager, Waxers, Certified Waxer Instructor and/or Customer Experience Coordinator attend remedial training.

You may also request that we provide additional training (either virtually, at corporate headquarters or at your Studio). We are not required to provide this additional training.

*Instructors*

Andrea Schwartzman, Megan Dempsey, Edith Huffmann, Cynthia Svetliza, Nick Melnyk and Herbert Zea are all participants in our training program.

Andrea Schwartzman joined our system in 2026 and currently serves as a Franchise Success Coach. Ms. Schwartzman provides instruction on grand opening, systems, reporting, sales, local marketing efforts, business ownership, studio operations and waxer training both virtual and in studio. Ms. Schwartzman has 14 years of experience working in the relevant field, working in the field of body waxing for a service provider to a franchise director from 2012 to 2026.

Megan Dempsey joined our system in 2025 and currently serves as a Franchise Success Coach. Ms. Dempsey provides instruction on grand opening, systems, reporting, sales, local marketing efforts, business ownership, studio operations and waxer training both virtual and in studio. Ms. Dempsey has 10 years in the relevant field, working in the franchising industry since 2016.

Edith Hoffmann joined our system in 2008 and currently serves a dual role as our Field Support Manager and Aventura Studio Manager. Mrs. Huffmann provides training and oversight to our corporate waxer trainers and

our franchisee's waxers. In addition, she provides grand opening and existing studio training in studio operations, compliance, and systems training both in person and virtual. Mrs. Huffmann has 18 years in the relevant field.

Cynthia Svetliza joined our system in 2014 and currently serves as our Operations and Support Manager. Ms. Svetliza provides instruction on systems, reporting, studio set up, studio operations, and support training both in person and virtual. Ms. Svetliza has 12 years in the relevant field.

Nick Melnyk joined our system in 2024 and currently serves as our Director of Operations and Marketing. Mr. Melnyk provides instruction on the following subjects: operations; reporting; customer service; sales strategies; and operating/marketing procedures. He has 15 years in the relevant field of franchise marketing and operations.

Our VP of Finance and Technology, Herbert Zea, also serves as an instructor. Mr. Zea joined our system in 2025 and provides instruction on finance-related subjects. He has 11 years of experience in the relevant field in and has a Master of Business Administration from the University of Chicago.

Ms. Schwartzman, Ms. Dempsey, Mrs. Huffmann, Ms. Svetliza, Mr. Melnyk and Mr. Zea are assisted by various other instructors, including waxer instructors (each of whom has at least 1 year of waxing experience) and operations/management instructors (each of whom has at least 5 years of experience in the field relevant to the subject taught).

*Training Fees and Costs*

We charge a $5,000 initial training fee that covers the following initial training programs: (a) Orientation Training; (b) Management Training; (c) Waxer Instructor Training; (d) Waxer Training (if needed for your initial Waxers); (e) Onsite Preopening Training; and (f) Bounce-Back Training. If more than 3 days of onsite training days are required for Waxer Training (if we provide such training) or Bounce-Back Training, we may also charge an additional $500 per trainer per day, commencing with the 4$^{th}$ day of training. Similarly, if more than 4 days of onsite training are required for Onsite Preopening Training, we may also charge an additional $500 per trainer per day, commencing with the 4$^{th}$ day of training.

After your Studio opens, we may charge a training fee of up to $350 per day for each person who attends: (a) Waxer Training (but only if we provide the training); (b) Management Training (for new management personnel or a new Certified Waxer Instructor you hire); (c) retraining (if trainee failed prior attempt); (d) supplemental or refresher training; (e) remedial training; or (f) additional training you request. You must also reimburse our Travel Expenses if we provide onsite training at your Studio (other than Bounce-Back Training which is covered by the initial training fee).

You are responsible for all Travel Expenses your trainees incur for training.

**Site Development** (§7.1, 7.2, 7.3, 7.4 & 7.5)

*Site Selection*

A typical Studio ranges in size from 800 to 1,200 square feet. Studios are often located in shopping centers / strip malls and may also include stand-alone locations in metropolitan areas or surrounding suburbs in close proximity to high traffic areas. Studio sites must have ample parking, good visibility and prominent signage.

We do not select the site for your Studio, and we do not purchase the premises and lease it to you. You must contract with our designated real estate company to assist you in finding suitable sites. However, you retain ultimate responsibility for finding the approved site for your Studio. You must identify and obtain our approval of the site for your Studio within 90 days after signing the Franchise Agreement. We may terminate your Franchise Agreement if you fail to meet this deadline or if we cannot agree on a site.

Your Studio must be located within the Site Selection Area identified in Part B of ATTACHMENT "A" to the Franchise Agreement and conform to our minimum site selection criteria. You must send us a complete site report that includes all information we require about your proposed site. We try to approve or disapprove sites within 15 business days after receiving the site report. Our failure to approve a site within the 15 business-day period constitutes our disapproval. We consider the following factors when reviewing proposed sites:

- visibility, size, condition and characteristics of the building
- traffic counts and traffic patterns
- accessibility and availability of parking
- tenant mix
- existence and location of competitive businesses
- local demographic information

If we approve your site before signing the Franchise Agreement, we will list the address in Part C of ATTACHMENT "A" to the Franchise Agreement. Otherwise, we will list the address of your approved site in a Site Approval Notice that we send to you within 15 days after approving your site.

If you sign an ADA, we must approve the site for each Studio you develop applying our then-current site selection criteria.

*Lease*

Our designated real estate company will assist you in reviewing and negotiating the terms of your lease (or your purchase agreement if you purchase the property). We do not review the substantive terms of your lease. However, you must use best efforts to ensure your landlord signs the Lease Addendum attached to the Franchise Agreement as ATTACHMENT "C". The Lease Addendum is designed to protect our interests. If your landlord refuses to sign the Lease Addendum in substantially the form attached to the Franchise Agreement, we may either (a) waive the Lease Addendum requirement (or the provisions disapproved by the landlord) or (b) require you to find a new site for your Studio.

*Studio Design and Construction*

The Manual includes our standards and specifications pertaining to the design, layout, equipping and trade dress for a Studio. We may also provide you with prototype plans for a Studio (or they may be provided by the Project Manager). We must approve the number of waxing rooms at your Studio (our current model requires between 4 and 6 waxing rooms). You must provide us with a floor plan and/or CAD files for the Studio and a site survey.

You must hire a licensed and bonded architect to prepare initial design plans for the construction of your Studio and leasehold improvements. We must approve the initial design plans to ensure they are consistent with our system standards. Once approved, your architect must prepare detailed construction plans that: (a) are consistent with the approved design plans; (b) satisfy all required standards and specifications in the Manual; and (c) comply with all federal, state and local ordinances, building codes, permit and lease requirements and restrictions applicable to the premises. You must submit the final construction plans to us for approval. Once approved, you must construct and equip your Studio according to the approved construction plans and the requirements of the Manual. You must purchase (or lease) and install the Technology Systems, equipment, fixtures, signs and other items we require. We require that you utilize an architect, engineer and/or general contractor that we designate or approve (the Project Manager will provide you with suggested local architects).

You must remodel and make all improvements and alterations to your Studio that we reasonably require from time to time to reflect our then-current standards and specifications. There are no limitations on the cost or frequency of these remodeling obligations. You may not remodel or significantly alter your premises without our prior approval.

*Project Management Services*

We will designate the company that will serve as your Project Manager. You pay the Project Manager a $25,000 project management fee. In exchange for this fee, the Project Manager provides the Project Management Services described in Item 7 of this Disclosure Document.

**Opening Requirements** (§7.6)

We expect most franchisees will open 6 to 8 months after signing the Franchise Agreement. Factors that may affect this time include:

- the amount of time needed to find an approved site
- the availability of CAD files for the Studio premises
- protracted lease negotiations with the landlord
- the amount of time needed to secure financing, insurance, licenses and permits
- the condition of the building and extent of required upgrades, remodeling and renovations
- construction delays due to labor or materials shortages, inclement weather or other reasons
- delayed delivery or installation of equipment and fixtures
- the amount of time needed to comply with zoning requirements and other laws and regulations
- the amount of time needed to complete training
- the amount of time needed to hire and train staff
- the amount of time needed to presell 150 memberships (which is required for opening)

**Advertising and Marketing** (§10)

You must participate at your own expense in all advertising, promotional and marketing programs we require. We provide the advertising and marketing support discussed below. There is currently no franchisee advertising council that advises us on marketing and advertising matters.

*Our Advertising Obligations*

We have no obligation to conduct advertising for the franchise system. Any company-owned Studio will pay brand fund fees and cooperative advertising fees on the same basis as franchisees. We have no further obligation to spend our own funds on marketing and advertising in your area. We may create and make available to you advertising and marketing materials for your purchase. We may: (a) use the Brand Fund to pay for the creation and distribution of these materials, in which case there will be no additional charge; (b) provide online access to these materials, in which case you must print the materials at your expense; or (c) contract with third-party suppliers to create advertising or marketing materials that you may purchase.

*Grand Opening Advertising*

You must spend at least $25,000 on your grand opening marketing activities during your grand opening period (beginning 90 days before opening and ending 90 days after opening), including digital media advertising before and after the Studio opening, a preopening promotion, a soft opening event (opening your Studio to the public) and a grand opening event (30 days after soft opening). However, we may recommend that you spend more. If you fail to spend the minimum required amount before the 90$^{th}$ day after opening, we may require that you pay us the difference and we may either deposit the funds in the Brand Fund or spend them ourselves to promote your Studio. We may require that you utilize a marketing company we designate to design and implement your grand opening marketing plan.

*Post-Opening Advertising*

After your grand opening period expires, you must spend a minimum amount equal to the greater of 2.5% of Gross Sales or $1,500 per month (i.e., the Local Advertising Commitment) on local advertising. We measure your compliance on a rolling 3-month basis, meaning as long as your average monthly expenditure on local advertising over the 3-month period equals or exceeds your Local Advertising Commitment, you are deemed in compliance even if your expenditure in any given month is less than your Local Advertising Commitment. If you fail to spend the required minimum amount, we may require that you pay us the difference between your Local Advertising Commitment and the amount you actually spent. If this occurs, we may either deposit the funds in the Brand Fund or spend them ourselves to promote your Studio.

You may develop your own advertising and marketing materials and programs but we must approve them prior to use. We must also approve the media you intend to use. You may not use any advertising materials, programs or media that we have not approved. We reserve the right to prepare the specific advertising and marketing materials you must use. If this happens, you may not develop your own materials.

*Websites, Social Media and Digital Advertising*

We will maintain a corporate website to promote our brand. We will also create and host a local webpage, which will be linked to our corporate website, to promote your Studio. We can modify or discontinue our website and/or your local webpage at any time. Except for the webpage we provide, you may not: (a) develop, host, or otherwise maintain a website (or other digital presence) bearing our Marks; (b) utilize the Internet to conduct digital or online advertising; or (c) engage in ecommerce. However, we do permit you to market your Studio through approved social media channels, subject to the following requirements:

- you may only conduct social media utilizing social media platforms that we approve (we exclusively manage certain social media platforms on behalf of the brand)
- you must strictly comply with our social media policy, as revised from time to time
- you must immediately remove any post we disapprove, even if it complies with our social media policy
- we may require that you contract with and utilize a social media company we designate
- you must provide us with full administrator rights to your social media accounts
- we must retain ownership of all social media accounts relating to your Studio

*Gift Card and Loyalty Programs*

We may require that you participate in a gift card or other customer loyalty program in accordance with our policies and procedures. In order to participate, you may be required to purchase additional equipment, software and/or Apps and pay fees relating to the use of that equipment, software and/or Apps. We have the right to determine how proceeds from gift card sales are divided or otherwise accounted for and we may retain proceeds from unredeemed gift cards. You must follow all policies we establish for gift card and/or loyalty programs.

*Advertising Cooperatives*

We may, but need not, establish regional advertising cooperatives for purposes of pooling advertising funds to be used in discrete regions. We will determine the boundaries of the cooperative. In most instances, the boundaries will coincide with zip codes, designated marketing areas or municipal boundaries. We will specify the manner in which the cooperative is organized and governed. We may choose between: (a) administering the cooperative ourselves; or (b) establishing an advertising council, comprised by the cooperative's members, to administer the cooperative. We may require that the cooperative be administered in accordance with written bylaws, organizational documents or other governing documents that we approve.

If your Studio is located within a region subject to an advertising cooperative you must: (a) participate in the cooperative according to its rules and procedures and abide by its decisions; and (b) pay a cooperative advertising fee. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the fee based on majority vote of its members. In either case, the cooperative advertising fee will not exceed 2.5% of Gross Sales. All cooperative advertising fees you pay are credited against your Local Advertising Commitment. Company-owned Studios located in the cooperative contribute on the same basis as franchisees.

Advertising cooperatives are not required to prepare annual or periodic financial statements. Any financial statements that are prepared will be made available to you upon request. We reserve the right to form, change, merge or terminate advertising cooperatives at any time. As of December 31, 2025, there were no advertising cooperatives in effect.

*Brand and System Development Fund*

We currently administer the Brand Fund to promote public awareness of our brand and improve our System. We may use the Brand Fund to pay for any of the following in our discretion:

- developing, distributing or administering advertising and marketing materials and programs
- conducting and administering promotions, contests or giveaways
- public and consumer relations and publicity
- brand development
- sponsorships and charitable and nonprofit donations and events
- research and development of technology, products and services
- website development and search engine optimization
- development, maintenance and promotion of an ecommerce platform
- development and implementation of quality control programs
- conducting market research
- reimbursing us for costs we incur to host franchisee conferences
- changes and improvements to the System
- fees and expenses charged by advertising agencies we engage to provide marketing services
- collecting and accounting for brand fund fees and preparing financial accountings of the Brand Fund
- any other programs or activities we deem appropriate to promote or improve the System
- reimbursing us for administrative, overhead and other expenses we incur to administer the Brand Fund, including compensation paid to our personnel for time spent working on Brand Fund matters

We direct and have complete control and discretion over all advertising programs paid for by the Brand Fund, including the creative concepts, content, materials, endorsements, frequency, placement and media used for the programs. Currently, most advertising is intended to be regional or national in coverage. Advertising may utilize any media we deem appropriate, including digital, print, television, radio and billboard. The Brand Fund will not be used to pay for advertisements principally directed at selling additional franchises, although consumer advertising may include notations such as "franchises available" and one or more pages on our website may promote the franchise opportunity.

You must pay the brand fund fee we specify from time to time (not to exceed greater of 2% of Gross Sales or $1,000 per month). We deposit all brand fund fees and noncompliance fees into the Brand Fund. Company-owned Studios contribute on the same basis as our franchisees. However, if we modify the amount or timing of required contributions, any company-owned Studio established or acquired after the modification may contribute to the Brand Fund utilizing the modified amount or timing. All monies deposited into the Brand Fund that are not used in the fiscal year in which they accrue will be utilized in the following fiscal year. Any surplus of monies may be invested and we may lend money if there is a deficit. An unaudited financial accounting of Brand Fund contributions and expenditures will be prepared annually and made available to you upon request. During the fiscal year ended December 31, 2025, we spent the marketing funds in the following manner:

| **Allocation of Marketing Expenditures (2025)** | | | | |
|---|---|---|---|---|
| **Use of Funds** | **Production** | **Media Placement** | **Administrative Expenses** | **Other*** |
| **Percentage Allocation** | 55.2% | 32.1% | 9.6% | 3.1% |

* Other includes website hosting and development, search engine optimization and promotional events.

The Brand Fund is not a trust. We have no fiduciary obligations or liability to you with respect to our administration of the Brand Fund. Once established, we may discontinue the Brand Fund on 30 days' notice.

**Advisory Council** (§12)

We have established a Franchise Advisory Council (FAC) to provide us with suggestions to improve the System, including matters such as marketing, operations and new products or services. We consider all suggestions in good faith but are not bound by them. The FAC has been established and operates according to rules and regulations we periodically approve, including procedures governing the selection of FAC representatives to communicate with us on matters raised by the FAC. You are eligible to be an FAC member as long as you comply with your Franchise Agreement and do not act in a disruptive or abusive manner. As a member, you would be entitled to all voting rights and privileges granted to other members of the council. Any company-owned Studio would also be a member of the council. Each member (i.e., each franchisee) may cast 1 vote for each open Studio owned by the member. A franchisee with multiple owners is still considered 1 member. We would have the power to change or dissolve the FAC in our discretion.

**Computer System** (§11.6, 11.8, 11.8, 15.3 & 16.1)

You must purchase and use all Technology Systems we designate from time to time. The table below summarizes the Technology Systems we currently require:

| TECHNOLOGY SYSTEMS | | | |
|---|---|---|---|
| **Technology System** | **Components** | **Estimated Initial Cost of System** | **How System is Used** |
| POS System | 1 24" Mac<br>5 iPads<br>2 BBPOS bar code readers<br>1 receipt printer<br>1 ink jet color (or laser) printer<br>POS software/setup and sales system for concierge booking & client engagement | $4,000 to $5,100 | Used for: customer check-in and check-out procedures; notifying lab of customer arrival; processing payments; accessing customer notes relating to preferences and appointments; conducting email; preparing reports; and performing other administrative tasks. |
| Networking & Audio System | Internet router w/ ISP<br>WiF Mesh (with 2 access points)<br>1 to 2 Wi-Fi Access Points<br>3 to 4 speakers<br>1 patch panel (24 ports)<br>1 Uninterrupted Power Supply (UPS) | $785 to $1,500 | Used to: access Internet (for implementation and utilization of Technology Systems); provide WIFI coverage throughout Studio and iPads; play music; and provide backup power during power outages. |
| Telephone System | 1 to 2 phone sets | $225 to $450 | Used for incoming and outbound phone calls and direct contact with us. The centralized phone account is in your name. |
| Digital Display TVs | 1 50" 4K Ultra-High Definition TV | $200 to $300 | Used to display designated content to customers (i.e., marketing materials and price menus) using ScreenCloud (or another system we designate). We provide centralized content management services. |
| Music System | Spotify box | $250 to $310 | Used to play music and create studio ambiance using Spotify (or another system we designate). We provide centralized music management services. |
| DVR/Surveillance System | DVR<br>4 to 8 digital cameras | $500 to $1,500 | Used to record studio activity in various areas including customer waiting area, reception, manager's office, storage and lab (not used in waxing rooms). |

| TECHNOLOGY SYSTEMS | | | |
|---|---|---|---|
| **Technology System** | **Components** | **Estimated Initial Cost of System** | **How System is Used** |
| Security System | System and components at franchisee discretion | $225 to $400 | Used to provide security and alarm services. Some alarm companies provide the equipment at no charge. |

We may change the components of the Technology Systems from time to time. As used below, "computer system" includes your computer and POS system.

*Fees and Costs*

The table above includes the estimated initial cost of each Technology System (including any upfront license fees, setup fees, software training fees, data migration fees, etc.).

As further discussed in Item 6, you pay us technology fees for certain software, technology and related services that we provide or make available to you. We currently charge a technology fee of $1,000 per month ($12,000 per year), but we may increase the fee up to a maximum of $1,500 per month ($18,000 per year). If you own multiple Studios, you pay a separate technology fee for each Studio. Our current technology fee covers and includes the following:

- license for POS System (including any required maintenance)
- Up to 3 Unikwax.com email addresses and accounts
- 1 to 3 phone lines associated with our designated phone system
- license for Screencloud (service that displays digital menus, ads, etc. on screens in your waiting room)
- license for Spotify (for music played at the Studio)
- license for Podium (our designated customer review management platform)
- license for ProfitKeeper (our designated franchise analytics platform)
- license for Mailchimp (our designated email blast system)
- license for Business Intelligence System (our designated platform for reports, queries and dashboards)
- content management for certain social media accounts
- mobile device management covering updates, configuration and management of iPads/iPod touch devices

At this time, we do not mandate that you use any particular third-party software other than the software described above that is covered by the technology fee.

*Maintenance, Support, Updates and Upgrades*

In exchange for the ongoing monthly fees listed in the tables above, the licensors of the various software and technology provide any necessary maintenance, support and updates (except the licensor of ProfitKeeper may charge additional fees for updates). We also provide support for the POS System as part of the services we provide in exchange for the technology fee.

Except as otherwise disclosed above: (a) neither we nor any other party has any obligation to provide ongoing maintenance, repairs, upgrades or updates to your computer system; and (b) we are not aware of any optional or required maintenance, updating, upgrading or support contracts relating to your computer system.

*Collection and Sharing of Data*

Your computer system collects data regarding your sales, employees, employee scheduling and customers (including names, contact information, appointments and purchase history). We have independent unlimited access to the data collected on your computer system and there are no contractual limits imposed on our access.

*Computer System Maintenance and Changes*

You must maintain the computer system in good condition at your cost. We may require that you upgrade, update or otherwise change your computer system and other Technology Systems to conform to our then-current specifications. There is no contractual limitation on the frequency or cost of these updates, upgrades or changes.

## ITEM 12 TERRITORY

**Location of Your Studio**

The Franchise Agreement grants you the right to operate one Studio from a site we approve. You must identify a site for your Studio within the Site Selection Area described in your Franchise Agreement.

You may relocate your Studio with our prior written approval, which we will not unreasonably withhold. If we allow you to relocate, you must: (a) obtain our approval of the new site for your Studio within the Site Selection Area (but outside any territory assigned to another Studio); (b) pay us a $5,000 relocation fee at the time we approve your relocation request; (c) comply with our then-current site selection and development requirements; (d) remove trade dress and alter the premises of the closed (i.e., former) Studio to eliminate any resemblance to a UNI K WAX® Studio; and (e) open your Studio at the new site and resume operations within 30 days after closing your Studio at the former site (you have 240 days to reopen at the new site if you relocate because your Studio was destroyed, condemned or otherwise rendered unusable due to the physical condition of the premises). We may require that you conduct another grand opening marketing campaign to promote the opening of your Studio at the new site.

**Territory (Franchise Agreement)**

We will grant you an exclusive territory that will include a minimum population of 25,000 (although most territories include a population of approximately 50,000). If we determine your territory before you sign the Franchise Agreement, we will identify your territory in Part D of ATTACHMENT "A" to your Franchise Agreement. Otherwise, we will identify your territory in the Site Approval Notice we send to you after approving your site. We have no obligation to modify your territory based on population changes during the term of the Franchise Agreement. Upon renewal, we reserve the right to modify the boundaries of your territory in accordance with our then-current territory guidelines and criteria.

**Development Territory (ADA)**

If you acquire area development rights, we will grant you an exclusive development territory that will be identified in Part D of ATTACHMENT "A" to your ADA. A development territory typically consists of a geographic area that coincides with the boundaries of a municipality, such as a city, county or state. There is no specific minimum or maximum size for a development territory. In determining the size of your development territory, we primarily consider the number of Studios you commit to develop as well as the size of the territory that will be granted for each of those Studios. We will define the boundaries of your development territory to exclude the territory of any Studio that would otherwise be located in your development territory as of the date you sign the ADA (either open, under construction or for which a Franchise Agreement has been signed).

You must sign a separate Franchise Agreement for each Studio you develop. Each Studio must be located in the development territory. We must approve the site for each Studio under our then-current site selection criteria. Your territory for each Studio will include a minimum population of 25,000, but most territories include a population of approximately 50,000. We send you a complete execution copy of the ADA that includes your development territory, development fee and development schedule at least 7 days before you sign it.

**Alternative Channels of Distribution**

We reserve the right to sell, and license others to sell, competitive or identical goods and services (either under the Marks or different trademarks) through Alternative Channels of Distribution, including within your territory and development territory, if applicable. An "Alternative Channel of Distribution" means any channel of distribution other than retail sales made to customers while present at a Studio. Examples of Alternative Channels of Distribution would include the sale of our proprietary, customized or branded products:

- through direct marketing, such as over the Internet or through catalogs or telemarketing
- through retail stores that do not operate under the Marks, such as grocery stores or department stores
- to businesses that do not operate under the Marks, such as the sale of wax (other than the ElastiK wax line) to independent aestheticians
- at wholesale

You are not entitled to any compensation for sales that take place through Alternative Channels of Distribution.

**Restrictions on Your Sales and Marketing Activities**

You can market and advertise outside your territory and development territory, if applicable, as long as you: (a) comply with all policies and procedures in the Manual governing extra-territorial marketing; and (b) do not engage in targeted marketing directed into a territory assigned to another Studio (unless the marketing is conducted as part of an advertising cooperative that includes the affected territory). Marketing that is distributed, circulated or received both within your territory and another Studio's territory is not "targeted marketing" if: (a) you use reasonable efforts to limit circulation or distribution of the advertising to areas in your territory; and (b) most recipients of the advertising are located in your territory and there is only incidental circulation or distribution in another Studio's territory. The meaning of "targeted marketing" that is "directed into a territory" may be further defined in the Manual. Examples include direct mail sent to addresses in a given territory, digital advertising sent to devices with IP addresses registered in a given territory and setting up promotional events that take place in a given territory.

You must comply with any minimum advertised pricing policy that we establish from time to time.

You may not market or sell using Alternative Channels of Distribution (such as through the Internet, catalog sales, telemarketing or other direct marketing) either within or outside of your territory or development territory, if applicable. Your marketing activities are also subject to the additional restrictions described in Item 11 under the Section entitled "Websites, Social Media and Digital Advertising".

There are no other restrictions on your right to solicit customers, whether from inside or outside of your territory or development territory, if applicable.

**Minimum Performance Requirements**

Your exclusive territorial rights under the Franchise Agreement do not depend on achieving a certain sales volume, market penetration or other contingency.

If you sign an ADA and fail to satisfy your development schedule by opening and operating the prescribed number of Studios within the required periods of time, we may terminate your ADA and you will lose the exclusive territorial rights associated with your development territory.

**Additional Franchises and Territories**

You are not granted any options, rights of first refusal or similar rights to acquire additional territories or franchises, other than your right and obligation to develop the prescribed number of Studios within your development territory if you sign an ADA.

**Competitive Businesses Under Different Marks**

Currently, neither we nor any affiliate of ours intends to operate or franchise another business under a different trademark that sells products or services similar to the products or services offered by a Studio. However, we reserve the right to do so in the future.

## ITEM 13 TRADEMARKS

The following tables list the principal trademarks that will be licensed to you. Our affiliate, Uni K Wax R-D, LLC ("UKW R-D"), owns the following Marks registered with the United States Patent and Trademark Office:

| REGISTERED MARKS | | |
|---|---|---|
| **Mark** | **Registration Number** | **Registration Date (Renewal Date)** |
| UNI K WAX | 3319936 (Principal Register) | October 23, 2007 (November 17, 2017) |
| UNI K NATURAL WAX STUDIO | 5496675 (Principal Register) | June 19, 2018 (November 29, 2024) |
|   | 5496676 (Principal Register) | June 19, 2018 (November 30, 2024) |
|   | 5497819 (Principal Register) | June 19, 2018 (November 30, 2024) |
|  | 5496677 (Principal Register) | June 19, 2018 (November 26, 2024) |

UKW R-D also applied to register the following Marks on the Principal Register of the United States Patent and Trademark Office:

| UNREGISTERED MARKS | | |
|---|---|---|
| **Mark** | **Serial Number** | **Application Date** |
| K PACK | 98455188 (intent to use application) | March 18, 2024 |
| K CLUB | 98454246 (intent to use application) | March 18, 2024 |
| K CLUB | 99104759 (actual use application) | March 26, 2025 |
| UNI K WAX PACK | 99104634 (actual use application) | March 26, 2025 |

We do not have a federal registration for the Marks in the table immediately above labeled "Unregistered Marks". Therefore, these Marks do not have many legal benefits and rights as a federally registered trademark. If our right to use any of these Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

All required affidavits and renewals have been filed for the registered Marks and UKW R-D intends to file all required affidavits for the unregistered Marks when due.

We may change the trademarks you may use at any time, including discontinuing any Marks listed in Item 13 below. If this happens, you must change to the new trademark at your expense and the Franchise Agreement does not entitle you to any compensation.

You must notify us immediately if you discover an infringing use (or challenge to your use) of the Marks. We will take the action we deem appropriate. We are not required to take any action if we do not feel it is warranted. You may not control any proceeding or litigation involving our Marks.

We will indemnify you against and reimburse you for: (a) all damages for which you are held liable in a judicial or administrative proceeding based on your use of the principal Marks in compliance with the Franchise Agreement and Manual; and (b) all costs you reasonably incur in defending against any such claim. Our

indemnification obligation only applies if you notify us of the claim or proceeding in a timely manner and you are in full compliance with the Franchise Agreement and Manual. Our indemnification obligation is limited to the principal trademarks that are used to identify your Studio (e.g., UNI K WAX® and Marks that include the phrase "UNI K WAX"). Our indemnification obligation does not extend to ancillary Marks that may be licensed to you (for example, K BEAUTY™ or ELASTIKWAX™).

Except as disclosed above, the Franchise Agreement does not require that we: (a) protect your right to use the Marks; (b) protect you against claims of infringement or unfair competition arising out of your use of the Marks; or (c) participate in your defense or indemnify you for expenses or damages you incur if you are a party to an administrative or judicial proceeding involving our Marks or if the proceeding is resolved in a manner unfavorable to you.

There are currently no: (a) effective material determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court; (b) pending infringements, oppositions or cancellations; (c) pending material litigation matters involving any of the Marks; or (d) infringing uses we are aware of that could materially affect your use of the Marks.

We entered into an Intellectual Property License Agreement with UKW R-D, with an effective date of June 5, 2023 (the "License Agreement"). Under the terms of the License Agreement, UKW R-D granted us the right to use the Marks in the UNI K WAX® System and sublicense the Marks to our franchisees. The term of the License Agreement automatically renews annually unless it is terminated in accordance with its terms. UKW R-D is permitted to terminate the License Agreement only if we: (a) declare bankruptcy or become insolvent; (b) breach UKW R-D's quality control standards and fail to cure the breach within a 60-day cure period; or (c) consent to the termination. If the License Agreement is terminated, it states all sublicenses granted by us to our franchisees will continue in full force and effect until the expiration or termination of the applicable franchise agreement. No other agreements limit our right to use or sublicense use of the Marks.

## ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise.

Although we have not filed an application for copyright registration for our Manual, website or marketing materials (other than the Body Charts discussed below), we do claim a copyright to these items. Our affiliate, UKW R-D, owns the following copyrights registered with the United States Registrar of Copyrights that were originally obtained by our predecessor's affiliate, UHC:

| REGISTERED COPYRIGHTS | | | | |
|---|---|---|---|---|
| **Title** | **Copyright Number** | **Copyright Date** | **Copyright Duration*** | **Description** |
| Body Chart | TX0007907259 | April 17, 2014 | 95 years from February 1, 2014 | Set of booklets (one for men and one for women) illustrating waxing services offered by Studios that must be displayed in waxing rooms and reception areas. |
| Body Chart Men | VA0001972209 | June 21, 2015 | 95 years from June 1, 2015 | Supplement to Body Chart illustrating the waxing services offered to male customers, which is included in the Body Chart set of booklets. |

* These copyrights cannot be renewed.

UKW R-D licenses the copyrights to us under the same License Agreement (and under the same terms) described in Item 13 with respect to the license of the Marks. No other agreements limit our right to use or sublicense use of the copyrights.

During the term of the Franchise Agreement, we allow you to use certain confidential and proprietary information (some of which constitute "trade secrets") relating to the development, marketing and operation of a Studio. Examples include:

- architectural plans, drawings and specifications for a prototype Studio

- site selection criteria
- methods, techniques, policies, procedures, standards and specifications
- supplier lists and information
- marketing and merchandising strategies
- financial information
- information comprising the System

We will own all ideas, improvements, inventions, marketing materials and other concepts you develop relating to a Studio. We will also own all operational and customer data relating to your Studio. You must treat this data as confidential and proprietary. We license you the right to utilize this data during the term of your Franchise Agreement. You must comply with all applicable data protection laws and our data processing and data privacy policies in the Manual.

We provide access to our confidential information through the Manual, training programs and other periodic support and guidance. You may use this information solely for purposes of developing, marketing and operating your Studio in compliance with the Franchise Agreement and Manual. All information in the Manual is confidential You may not disclose our confidential information to anyone other than your employees, on a need-to-know basis, without our prior permission. All your employees, agents and representatives (other than your Designated Manager and Regional Manager) must sign the Confidentiality Agreement attached to the Franchise Agreement as ATTACHMENT "G" before you give them access to our confidential information. Without our approval, you may not enter our confidential or proprietary information into public/open AI models or other AI models that use such information to train the AI.

You must promptly notify us if you discover any unauthorized use of our proprietary information or copyrighted materials. We are not obligated to act, but will respond to this information as we deem appropriate. You may not control any proceeding or litigation involving allegations of unauthorized use of our proprietary information or copyrighted materials.

The Franchise Agreement does not require that we: (a) protect your right to use the copyrights or proprietary information; (b) protect you against claims of infringement or unfair competition arising out of your use of the copyrights or proprietary information; or (c) participate in your defense or indemnify you for expenses or damages you incur if you are a party to an administrative or judicial proceeding involving our copyrights or proprietary information or if the proceeding is resolved in a manner unfavorable to you.

There are currently no: (a) effective material determinations of the United States Copyright Office or any court involving our copyrights or proprietary information; (b) pending infringements, oppositions or cancellations involving our copyrights or proprietary information; or (c) pending material litigation matters involving any of our copyrights or proprietary information. We are not aware of any infringing uses that could materially affect your use of our copyrights or proprietary information.

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

**Owner Participation**

You must designate an owner with overall responsibility for the management and operation of your Studio (the "Managing Operator"). The Managing Operator must: (a) be approved by us; (b) successfully complete all training programs we require; and (c) dedicate full-time efforts to the Business. The Managing Operator is not required to provide onsite management of your Studio as long as a trained Designated Manager is onsite. Any new Managing Operator you appoint must successfully complete our then-current initial training program before assuming responsibility for the supervision, management or operation of the Studio.

Except for your Managing Operator, we do not require that your owners personally participate in the management or operation of the Business. If you are an entity, each owner (i.e., each person holding an ownership interest in you) and the spouse of each owner must sign the Franchise Owner Agreement attached to

the Franchise Agreement as ATTACHMENT "D". By signing the Franchise Owner Agreement, the owner (or spouse of the owner) agrees to: (a) comply with all brand protection covenants, covenants that protect our intellectual property and transfer restrictions set forth in the Franchise Agreement; and (b) guarantee the franchisee's financial obligations.

**Designated Manager**

You may hire studio managers (each, a "Designated Manager") to assist the Managing Operator with onsite management of the Studio. Any person you hire as a Designated Manager must: (a) successfully complete all training programs we require; and (b) sign the Brand Protection Agreement attached to the Franchise Agreement as ATTACHMENT "F". At all times during normal business hours, either the Managing Operator or a Designated Manager must be present at the Studio to provide onsite management and supervision. The Managing Operator must monitor and supervise each Designated Manager to ensure the Studio is operated in accordance with the Franchise Agreement and Manual. You may also hire assistant Studio managers who would report to the Managing Operator or Designated Manager.

**Regional Manager**

If you own 3 or more Studios, you must appoint a person to supervise and oversee the operations of the Studios (the "Regional Manager"). Your Managing Operator may, but need not, serve as the Regional Manager. In order to do so, the Managing Operator must dedicate full-time efforts to the role of Regional Manager. Any person you hire as a Regional Manager must: (a) successfully complete all training programs we require; and (b) sign a Brand Protection Agreement.

Currently, we do not require that your Designated Manager, Regional Manager or other management personnel own any equity interest in the franchise but we reserve the right to change this policy in the future.

## ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We must approve all goods and services you sell. You must offer all goods and services we require. You may not sell any goods or services we have disapproved. At any time, we may change the goods and services you sell and you must comply with the change. You may only engage in retail sales to the end customer. All sales must take place at your Studio. You may not sell any products at wholesale or for resale. We may require you to participate in a gift card, customer loyalty, membership or other System program in accordance with our policies and procedures.

## ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

**This table lists certain important provisions of the franchise agreement (FA), Area Development Agreement (ADA) and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.**

| THE FRANCHISE RELATIONSHIP | | |
|---|---|---|
| **PROVISION** | **SECTIONS IN AGREEMENT** | **SUMMARY** |
| a. Length of franchise term | FA: 1 (Definition of "Term") &4.1 | Term is equal to 10 years from date of Franchise Agreement. |
| | ADA: 1 (definition of "Term") | Term expires on the opening date listed in the development schedule for the last Studio you are required to develop. |
| b. Renewal or extension of the term | FA: 4.1 & 4.2 | If you meet our conditions for renewal, you can enter into 3 consecutive successor franchise agreements. Each renewal term will be 5 years. The parties may mutually agree to further renewals but neither party is obligated to do so (subject to state law). |
| | ADA: 4.5 | No renewal rights. |

| THE FRANCHISE RELATIONSHIP | | |
|---|---|---|
| **PROVISION** | **SECTIONS IN AGREEMENT** | **SUMMARY** |
| c. Requirements for you to renew or extend | FA: 4.1 & 4.2 | You must: not be in default; give us timely notice; sign then-current form of franchise agreement; sign general release (subject to state law); pay renewal fee; remodel Studio and upgrade furniture, fixtures and equipment to current standards; and extend lease term.<br>If you renew, you may be required to sign a contract with materially different terms and conditions than the original contract. |
| | ADA: 4.5 | You may not renew or extend the term of the ADA. |
| d. Termination by you | FA: 20.1 | You can terminate if we default and fail to timely cure. |
| | ADA: Not Applicable | You can terminate under any grounds permitted by law. |
| e. Termination by us without cause | FA: 20.3 | We can terminate without cause if you provide your written consent. |
| | ADA: 8.2 | |
| f. Termination by us with cause | FA: 20.2 | We can terminate if you default. |
| | ADA: 8.1 | |
| g. "Cause" defined - curable defaults | FA: 20.2 | You have the following cure periods: (a) 24 hours for health or safety hazards; (b) 10 days for financial defaults; (c) 20 days for loss of a required license or permit; and (d) 30 days for any other default (other than a default described below under "non-curable defaults"). |
| | ADA: 8.1 | You have 30 days to cure any default, other than defaults described below under "non-curable defaults". |
| h. "Cause" defined - non-curable defaults | FA: 20.2 | The following defaults cannot be cured: insolvency, bankruptcy or seizure of assets; failure to successfully complete training; failure to find approved site or open in timely manner; abandonment; certain criminal convictions or administrative enforcement actions; violation of material law; acts that may adversely affect reputation of System or Marks; material misrepresentations; failure to notify us of a matter described in §15.6; intentional underreporting of Gross Sales by any amount; 2nd underreporting of Gross Sales by 3% or more; unauthorized Transfers; unauthorized use of our intellectual property; selling our proprietary or branded products to third parties, or reusing or recycling such products, without approval; breach of brand protection covenant, legal compliance representation or Franchise Owner Agreement; termination of lease due to your default; 3 or more default notices in an 18-month period; or termination of any other agreement between you (or your affiliate) and us (or our affiliate) due to your default. However, termination of an ADA due to breach of the development schedule is not grounds for termination of any Franchise Agreement that is otherwise in good standing. |
| | ADA: 8.1 | If we terminate a franchise agreement due to your default, we may terminate the ADA without opportunity to cure. |
| i. Your obligations on termination /non-renewal | FA: 21.1 | Obligations include: cease use of intellectual property; cancel fictitious names; return Manual and branded materials; remove trade dress and alter premises to eliminate resemblance to a Studio; assign telephone numbers, listings and domain names; assign customer data and accounts; comply with data retention policies; pay us an amount equal to your Studio's total outstanding and unredeemed Prepaid Liabilities; and pay any other amounts due to us (also see "r", below). |
| | ADA: Not Applicable | The ADA does not impose any post-term obligations on you. |
| j. Assignment of contract by us | FA: 19.1 | No restriction on our right to assign. |
| | ADA: 7.1 | |

| THE FRANCHISE RELATIONSHIP | | |
|---|---|---|
| **PROVISION** | **SECTIONS IN AGREEMENT** | **SUMMARY** |
| k. "Transfer" by you – definition | FA: 1 (definition of "Transfer") & 19.2 | Includes ownership change or transfer of contract or assets. |
| | ADA: 1 (definition of "Transfer") & 7.2 | |
| l. Our approval of transfer by you | FA: 1 (definition of "Permitted Transfer"), 19.2 & 19.3 | You may engage in a Permitted Transfer (defined in Note 2 in Item 6) without approval. We must approve other Transfers but will not unreasonably withhold approval. |
| | ADA: 1 (definition of "Permitted Transfer"), 7.2 & 7.3 | You may engage in a Permitted Transfer. The ADA and area development rights are not otherwise transferable (subject to state law). |
| m. Conditions for our approval of transfer | FA: 19.2 | Transferee must: meet our qualifications; successfully complete training (or arrange to do so); obtain required licenses and permits; assume your obligations under contracts relating to the Business; sign then-current form of franchise agreement for remainder of term or, at our option, assume your Franchise Agreement; and remodel Studio and upgrade furniture, fixtures and equipment to current standards within 3 months after Transfer or such shorter period of time we specify.<br>You must: be in compliance with Franchise Agreement; assign lease (if applicable); subordinate transferee's ongoing payments owed to you (if any) to transferee's payments owed to us; pay transfer fee (subject to state law); and sign general release (subject to state law).<br>We must notify you that we will not exercise our right of first refusal. |
| | ADA: 7.2 | ADA may not be transferred to a third party. |
| n. Our right of first refusal to acquire your business | FA: 19.5 | We can match any offer for your business. |
| | ADA: Not Applicable | Not Applicable |
| o. Our option to purchase your business | FA: 21.2 | We have the option to purchase your Studio (or the assets we designate) at the expiration or termination of the Franchise Agreement at fair market value (or with respect to our proprietary and/or branded products, at lesser of fair market value or $2,500). |
| | ADA: Not Applicable | The ADA does not include a purchase option. |
| p. Your death or disability | FA: 19.4 | Within 180 days, interest must be assigned by estate to an assignee in compliance with conditions for other Transfers. We may designate manager to operate the Studio prior to Transfer. |
| | ADA: 7.4 | |
| q. Non-competition covenants during the term of the franchise | FA: 14.3 | No involvement in competing business. |
| | ADA: Not Applicable | The ADA does not impose any noncompetition covenants. |
| r. Non-competition covenants after the franchise is terminated or expires | FA: 14.3 & 21.1 | No involvement for 2 years in a competing business operated at your Studio or anywhere within a 15-mile radius from any Studio (including your Studio); cease communications with customers for any business-related purpose. |
| | ADA: Not Applicable | The ADA does not impose any noncompetition covenants. |
| s. Modification of the agreement | FA: 24.3 & 24.8 | Requires writing signed by both parties (except we may unilaterally change Manual or reduce scope of restrictive covenants). |
| | ADA: 12.7 | |

| THE FRANCHISE RELATIONSHIP | | |
|---|---|---|
| **PROVISION** | **SECTIONS IN AGREEMENT** | **SUMMARY** |
| t. Integration/ merger clause | FA: 24.8 | Only the terms of the Franchise Agreement and ADA (if applicable) and their attachments are binding (subject to state law). Any representations or promises made outside the Disclosure Document, Franchise Agreement and ADA may not be enforceable. Nothing in the Franchise Agreement, ADA or any related agreements is intended to disclaim any of the representations we made in this Disclosure Document. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement or (b) disclaiming reliance on any statement made by any franchisor, franchise seller or other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise. |
| | ADA: 12.7 | |
| u. Dispute resolution by arbitration or mediation | FA: 22 | Subject to state law, all disputes must be mediated before litigation, except for certain disputes involving our intellectual property or compliance with restrictive covenants. |
| | ADA: 10 | |
| v. Choice of forum | FA: 22 | Subject to state law, all mediation and litigation must take place in county where we maintain our principal place of business at time dispute arises (currently, Miami-Dade County, Florida). |
| | ADA: 10 | |
| w. Choice of law | FA: 24.1 | Subject to state law, Florida law governs. |
| | ADA: 12.1 | |

## ITEM 18 PUBLIC FIGURES

We do not use any public figures to promote our franchise.

## ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

**Defined Terms**

In this financial performance representation, the following terms have the meanings given to them below:

"***COGS***" or "***Cost of Goods Sold***" includes variable costs that are directly associated with the provision and delivery of goods and services, including wax, product, and merchant fees.

"***Company-Owned Studio***" means any Studio owned by: (a) us; (b) our affiliate; or (c) a person listed in Item 2 of this Disclosure Document if that person is also involved with the management of the Studio.

"***Converted Studio***" means any Studio that either: (a) was a Company-Owned Studio that was sold to a franchisee at any time during the Measuring Period; or (b) was a Franchised Studio that we or our affiliate reacquired from the franchisee at any time during the Measuring Period.

"***FPR***" means the financial performance representation set forth in Item 19 of this Disclosure Document.

"***Franchised Studio***" means any Studio owned by a franchisee.

"***Gross Profit***" means Net Sales less Cost of Goods Sold.

"***Gross Sales***" means all gross sums that are generated from the sale of services and products through the operation of the Studio. Where applicable, Gross Sales also includes all other sums collected from the operation of the Studio, including any advertising revenues, sponsorship fees and business interruption insurance proceeds (however, none of the Qualifying Studios generated Gross Sales in 2025 from any source other than the sale of services and products through the operation of the Studio). Gross Sales excludes: (a) sales or use taxes; (b) amounts refunded to customers; (c) revenues from the sale of furniture, fixtures and equipment in the ordinary course of business; and (d) tips paid to and retained by staff members as a gratuity.

"***Imputed Fees & Costs***" means the royalty fees, brand fund fees and store manager salary that our Company-Owned Studio would have incurred if it were a franchisee, less any amounts actually incurred by our Company-Owned Studio for these categories of costs and fees.

"***Measuring Period***" means the period of time beginning January 1, 2025 and ending December 31, 2025.

"***Memberships***" means the customer memberships sold by a Studio pursuant to the Studio's membership program, under which customers agree to make recurring monthly payments for waxing services.

"***Net Sales***" means Gross Sales less the reduced value of discounted or free goods and services provided to customers.

"***Operating Income (With Imputed Fees & Costs)***" means Gross Profit less Total Studio Expenses and Imputed Fees & Costs.

"***Operating Income (Without Imputed Fees & Costs)***" means Gross Profit less Total Studio Expenses.

"***Qualifying Studio***" means any Franchised Studio that: (a) was open the entire Measuring Period; and (b) provided us with all data we requested to prepare the FPR.

"***Recurring Revenue***" means revenue attributable to recurring or prepaid customer purchases, consisting of membership dues and sales of Series packages.

"***Total Studio Expenses***" include studio payroll, rent & utilities, marketing, technology expenses, professional fees & business expense, other expenses, royalty fees, and brand fund fees.

**System Statistics**

For purposes of this FPR, each Studio may be referred to as an "outlet." This FPR includes data from our Company-Owned Studio.

As of December 31, 2025 (the last day of the Measuring Period) there were: (a) 34 Franchised Studios in operation, 32 of which are Qualifying Studios; and (b) 1 Company-Owned Studio in operation, which is a Qualifying Studio. The table below summarizes the outlet statistics and the number of Qualifying Studios:

| **2025 Outlet Statistics** | | | | | | |
|---|---|---|---|---|---|---|
| **Outlet Type** | ***Open Studios*** | | ***Statistical Changes During 2025*** | | | **Qualifying Studios** |
| | **Jan 1, 2025** | **Dec 31, 2025** | **Studios Opened** | **Studios Closed** | **Converted Studios** | |
| Franchised | 33 | 34 | 1 | 0 | 0 | 32* |
| Company-Owned | 1 | 1 | 0 | 0 | 0 | 1 |
| Total | 34 | 35 | 1 | 0 | 0 | 33 |

*We have excluded 2 Franchised Studios which did not operate during the entire Measuring Period and therefore were "non-operational." Specifically, one Franchised Studio opened in November 2025, and another underwent renovations beginning in October 2025 that are ongoing.

Historically, the total number of waxing rooms in a Studio has had little effect on the Studio's Gross Sales. Our current model requires between 4 and 6 waxing rooms. Our model as of 2024 required between 3 and 6 waxing rooms. The number of waxing rooms in the Qualifying Studios ranges from 2 waxing rooms to 9 waxing rooms.

We are not aware of any other material differences between the operations of the Qualifying Studios and the franchised business offered under this Disclosure Document.

**Categories Utilized**

The financial performance representation includes data for 32 franchised Qualifying Studios for Tables 1-4 and 1 company-owned Qualifying Studio for Table 5. For the Franchised Studios, we have separated the data into categories based on Studio rank for each of 4 metrics—Gross Sales, Net Sales, Recurring Revenue and Memberships—measured in the Tables below. Rankings are measured independently for each of the 4 Tables below (i.e. the ranked order of the Studios for purposes of Table 1 is not the same as the ranked order of the Studios for purposes of Table 2, Table 3 or Table 4). The categories utilized are as follows:

- Top 5 Studios: this includes the highest 5 Studios out of 32 total franchised Qualifying Studios.
- Top 3rd of Studios: this includes the highest 11 Studios out of 32 total franchised Qualifying Studios, and includes the top 5 Studios.
- Bottom 3rd of Studios: this includes the lowest 11 Studios out of 32 total franchised Qualifying Studios, and includes the bottom 5 Studios.
- Bottom 5 Studios: this includes the lowest 5 Studios out of 32 total franchised Qualifying Studios.

For the Company-Owned Studio, we have included the 2025 profit and loss statement. This statement has not been audited.

**Financial Performance Representation**

Table 1: Includes Gross Sales data for all franchised Qualifying Studios, and includes the average, median, high and low Gross Sales, and number and percentage of franchised Qualifying Studios that met or exceeded average Gross Sales.

Table 2: Includes Net Sales data for all franchised Qualifying Studios, and includes the average, median, high and low Net Sales, and number and percentage of franchised Qualifying Studios that met or exceeded average Net Sales.

Table 3: Includes Recurring Revenue as a percentage of Net Sales data for all franchised Qualifying Studios, and includes the average, median, high and low Recurring Revenue, and number and percentage of franchised Qualifying Studios that met or exceeded average Recurring Revenue.

Table 4: Includes Memberships data for all franchised Qualifying Studios, and includes the average, median, high and low Memberships, and number and percentage of franchised Qualifying Studios that met or exceeded average Memberships.

Table 5: Includes the profit and loss statement for the one company-owned Qualifying Studio.

**Table 1**
**2025 Gross Sales for Franchised Qualifying Studios**

| 32 Franchised Qualifying Studios | Top 5 (5 Studios) | Top 3rd (11 Studios) | Bottom 3rd (11 Studios) | Bottom 5 (5 Studios) | All Studios (32 Studios) |
|---|---|---|---|---|---|
| Average Gross Sales | $1,293,266 | $1,060,889 | $435,334 | $353,798 | $716,390 |
| Number/Percentage Attaining Average | 1 of 5 (20%) | 5 of 11 (45%) | 6 of 11 (55%) | 3 of 5 (60%) | 12 of 32 (38%) |
| Median Gross Sales | $1,207,549 | $971,255 | $478,777 | $363,457 | $639,758 |
| Highest Gross Sales | $1,667,033 | $1,667,033 | $542,240 | $435,313 | $1,667,033 |
| Lowest Gross Sales | $1,154,456 | $765,490 | $236,630 | $236,630 | $236,630 |

| Table 2<br>2025 Net Sales for Franchised Qualifying Studios | | | | | |
|---|---|---|---|---|---|
| **32 Franchised Qualifying Studios** | **Top 5 (5 Studios)** | **Top 3rd (11 Studios)** | **Bottom 3rd (11 Studios)** | **Bottom 5 (5 Studios)** | **All Studios (32 Studios)** |
| Average Net Sales | $1,197,434 | $983,139 | $399,049 | $319,679 | $665,025 |
| Number/Percentage Attaining Average | 1 of 5 (20%) | 5 of 11 (45%) | 6 of 11 (55%) | 3 of 5 (60%) | 12 of 32 (38%) |
| Median Net Sales | $1,131,257 | $913,140 | $443,628 | $335,042 | $601,270 |
| Highest Net Sales | $1,549,099 | $1,549,099 | $503,160 | $397,199 | $1,549,099 |
| Lowest Net Sales | $1,070,781 | $716,713 | $212,024 | $212,024 | $212,024 |

| Table 3<br>2025 Recurring Revenue as a Percentage of Net Sales Franchised Qualifying Studios | | | | | |
|---|---|---|---|---|---|
| **32 Franchised Qualifying Studios** | **Top 5 (5 Studios)** | **Top 3rd (11 Studios)** | **Bottom 3rd (11 Studios)** | **Bottom 5 (5 Studios)** | **All Studios (32 Studios)** |
| Average Recurring Revenue | 20.3% | 19.2% | 26% | 27.2% | 24% |
| Number/Percentage Attaining Average | 1 of 5 (20%) | 3 of 11 (27%) | 3 of 11 (27%) | 2 of 5 (40%) | 9 of 32 (28%) |
| Median Recurring Revenue | 15.1% | 17% | 24.5% | 22.1% | 21.8% |
| Highest Recurring Revenue | 38.7% | 38.7% | 40.8% | 40.8% | 44.4% |
| Lowest Recurring Revenue | 11.9% | 11.9% | 15.1% | 15.1% | 6.9% |

| Table 4<br>2025 Memberships for Franchised Qualifying Studios | | | | | |
|---|---|---|---|---|---|
| **32 Franchised Qualifying Studios** | **Top 5 (5 Studios)** | **Top 3rd (11 Studios)** | **Bottom 3rd (11 Studios)** | **Bottom 5 (5 Studios)** | **All Studios (32 Studios)** |
| Average Memberships | 384 | 276 | 178 | 159 | 258 |
| Number/Percentage Attaining Average | 2 of 5 (40%) | 4 of 11 (36%) | 5 of 11 (45%) | 2 of 5 (40%) | 13 of 32 (41%) |
| Median Memberships | 287 | 180 | 145 | 115 | 196 |
| Highest Memberships | 934 | 934 | 345 | 345 | 934 |
| Lowest Memberships | 125 | 85 | 36 | 36 | 36 |

| Table 5<br>2025 Profit and Loss Statement for the Company-Owned Qualifying Studio | |
|---|---|
| **Revenue** | |
| **Total Gross Sales** | **$1,046,208** |
| *Less* Discounts | ($74,923) |
| **Net Sales** | **$971,285** |
| *Less* Cost of Goods Sold | ($100,130) |
| **Gross Profit** | **$871,155** |
| **Studio Expenses** | |
| Studio Payroll | $333,528 |
| Rent & Utilities | $75,739 |
| Marketing | $35,171 |
| Technology Expenses | $12,873 |
| Prof. Fees & Business Expenses | $13,517 |
| Other | $11,961 |
| Royalty (2.9%) | $29,889 |
| Brand Fund (1.9%) | $19,926 |
| **Total Studio Expenses** | **$532,604** |
| **Imputed Fees & Costs** | |
| Imputed Royalty (additional 4.1%) | $43,346 |
| Imputed Brand Fund (additional 0.1%) | $1,046 |
| Imputed Store Manager Salary | $65,000 |
| **Total Imputed Fees & Costs** | **$109,392** |
| **Operating Income** | |
| **Operating Income (Without Imputed Fees & Costs)** | **$338,551** |
| **Operating Income (With Imputed Fees & Costs)** | **$229,162** |

Notes:

1. Source of Data: In making the above financial performance representation for franchised Qualifying Studios, we relied upon sales reports generated by the point-of-sale system. In making the above financial performance representations for the company-owned Qualifying Studio, we relied upon internal financial records. The data has not been audited.

2. Historical Data: The FPR is based on the historical results from the Qualifying Studios described above.

3. Expenses: For franchised Qualifying Studios, the FPR does not include any expense information. As a franchisee, you will incur additional expenses, such as wax and supplies costs, payroll, rent, marketing, replenishment of inventory and operating supplies, utilities as well as the initial and ongoing fees imposed under the Franchise Agreement.

4. Imputed Fees & Costs: The Company-Owned Studio did not incur certain Imputed Fees & Costs during the

Measuring Period. Imputed Fees & Costs include:

- royalty fees (additional 4.1% of Gross Sales)
- brand fund fees (additional 0.1% of Gross Sales)
- store manager salary ($65,000)

This FPR discloses 2 sets of Operating Income figures, including: (1) Operating Income (Without Imputed Fees & Costs), which is calculated based on actual expenses incurred and does not account for Imputed Fees & Costs; and (2) Operating Income (With Imputed Fees & Costs), which is calculated in a manner that takes into account all Imputed Fees & Costs. Imputed Fees & Costs are discussed in more detail in Note 5.

5. Imputed Fees: Our Company-Owned Studio paid reduced royalty fees and brand fund fees, and did not incur store manager expenses during the Measuring Period. In the "Imputed Fees & Costs" section of the Operating Income calculation, we have included the fees that each Company-Owned Studio would have incurred if it was a franchisee.

You should consult with your advisors to develop your own estimates of revenue for your Studio.

**Some Studios have sold this amount. Your individual results may differ. There is no assurance that you will sell as much.**

Written substantiation for this financial performance representation will be made available to you upon your reasonable written request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting our Chief Executive Officer, Heather Harris, at 117 NW 9th Terrace, Bay#1, Hallandale Beach, Florida 33009 or by phone at (305) 949-9294, the Federal Trade Commission, and the appropriate state regulatory agencies.

## ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

**TABLE 1 - SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2023 TO 2025**

| Outlet Type | Year | Outlets at the Start of the Year | Outlets at the End of the Year | Net Change |
|---|---|---|---|---|
| Franchised | 2023 | 32 | 32 | 0 |
| | 2024 | 32 | 33 | +1 |
| | 2025 | 33 | 34 | +1 |
| Company-Owned | 2023 | 2 | 2 | 0 |
| | 2024 | 2 | 1 | -1 |
| | 2025 | 1 | 1 | 0 |
| Total Outlets | 2023 | 34 | 34 | 0 |
| | 2024 | 34 | 34 | 0 |
| | 2025 | 34 | 35 | +1 |

**TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2023 TO 2025**

| State | Year | Number of Transfers |
|---|---|---|
| Florida | 2023 | 0 |

| TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN THE FRANCHISOR) FOR YEARS 2023 TO 2025 | | |
|---|---|---|
| **State** | **Year** | **Number of Transfers** |
| | 2024 | 1 |
| | 2025 | 2 |
| New York | 2023 | 0 |
| | 2024 | 1 |
| | 2025 | 0 |
| Total | 2023 | 0 |
| | 2024 | 2 |
| | 2025 | 2 |

| TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **State** | **Year** | **Outlets at Start of Year** | **Outlets Opened** | **Terminations** | **Non-Renewals** | **Reacquired by Franchisor** | **Ceased Operations - Other Reasons** | **Outlets at End of Year** |
| Florida | 2023 | 16 | 0 | 0 | 0 | 0 | 0 | 16 |
| | 2024 | 16 | 1 | 0 | 0 | 0 | 0 | 17 |
| | 2025 | 17 | 1 | 0 | 0 | 0 | 0 | 18 |
| New Jersey | 2023 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| | 2025 | 2 | 0 | 0 | 0 | 0 | 0 | 2 |
| New York | 2023 | 13 | 0 | 0 | 0 | 0 | 0 | 13 |
| | 2024 | 13 | 0 | 0 | 0 | 0 | 0 | 13 |
| | 2025 | 13 | 0 | 0 | 0 | 0 | 0 | 13 |
| Texas | 2023 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2024 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Totals | 2023 | 32 | 0 | 0 | 0 | 0 | 0 | 32 |
| | 2024 | 32 | 1 | 0 | 0 | 0 | 0 | 33 |
| | 2025 | 33 | 1 | 0 | 0 | 0 | 0 | 34 |

| TABLE 4 - STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2023 TO 2025 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **State** | **Year** | **Outlets at Start of Year** | **Outlets Opened** | **Outlets Reacquired From Franchisee** | **Outlets Closed** | **Outlets Sold to Franchisee** | **Outlets at End of Year** |
| Florida | 2023 | 2 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 1 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 1 |
| Totals | 2023 | 2 | 0 | 0 | 0 | 0 | 2 |
| | 2024 | 2 | 0 | 0 | 0 | 1 | 1 |
| | 2025 | 1 | 0 | 0 | 0 | 0 | 1 |

| TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2025 | | | |
|---|---|---|---|
| **State** | **Franchise Agreements Signed But Outlet Not Opened** | **Projected New Franchised Outlets in the Next Fiscal Year** | **Projected New Company-Owned Outlets in the Next Fiscal Year** |
| Arizona | 2 | 2 | 0 |
| Colorado | 1 | 1 | 0 |
| Connecticut | 1 | 1 | 0 |
| Florida | 1 | 1 | 0 |
| Michigan | 1 | 1 | 0 |
| Texas | 1 | 0 | 0 |
| Total | 7 | 6 | 0 |

A list of all current franchisees is attached to this Disclosure Document as EXHIBIT "F" (Part A), including their names and the addresses and telephone numbers of their outlets as of December 31, 2025. In addition, EXHIBIT "F" (Part B) lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

In the last 3 fiscal years, some franchisees have signed confidentiality agreements with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

We established and endorse the following Franchise Advisory Council:

UNI K WAX® Franchise Advisory Council

Contact Person: Maria Poceiro
900 S. Miami Ave., Suite 242
Miami, Florida 33130
(786) 593-1505

There are no other: (a) trademark-specific franchisee organizations associated with the franchise system being offered that we have created, sponsored or endorsed; or (b) independent franchisee organizations that have asked to be included in this Disclosure Document.

## ITEM 21 FINANCIAL STATEMENTS

Our fiscal year ends on December 31st. Audited financial statements of the franchisor for the fiscal years ended December 31, 2025, December 31, 2024 and December 31, 2023 are attached to this Disclosure Document as EXHIBIT "G".

## ITEM 22 CONTRACTS

Attached to this Disclosure Document (or the Franchise Agreement attached to this Disclosure Document) are copies of the following franchise and other contracts or agreements proposed for use or in use in this state:

Exhibits to Disclosure Document

EXHIBIT "C" Franchise Agreement
EXHIBIT "D" Area Development Agreement
EXHIBIT "H"-1 State Addenda
EXHIBIT "H"-2 Franchisee Disclosure Questionnaire **(Questionnaire may not be signed or used if the franchisee resides within, or the franchised business will be located within, a franchise**

**registration state)**

EXHIBIT "H"-3 General Release

Attachments to Franchise Agreement

| | |
|---|---|
| ATTACHMENT "B" | Form of Site Approval Notice |
| ATTACHMENT "C" | Lease Addendum |
| ATTACHMENT "D" | Franchise Owner Agreement |
| ATTACHMENT "E" | ACH Authorization Form |
| ATTACHMENT "F" | Brand Protection Agreement |
| ATTACHMENT "G" | Confidentiality Agreement |

**ITEM 23 RECEIPT**

EXHIBIT "J" to this Disclosure Document are detachable receipts. You are to sign both, keep one copy and return the other copy to us.

**EXHIBIT "A"**

**TO DISCLOSURE DOCUMENT**

**LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS**

**CALIFORNIA**
Commissioner of Financial Protection & Innovation
Department of Financial Protection & Innovation
320 West 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
1-866-275-2677

**HAWAII**
Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

Agents for Service of Process:
Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813
(808) 586-2722

**ILLINOIS**
Illinois Attorney General
Chief, Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

**INDIANA**
Secretary of State
Securities Division
Room E-018
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

**MARYLAND**
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

Agent for Service of Process:
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, Maryland 21202-2020

**MICHIGAN**
Franchise Section
Consumer Protection Division
525 W. Ottawa Street, G. Mennen Williams Building, 1st Floor
Lansing, MI 48913
(517) 335-7567

**MINNESOTA**
Commissioner of Commerce
Director of Registration
85 Seventh Place East, #280
St. Paul, Minnesota 55101-3165
(651) 539-1500

**NEW YORK**
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
Phone: (212) 416-8222

Agents for Service of Process:
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, NY 12231

**NORTH DAKOTA**
North Dakota Insurance & Securities Department
600 East Boulevard Avenue, Dept. 401
Bismarck, North Dakota 58505
(701) 328-2910

**RHODE ISLAND**
Department of Franchise Regulation
1511 Pontiac Avenue, John O. Pastore Complex, Bldg 69-1
Cranston, Rhode Island 02920
(401) 462-9527

**SOUTH DAKOTA**
Department of Labor and Regulation
Division of Insurance Securities Regulation
124 S Euclid, 2nd Floor
Pierre, South Dakota 57501
(605) 773-3563

**VIRGINIA**
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

Agents for Service of Process:
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219

**WASHINGTON**
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501
(360) 902-8760

Mailing Address:
Department of Financial Institutions
Securities Division
P.O. Box 9033
Olympia, WA 98507

**WISCONSIN**
Department of Financial Institutions
Division of Securities
201 W Washington Avenue, Suite 500, Madison, WI 53703
(608) 261-9555

**EXHIBIT "B"**

**TO DISCLOSURE DOCUMENT**

**FRANCHISOR'S AGENT FOR SERVICE OF PROCESS**

Capitol Services, Inc.
108 Lakeland Ave.
Dover, Delaware 19901
(800) 316-6660

In states listed in EXHIBIT "A", the additional agent for Service of Process is listed in EXHIBIT "A"

**EXHIBIT "C"**

**TO DISCLOSURE DOCUMENT**

**FRANCHISE AGREEMENT**

*[See Attached]*




# UNI K WAX® FRANCHISE AGREEMENT

FRANCHISEE: _____
DATE: _____

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# UNI K WAX® FRANCHISE AGREEMENT

This UNI K WAX® Franchise Agreement (this "Agreement") is entered into as of _____, 202__ (the "Effective Date") between Uni K Wax Franchising, LLC, a Delaware limited liability company ("we" or "us") and _____, a(n) _____ ("you").

**1. DEFINITIONS**. Capitalized terms not defined above have the meanings given to them below:

"*Account*" means the checking account you designate from which we deduct fees and other amounts owed to us and our affiliates in accordance with §13.5.

"*ACH Agreement*" means the ACH Authorization Agreement attached as ATTACHMENT "E", which authorizes us to electronically debit your Account for amounts owed to us and our affiliates.

"*Acquired Assets*" means any assets associated with your Studio that we elect to purchase upon termination or expiration of this Agreement, as further described in §21.2(a).

"*AI Technology*" means an engineered or machine-based system designed to simulate human intelligence that exhibits adaptiveness after deployment and/or generates outputs (e.g., predictions, recommendations or decisions) for a given set of inputs/objectives, including systems employing computation techniques to simulate intelligent behavior or automate complex tasks (e.g., machine learning, deep learning, natural language processing, computer vision, neural networks, generative artificial intelligence, predictive analytics, intelligent automation tools and algorithmic processing systems).

"*Alternative Channels of Distribution*" means any channel of distribution other than retail sales made to customers while present at a Studio, including, but not limited to, sales of UKW Products or other items: (a) through direct marketing, such as over the Internet or through catalogs or telemarketing; (b) through retail stores that do not operate under the Marks, such as grocery stores or department stores; (c) to competitive or non-competitive businesses that do not operate under the Marks, such as the sale of wax (other than the ElastiK wax line) to independent aestheticians; and (d) at wholesale.

"*Anti-Terrorism Law*" means Executive Order 13224 issued by the President of the United States of America (or any successor Order), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001 (or any successor legislation) and all other present and future federal, state and local Laws, ordinances, regulations, policies, lists, orders and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war.

"*Appraised Value*" means the fair market value of the Acquired Assets as determined by independent appraisers in accordance with §21.2(b).

"*Brand Protection Agreement*" means the Brand Protection Agreement that must be signed by your Designated Managers pursuant to §8.2, the current form of which is attached as ATTACHMENT "F".

"*Business*" means the franchised business you operate pursuant to this Agreement.

"*Business Data*" means, collectively or individually, Customer Data and Operational Data.

"*Certified Waxer Instructor*" means a Person you appoint who satisfies all requirements in §5.2 and is authorized to provide Waxer Certification Training and Waxer Recertification Training to your Waxers.

"*Claim*" means any action, allegation, assessment, claim, demand, litigation, proceeding or regulatory procedure, investigation or inquiry.

"*Competing Business*" means any business that meets at least one of the following criteria: (a) any business that derives, or can reasonably be expected to derive, at least 20% of its revenue from the sale of waxing and/or other hair removal services and products; (b) any business that solicits, offers or sells franchises or licenses for a business that meets the criteria in clause (a) of this definition; and/or (c) any business that services, trains, supports, consults with, advises or otherwise assists any Person with respect to the development, management and/or operation of a business that meets the criteria in clause (a) of this definition. A Competing Business does not include any UNI K WAX® Studio operated pursuant to a valid franchise agreement or license agreement with us or our affiliate.

"*Confidential Information*" means and includes: (a) Know-How; (b) Business Data; (c) information in the Manual or comprising the System; (d) terms of Definitive Agreements and any amendments thereto; and (e) all other concepts, ideas, trade secrets, financial information, marketing strategies, expansion strategies, studies, supplier information, customer information, franchisee information, investor information, flow charts, inventions, mask works, improvements, discoveries, standards, specifications, formulae, recipes, designs, sketches, drawings, policies, processes, procedures, methodologies and techniques, together with analyses, compilations, studies or other documents that are: (i) designated as confidential; (ii) known by you to be considered confidential by us; and/or (iii) reasonably to be considered confidential due to their nature. Confidential Information does not include information that: (a) is now, or subsequently becomes, generally available to the public (except as a result of a breach of confidentiality obligations by you or your Owners, employees or other constituents); (b) you can demonstrate was rightfully possessed by you or an Owner, without obligation of nondisclosure, before we disclosed the information to you or the Owner; (c) is independently developed by you or an Owner without any use of, or reference to, any Confidential Information; or (d) is rightfully obtained from a third party who has the right to transfer or disclose the information to you or an Owner without breaching a confidentiality covenant imposed on such third party.

"*Confidentiality Agreement*" means the Confidentiality Agreement that must be signed by certain of your employees pursuant to §14.5, the current form of which is attached as ATTACHMENT "G".

"*Copyrighted Materials*" means all copyrightable materials for which we or our affiliate claim or secure common law or registered copyright protection and that we allow franchisees to use, sell or display in connection with the marketing and/or operation of a Studio.

"*Customer Data*" means and includes any and all data that pertains to a Studio customer, including, without limitation, name, address, contact information, date of birth, purchase history and any information collected in connection with any loyalty or membership program or for any other purpose.

"*Definitive Agreements*" means, collectively: (a) this Agreement; (b) the Area Development Agreement pursuant to which this Agreement is executed (if applicable); (c) any other Franchise Agreement between you (or your affiliate) and us (or our affiliate) for a Studio or any other franchised concept; and (d) all ancillary agreements executed in connection with the foregoing, including Franchise Owner Agreements.

"*Designated Manager*" means a Person you hire in accordance with §8.2 to provide, or assist the Managing Operator with providing, onsite management and supervision of your Studio.

"*Dispute*" means any Claim, dispute or disagreement between the parties, including any matter pertaining to: (a) the interpretation or enforcement of this Agreement; (b) the offer or sale of the franchise; or (c) the relationship between the parties.

"*Entity*" means a corporation, partnership, limited liability company or other form of association.

"*Equity Interest*" means a direct or indirect ownership or beneficial interest in the capital stock of, partnership or membership interest in, or other equity, ownership or beneficial interest in a business or Entity (including voting rights).

"*Excluded Claim*" means any Claim that, according to §22, is not subject to mandatory mediation.

"*Force Majeure*" means acts or circumstances that are beyond a party's control, including fire, storm, flood, earthquake, explosion or accident, acts of war or terrorism, rebellion, insurrection, sabotage, epidemic, failures or delays of transportation and strikes, provided that: (a) the non-performing party promptly notifies the other party of the Force Majeure event; (b) the non-performing party is without fault and the delay or failure could not have been prevented by reasonable precautions by the non-performing party; (c) nothing herein shall excuse or permit any delay or failure to pay fees or other amounts owed on the applicable due date; (d) insolvency, lack of required funds or financing, currency fluctuations, currency devaluations, foreign exchange controls or inflation shall never be deemed Force Majeure; and (e) an epidemic or pandemic of a contagious illness or disease, or economic or financial changes caused by an epidemic or pandemic of a contagious illness or disease, shall never be deemed Force Majeure except to the extent a Governmental Authority mandates closure (or prevents the opening) of the Studio as a result of such epidemic or pandemic.

"*Franchise Owner Agreement*" means the Franchise Owner Agreement that must be signed by the Owners

and their spouses pursuant to §9, the current form of which is attached as ATTACHMENT "D".

"*Franchisee Entity*" means an Entity that: (a) signs this Agreement as the franchisee (if this Agreement is signed by an Entity); or (b) assumes this Agreement subsequent to its execution by the original Owners.

"*General Release*" means our then-current form of Waiver and Release of Claims you and your Owners must sign pursuant to §4.2 in connection with a franchise renewal or §19.2 in connection with a Transfer.

"*Government Official*" means any: (a) officer or employee of a Governmental Authority; (b) commercial or similar entity owned or controlled by a Governmental Authority, including state-owned and state-operated companies or enterprises; (c) public international organization (e.g., United Nations, World Bank); (d) political party or official thereof; or (e) candidate for political office.

"*Governmental Authority*" means any national, provincial, state, county, local, municipal or other government, or any ministry, department, agency or subdivision thereof, whether administrative or regulatory, or any other body that exercises similar functions, and including a court or taxing authority.

"*Gross Sales*" means the total gross sums (a) generated from all goods and services (including memberships, Series and packages) sold from or in connection with your Studio or (b) that otherwise relate to your Studio, including advertising revenue, sponsorship fees and business interruption insurance proceeds. Gross Sales includes the full amount of our suggested retail price of any free or discounted goods or services you provide unless we approve the discount program in advance. Gross Sales excludes: (a) sales or use taxes you pay to a Governmental Authority; (b) revenue you collect from a customer and later refund to that customer in a bona fide refund transaction; (c) revenue derived from the sale of furniture, fixtures or equipment in the ordinary course; and (d) tips paid to and retained by staff members as a gratuity. The Manual may include policies governing the calculation of Gross Sales relating to: (a) proceeds from the sale of gift cards, memberships, Series and packages and/or (b) qualifying purchases and redemptions by members under loyalty or membership programs.

"*Improvement*" means any idea, addition, modification or improvement to the (a) goods or services offered or sold at a Studio, (b) method of operation of a Studio, (c) processes, systems or procedures utilized by a Studio, including new or modified waxing techniques, (d) marketing, advertising or promotional materials, programs or strategies utilized by a Studio or (e) trademarks, service marks, logos or other intellectual property utilized by a Studio, whether developed by you, an Owner, an employee or any other Person.

"*Indemnified Parties*" means and includes us and each of our past, present and future owners, members, officers, directors, employees and agents, as well as our parents, subsidiaries and affiliates, and each of their past, present and future owners, members, officers, directors, employees and agents.

"*Intellectual Property*" means, collectively or individually, the Business Data, Copyrighted Materials, Improvements, Know-how, Marks and System.

"*Interim Manager*" means a Person we designate to temporarily manage your Studio under the circumstances described in §8.6.

"*Interim Term*" means a month-to-month extension of the Term under the circumstances described in §4.3.

"*IP Dispute*" means any: (a) actual or suspected infringement of the Intellectual Property; (b) challenge to your use of the Intellectual Property; or (c) claim by any Person, other than us or our affiliate, of any rights in or to the Intellectual Property.

"*Know-how*" means and includes our (and our affiliates') trade secrets and other proprietary information relating to the design, construction, development, marketing or operation of a Studio, including: architectural plans, drawings and specifications for a prototype Studio; site selection criteria; methods and techniques; standards and specifications; policies and procedures; supplier lists and information; marketing strategies; merchandising strategies; and information comprising the System or included in the Manual.

"*Law*" means and includes all laws, judgments, decrees, orders, rules, regulations, ordinances, advisory opinions or official legal interpretations of any Governmental Authority.

"*Local Advertising Commitment*" means the minimum amount of money you must spend each month on local advertising and marketing to promote your Studio in accordance with §10.3(b).

"*Losses and Expenses*" means and includes any of the following: compensatory, exemplary and punitive damages; fines and penalties; attorneys' fees; experts' fees; court costs; Travel Expenses and other costs associated with investigating and defending a Claim; settlement amounts; judgments; damage to reputation or goodwill; and all other costs, damages, liabilities and expenses associated with any of the foregoing losses and expenses or otherwise incurred by a Person.

"*Managing Operator*" means the Owner you designate and we approve with primary responsibility for the overall management and supervision of the Studio in accordance with §8.1.

"*Manual*" means our Brand Standards Manual described in §11.2 for the operation of a Studio.

"*Marks*" means and includes all service marks, trademarks, trade names and logos that we designate from time to time and authorize Studios to use, including UNI K WAX® and the associated logo. The Marks also include any distinctive trade dress used to identify a Studio or the products it sells.

"*Operational Data*" means and includes all data and information pertaining to the operation of your Studio including employee data, expense data, financial accounting data and Gross Sales data.

"*Owner*" means a Person who either: (a) directly signs this Agreement as the franchisee, either alone or in conjunction with one or more other Persons; or (b) directly or indirectly through one or more intermediaries owns an Equity Interest in the Business or Franchisee Entity.

"*PCI-DSS*" means the payment card industry data security standard, which is a set of security requirements established by the following major credit card brands from time to time: American Express, Discover Financial Services, JCB International, MasterCard Worldwide, and Visa Inc., which standards are set forth at https://www.pcisecuritystandards.org as of the Effective Date.

"*Permitted Transfer*" means a Transfer: (a) between existing Owners; or (b) by the Owners to a new Franchisee Entity for which such Owners collectively own and control 100% of the Equity Interests; *provided, however*, that a Permitted Transfer does not include a Transfer that results in the Managing Operator no longer holding a material Equity Interest in the Business or Franchisee Entity.

"*Person*" means an individual, Entity, unincorporated organization, joint venture, Governmental Authority, estate (or executor thereof) or trust (or trustee thereof).

"*Post-Term Restricted Period*" means, with respect to you, the two-year period after the termination, expiration or Transfer of this Agreement; *provided, however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Post-Term Restricted Period means the one-year period after the termination, expiration or Transfer of this Agreement.

"*Post-Term Restricted Period*" means, with respect to an Owner, the two-year period after the earlier to occur of: (a) the termination, expiration or Transfer of this Agreement; or (b) the date on which the Owner no longer owns an Equity Interest in the Business or Franchisee Entity; *provided, however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Post-Term Restricted Period means the one-year period after the earlier to occur of: (a) the termination, expiration or Transfer of this Agreement; or (b) the date on which the Owner no longer owns an Equity Interest in the Business or Franchisee Entity.

"*Prepaid Liabilities*" means, as of a given point in time, the total amount of outstanding prepaid liabilities carried by your Studio as a liability for unredeemed gift cards, Series, memberships or other prepaid items purchased by customers from your Studio (provided we allow you to retain the proceeds from these sales).

"*Program Participation Rules*" means the policies, procedures, fees and other requirements pertaining to any gift card, loyalty, membership or other system-wide program we implement pursuant to §11.10.

"*Prohibited Activities*" means and includes any of the following: (a) owning, operating or having any other interest (e.g., as a director, officer, employee, manager, consultant, creditor, representative, agent or in any similar capacity) in a Competing Business, other than owning less than 5% of the Equity Interests in a Competing Business that is a publicly-traded company; (b) disparaging or otherwise making negative comments about us, our affiliate, the System or any Studio (this provision does not prohibit disclosure of truthful information to Governmental Authorities); (c) diverting or attempting to divert any business from a Studio; and/or (d) inducing any Person to transfer their business from a Studio to a competitor.

"*Project Management Services*" means the services provided by the Project Manager relating to the design, construction and development of your Studio, as further described in §7.5.

"*Project Manager*" means the Person we designate to serve as your Project Manager and provide the Project Management Services.

"*Reportable Event*" means any event or occurrence described in §15.6 that you must report to us.

"*Restricted Territory*" means the geographic area within: (a) a 15-mile radius from your Studio (including your Studio's premises); and (b) a 15-mile radius from all other Studios that are operating or under construction when the Post-Term Restricted Period begins; *provided, however*, that if a court of competent jurisdiction determines the foregoing Restricted Territory is too broad to be enforceable then Restricted Territory means the geographic area within a 10-mile radius from your Studio (including your Studio's premises).

"*Series*" means a prepaid purchase made by a customer that entitles the customer to redeem multiple treatments (or other goods or services) on subsequent visits.

"*Site Approval Notice*" means the Site Approval Notice attached as ATTACHMENT "B" that we may issue to you pursuant to §3 and §7.1 to identify the approved site for your Studio and designate your Territory.

"*Site Selection Area*" means the geographic area described in Part B of ATTACHMENT "A" and within which you must find a site we approve for your Studio.

"*Startup Package*" means and includes the various items you must purchase from our affiliate prior to opening in accordance with §6.2.

"*Studio*" means any waxing studio that we authorize to operate under our Marks and use our System.

"*Successor Agreement*" means our then-current form of UNI K WAX® Franchise Agreement you must sign pursuant to §4.2 in connection with a renewal of your franchise rights.

"*System*" means the system developed for the operation of a Studio, the characteristics of which include: the Marks; distinctive interior and exterior design, décor, signage, color scheme and other trade dress elements; UKW Products; high quality waxing services, techniques and products; comprehensive training programs; advertising and marketing strategies; merchandising strategies; and operating system.

"*Technology Systems*" means and includes all information and communication technology systems we specify from time to time, including, without limitation, computer systems, point-of-sale systems, webcam systems, telecommunications systems, surveillance systems, AI Technology, security systems, music systems, digital display systems, and similar systems, together with the associated hardware, software (including cloud-based software) and related equipment, software applications, mobile apps, and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems.

"*Term*" means the period of time beginning on the Effective Date and expiring on the earlier to occur of: (a) the 10th anniversary of the Effective Date; or (b) the date this Agreement is effectively terminated.

"*Territory*" means the exclusive territory for your Studio, as further described in §3.

"*Third-Party Technology*" means any Technology Systems (or components thereof) that are owned by Persons who are not affiliated with us.

"*Transfer*" means any direct or indirect, voluntary or involuntary, assignment, sale, conveyance, subdivision, sublicense or other transfer or disposition of:

(a) this Agreement (or any interest therein);

(b) the franchise or intellectual property rights granted by this Agreement (or any interest therein);

(c) the Business you conduct pursuant to this Agreement (or any interest therein);

(d) the right to manage the Studio or occupy its premises;

(e) the Studio's assets, other than the sale of fixtures or equipment in the ordinary course; or

(f) an Equity Interest in the Business or Franchisee Entity;

including by: merger or consolidation; judicial award, order or decree; issuance of additional Equity Interests (including public and private offerings); foreclosure of a security interest by a lender; or operation of Law, will or a trust upon an Owner's death (including via the Laws of intestate succession).

"*Travel Expenses*" means and includes all travel, meals, lodging, local transportation and other living expenses incurred: (a) by us and our trainers, field support personnel, auditors or other representatives to visit your Studio; or (b) by you and your personnel to attend training programs or conferences.

"*UKW Products*" means and includes all: (a) proprietary and/or custom-manufactured products that we designate for use or sale in connection with the development and/or operation of a Studio; and (b) products branded with any of our Marks.

"*Waxer*" means any Person who provides waxing hair removal services at your Studio.

**2. GRANT OF FRANCHISE**. We hereby grant you the right, license and obligation to own and operate one (1) Studio using our Intellectual Property from the site we approve. As a franchisee, you will establish and operate a studio offering wax hair removal services to men and women using certain proprietary products and techniques. We reserve all rights not expressly granted to you.

**3. TERRITORIAL RIGHTS AND LIMITATIONS**. We grant you a territory (your "Territory") that includes a minimum population of 25,000 as of the date the Territory is determined. We do not modify your Territory based on population changes during the Term. If we designate your Territory before signing this Agreement, we will describe your Territory in Part D of ATTACHMENT "A". Otherwise, we will describe your Territory in the Site Approval Notice we send to you after approving your site. During the Term we will not develop or operate, or license a third party to develop or operate, a Studio that is located in the Territory. We reserve the right to sell, and license third parties to sell, UKW Products (including under the Marks) in the Territory through Alternative Channels of Distribution.

**4. TERM AND RENEWAL**.

**4.1. Generally.** This Agreement grants you the right to operate your Studio during the Term. You may renew your franchise rights by signing a Successor Agreement for a five (5) year renewal term. You may enter into a maximum of three (3) Successor Agreements. The parties may agree to further renewals after expiration of the third (3rd) renewal term, but neither party is obligated to do so (unless required by applicable Law, in which case the same renewal terms and conditions set forth in this Agreement shall apply to subsequent renewals). In order to sign a Successor Agreement you must satisfy all renewal conditions specified in this Agreement or the Successor Agreement you wish to renew, as applicable. The Successor Agreement shall be the current form of franchise agreement we use to grant franchises as of the expiration of the Term or renewal term, as applicable, the terms of which may vary materially and substantially from the terms of this Agreement. Upon renewal, we may modify the boundaries of your Territory in accordance with our then-current territory guidelines and criteria. If this Agreement is a Successor Agreement, the Term of this Agreement and your remaining renewal rights, if any, shall be governed by your original franchise agreement.

**4.2. Renewal Requirements.** In order to renew, you and the Owners (as applicable) must:

(a) send us a notice of your intent to enter into a Successor Agreement not less than 270 days nor more than one (1) year before the expiration of the Term or renewal term, as applicable

(b) not be in default under any Definitive Agreement at the time you send the renewal notice or sign the Successor Agreement;

(c) sign the Successor Agreement and all ancillary documents we require franchisees to sign;

(d) sign a General Release;

(e) pay us a $5,000 renewal fee;

(f) remodel the Studio and upgrade all furniture, fixtures and equipment to conform to our then-current standards and specifications; and

(g) extend the term of your lease for the duration of the renewal term.

If we elect not to renew or offer you the right to renew, we will send you a notice of non-renewal at least 180 days prior to the expiration date, which shall set forth the basis for our decision. If you have any objection to our notice of non-renewal, including a dispute as to the basis for our decision, you must send us a notice of objection that sets forth the basis for your objection. Your notice of objection must be sent to us no later than 30 days after you receive our notice of non-renewal. Your failure to send us a notice of objection during such 30-day period constitutes your consent to the non-renewal of your franchise. Our failure to send you a notice of non-renewal at least 180 days prior to the expiration date constitutes our offer to renew your franchise in accordance with, and subject to, the renewal terms and conditions set forth above.

**4.3. Interim Term.** If you do not sign a Successor Agreement but continue to operate your Studio after the Term expires, we may either treat this Agreement as: (a) expired as of the Term expiration date with you operating in violation of our rights; or (b) continued on a month-to-month basis (the "Interim Term") until either party provides the other party with 30 days' prior notice of termination of the Interim Term. All your obligations remain in full force and effect during the Interim Term, if applicable, as if this Agreement had not expired, and all obligations imposed on you upon expiration of the Term will take effect upon termination of the Interim Term.

## 5. TRAINING AND CONFERENCES

**5.1. Initial Training.** Your Managing Operator, Designated Managers, Regional Manager (if applicable), Certified Waxer Instructor, Waxers, Customer Experience Coordinator and other employees and staff members that we designate must attend and successfully complete our initial training program before you open your Studio. Our initial training program, and the constituent components, are described in the Manual and may change from time to time. As of the Effective Date, initial training includes the following components: Franchise Orientation Training; Franchise Management and Operations Training (referred to as "Management Training"); Certified Waxer Instructor Training ("Waxer Instructor Training"); Waxer Certification Training ("Waxer Training"); Onsite Preopening Training; and Bounce-Back Training. We expect your Certified Waxer Instructor to provide Waxer Training for all your Waxers. The Manual may designate: (a) the specific personnel who must attend each component of our training program; (b) the location where training is held (we may conduct any component(s) of the training program virtually); (c) the number of days prior to (or after) your projected opening date by which these individuals must complete training; (d) any fees, charges or expense reimbursements associated with a training program; and (e) any other training-related details we deem relevant. For Onsite Preopening Training, we send a representative to your Studio to provide approximately 35 hours of onsite training and assistance with the opening of your Studio (referred to as "Onsite Preopening Training"). Any new Managing Operator, Designated Manager, Regional Manager, Certified Waxer Instructor, Waxer and/or Customer Experience Coordinator you hire after opening must complete our then-current initial training program applicable to the position prior to assuming the responsibilities associated with the position.

**5.2. Certified Waxer Instructor.** Prior to opening, you must appoint a qualified member of your staff to serve as your "Certified Waxer Instructor". Once certified, your Certified Waxer Instructor will be authorized to provide Waxer Training (and recertification training) to your Waxers in accordance with our training program, curriculum and policies. Any Person you appoint to serve as a Certified Waxer Instructor must: (a) have at least six (6) months' experience working as a Waxer in a Studio or, with our approval, another waxing studio not affiliated with our brand; (b) successfully complete Waxer Training and Waxer Instructor Training, which is our "train-the-trainer" certification training program; and (c) successfully complete any Waxer Instructor Recertification that we require. If any of your Waxers require training at a time when you do not have a Certified Waxer Instructor in place and there are no other Certified Waxer Instructors employed by other Studios available to train, then we will provide the training and you must pay us any applicable training fees and expense reimbursements.

**5.3.** **Ongoing Training.** We may offer periodic refresher or additional training courses for your Managing Operator, Designated Managers, Regional Manager (if applicable), Certified Waxer Instructor, Waxers and/or Customer Experience Coordinator. We may designate each course as mandatory or optional. If we determine your Studio is not being operated in full compliance with this Agreement and the Manual we may, at our option, require that any one or more of these individuals attend remedial training that is relevant to, and intended to address, the operational deficiencies we identify. We may, but need not, provide additional assistance or training requested by you at a mutually convenient time.

**5.4.** **Training Locations.** Our training programs may take place at any location we designate. We reserve the right to conduct training programs virtually.

**5.5.** **Training Fees and Expenses.** Upon execution of this Agreement, you must pay us a nonrefundable $5,000 initial training fee which covers the following initial training programs we conduct prior to opening (and Bounce Back Training that we conduct after opening): Franchise Orientation Training; Management Training; Waxer Instructor Training; Waxer Training (if needed); Onsite Preopening Training; and Bounce-Back Training. If either Waxer Training (for your initial Waxers, if needed) or the onsite component of Bounce-Back Training exceed three (3) days, or if Onsite Preopening Training exceeds four (4) days, then we may also charge an additional training fee of $500 per trainer per day, commencing with the fourth ($4^{th}$) day of training (for Waxer Training or Bounce-Back Training) or fifth ($5^{th}$) day of training (for Onsite Preopening Training), as applicable. After your Studio opens, we may charge a training fee of up to $350 per Person per day for each Person who attends: (a) Waxer Training (but only if we provide the training); (b) Management Training (for new management personnel you hire); (c) Waxer Instructor Training (for a new Certified Waxer Instructor you hire); (d) retraining (if trainee failed prior attempt); (e) supplemental or refresher training; (f) remedial training; or (g) additional training you request. You must also reimburse our Travel Expenses if we provide onsite training at your Studio (other than up to three (3) days of Bounce-Back Training which is covered by the initial training fee).You are responsible for all wages, benefits and Travel Expenses you and your personnel incur to attend training programs.

**5.6.** **Conferences.** We may hold periodic conferences to discuss business and operational matters relevant to Studios. Attendance is mandatory for your Managing Operator and Designated Managers unless: (a) we designate attendance as optional; or (b) we waive your obligation to attend based on showing of good cause. We may charge you a conference registration fee of up to $750 per Person per conference. We may charge you a $750 non-attendance fee if a required attendee fails to attend a mandatory conference without obtaining a waiver from us. You are responsible for all wages and Travel Expenses you and your personnel incur to attend conferences.

## 6. OTHER FRANCHISOR ASSISTANCE.

**6.1.** **Manual.** We provide you with access to our Manual during the Term. We currently provide access to the Manual through E-Studio. The Manual will help you develop and operate your Studio. The information in the Manual is confidential and proprietary and may not be disclosed to third parties without our prior approval.

**6.2.** **Startup Package**. As part of our centralized purchasing program, you must purchase the Startup Package we designate from our affiliate a minimum of four (4) weeks before your anticipated opening date. Our current Startup Package includes: (a) uniforms; (b) furniture; (c) retail inventory items; (d) promotional and printed materials; and (e) operating supplies and equipment. The Startup Package does not include all of the furniture, operating supplies and equipment you must purchase. Any items not included in the Startup Package must be purchased from third-party suppliers. You must pay the associated purchase price within 10 days of invoicing. We may change the items included in the Startup Package, and the associated cost, at any time. Our affiliate will arrange for the items within the Startup Package to be shipped to your Studio. You understand that, with the exception of our proprietary wax and certain waxing supplies that are manufactured according to our specifications, our affiliate purchases the items included in the Startup Package from third-parties

and resells them to you as a convenience. Neither we nor our affiliate make any representations or warranties regarding the items included within the Startup Package and you hereby waive any and all claims against us and/or our affiliate relating to these items, the use or consumption of any of these items by you or your customers, and/or any defects in any of these items. ***We and our affiliate disclaim any express or implied warranty of merchantability or fitness for a particular purpose pertaining to any items you purchase from us or our affiliate***. At any time, we reserve the right to require that you purchase some or all of the items included within the Startup Package directly from third-party suppliers that we designate.

**6.3.** **General Guidance.** We will periodically review and evaluate your Studio and reports you submit to us and provide our guidance and recommendations on ways to improve the operation of your Studio. We will be available to render advice, discuss problems and offer general guidance to you during normal business hours by phone, email or other means of communication.

**6.4.** **Field Visits**. We have the right, but not the obligation, to conduct periodic field visits for purposes of providing onsite consultation, assistance and guidance pertaining to the operation and management of your Studio. We may prepare and provide you with a report detailing any problems or concerns observed during the field visit together with our instructions to address or resolve them. You must implement all required corrective measures in the time and manner we specify.

**6.5.** **Revenue Services**. We may, but need not, provide centralized revenue services in connection with purchases of memberships, gift cards and/or Series, including purchases made by customers at your Studio. If we provide this service, you must fully participate and follow all procedures in the Manual pertaining to customers who purchase a membership, gift card or Series from your Studio. We may require that you remit all (or part) of the sales proceeds to us, in which case we will deposit these funds into an account owned by us for subsequent disbursement to the Studio(s) visited by the customer. We would disburse these payments to you and/or other Studios in accordance with the policies and procedures we establish.

**6.6.** **E-Studio.** We will provide you with access to E-Studio, which is our current extranet platform through which franchisees may access the Manual, training materials and any other information we deem appropriate. You must regularly access and monitor E-Studio for announcements (including revisions to the Manual), new developments and other notices from us. You may not allow any Person to access E-Studio who has not signed a Franchise Owner Agreement, Brand Protection Agreement or Confidentiality Agreement. We may terminate the E-Studio platform at any time.

**6.7.** **Website.** We will maintain a corporate website for our brand. We will also create and host a webpage for your Studio that will: (a) be linked to our corporate website; and (b) list information about your Studio we deem appropriate, such as location, contact information, hours of operation and special promotions. We control all content on your Studio's webpage but will consider your suggestions in good faith. We will own your Studio's webpage and domain name. We may change or discontinue our website and/or your Studio's webpage at any time.

**6.8.** **Purchase Agreements.** We may, but need not, negotiate purchase agreements with suppliers to obtain discounted prices for us and our franchisees. We will arrange for you to be able to purchase the goods directly from the suppliers at the discounted prices we negotiate (subject to any rebates the suppliers pay to us). We may also purchase certain items from suppliers in bulk and resell them to you at our cost plus shipping fees and a reasonable markup.

**6.9.** **Call Center**. We may operate, or designate a third-party provider to operate, a call center to answer calls, set customer appointments, route new customer leads to an appropriate Studio and provide other related services. You must participate in the call center program and pay all reasonable setup and monthly fees designated by us or the third-party provider. Participation in the program may include, without limitation:

(a) using and publishing a telephone number that we designate;

(b) engaging a designated service provider to provide call center services;

(c) acquiring, installing, and using related technology; and

(d) executing any related user or service agreement designated by us or the third-party provider.

At any time that we are not implementing a call center program, you must arrange for the answering of all incoming phone calls during regular business hours.

## 7. ESTABLISHING YOUR BUSINESS

**7.1.** **Site Selection**. You must identify and obtain our approval of the site for your Studio within 90 days after the Effective Date. The site must be located in the Site Selection Area and conform to our minimum site selection criteria. You must send us a complete site report that includes all documents, information, photos and video we require, including a floor plan and/or CAD files and a site survey for the Studio. We may accept or reject sites you propose in our commercially reasonable judgment. We try to notify you of our decision within 15 business days after we receive all requisite materials. Your site is deemed disapproved if we do not issue our approval within the 15 business-day period. You must contract with a real estate company we designate to help you find a site for your Studio, although you remain responsible for finding a site that meets both your and our minimum standards and criteria. Our approval of a site is not a representation or warranty of any kind, express or implied, of the suitability of the site for a Studio. It only means we believe the site meets our minimum criteria. If we approve your site before signing this Agreement, we will list the address in Part C of ATTACHMENT "A". Otherwise, we will list the address in a Site Approval Notice we will send to you within 15 days after approving your site. You must sign and date the Site Approval Notice and send us a copy within five (5) days after you receive it.

**7.2.** **Lease**. You must contract with our designated real estate company to help review and negotiate your lease or purchase contract. If you lease the premises for your Studio, you must use best efforts to ensure your landlord signs the prescribed form of Lease Addendum attached to this Agreement as ATTACHMENT "C". If your landlord refuses to do so we may either: (a) waive the Lease Addendum requirement (or the provisions disapproved by the landlord); or (b) require you to find a new site. You must promptly send us a copy of your fully executed lease and Lease Addendum.

**7.3.** **Studio Design.** The Manual includes our standards and specifications for the the design, layout, equipping and trade dress for a Studio. We may also provide you with prototype plans for a Studio. We must approve the number of waxing rooms in your Studio. Our current model requires four (4) to six (6) waxing rooms. You must hire a licensed and bonded architect to prepare initial design plans for the construction of your Studio and leasehold improvements. We must approve the initial design plans to ensure they are consistent with our system standards. Once approved, your architect must prepare detailed construction plans that: (a) are consistent with the approved design plans; (b) satisfy all required standards and specifications in the Manual; and (c) comply with all Laws (including the Americans with Disabilities Act), building codes, permit and lease requirements and restrictions applicable to the premises. You must submit the final construction plans to us for approval. The limited purpose of our review is to verify the plans are consistent with our system standards. We may require that you utilize an architect and/or engineer that we designate or approve.

**7.4.** **Construction.** After we approve your construction plans, you must, at your sole expense, construct and equip the premises according to the approved construction plans and the specifications in the Manual. We may require that you utilize a general contractor that we designate or approve. You must also purchase (or lease) and install all equipment, Technology Systems, fixtures, signs and other items we require. At all times during the construction process, you must maintain the minimum general liability and property damage insurance required by the Manual.

**7.5.** **Project Management Services**. We will designate the Person who will serve as your Project Manager. You must pay the Project Manager its designated fee at the time you sign the lease or purchase agreement for your Studio's premises. In exchange for this fee, the Project Manager will

provide project management services relating to the design, construction and development of your Studio ("Project Management Services") including assistance with: (a) developing a preliminary layout and design for your Studio; (b) procuring site surveys; (c) selecting, and coordinating with, your architect and reviewing construction plans; (d) obtaining permits; (e) preparing bids and selecting your general contractor; and (f) monitoring construction progress. Most of the underlying services are provided by outside suppliers and you pay these suppliers directly for their services. The Project Manager's role is to oversee and coordinate with the various members of your development team (architects, engineers, general contractor, etc.) in an effort to manage the overall Studio development process and allow you to open the Studio as quickly as possible.

**7.6.** **Opening**. You must open your Studio to the public within 240 days after the Effective Date. You must send us a notice identifying your proposed opening date at least 30 days before opening. We may conduct a preopening inspection of your Studio. You must make all changes and modifications we require before you open. You may not open your Studio prior to receipt of our written authorization to open. We need not issue our authorization to open before:

(a) your Managing Operator, Designated Managers and Waxers successfully complete training;

(b) you purchase all required insurance policies and provide us with evidence of coverage;

(c) you secure all required licenses, permits and approvals from Governmental Authorities;

(d) you purchase and install all signage, Technology Systems, fixtures, furniture, equipment, and other items we require;

(e) we review and approve the construction, build-out and layout of your Studio

(f) you pre-sell a minimum of 150 memberships for your Studio; and

(g) you comply with all other preopening obligations in this Agreement and the Manual.

**7.7.** **Relocation.** You may relocate your Studio with our prior approval, which we will not unreasonably withhold. If we allow you to relocate you must: (a) locate your new Studio within the Site Selection Area (but outside any territory assigned to another Studio); (b) pay us a $5,000 relocation fee at the time we approve your relocation request; (c) comply with §7.1 through §7.6 with respect to your new Studio (excluding the 240-day opening period); (d) deidentify your former Studio in accordance with §21.1(k); and (e) open your Studio at the new site and resume operations within 30 days after closing your Studio at the former site; *provided*, *however*, that if you relocate because your Studio is destroyed, condemned or otherwise rendered unusable due to the physical condition of the premises, then you have 240 days after closing to reopen at the new site. We may require you to conduct another grand opening marketing campaign in accordance with §10.3(a) to promote the opening of your Studio at the new site.

## 8. MANAGEMENT AND STAFFING.

**8.1.** **Owner Participation.** You must designate an Owner with overall responsibility for the management and operation of your Studio (the "Managing Operator"). The Managing Operator must: (a) be approved by us; (b) successfully complete all training programs we require; and (c) dedicate full-time efforts to the Business. Any new Managing Operator you appoint must successfully complete our then-current initial training program prior to managing your Studio.

**8.2.** **Designated Managers.** You may hire one (1) or more Studio managers (each, a "Designated Manager") to assist the Managing Operator with onsite management of the Studio. Any Person you hire as a Designated Manager must: (a) successfully complete all training programs we require; and (b) sign a Brand Protection Agreement. Either the Managing Operator or a Designated Manager must be onsite at your Studio during normal business hours. You may also hire assistant managers. The Managing Operator must monitor and supervise each Designated Manager to ensure the Studio is operated in accordance with this Agreement and the Manual.

**8.3.** **Waxers.** You must hire a sufficient number of Waxers to meet demand for wax hair removal services at your Studio. No Person may provide wax hair removal services at your Studio other than a Waxer who: (a) successfully completes all training programs we require; and (b) signs a Confidentiality Agreement. Prior to opening, you must hire your Certified Waxer Instructor who will train your Waxers.

**8.4.** **Regional Manager.** If you own three (3) or more Studios, you must appoint a person to supervise and oversee the operation of the Studios (a "Regional Manager"). Your Managing Operator may, but need not, serve as a Regional Manager. In order to do so, the Managing Operator must dedicate full-time efforts to the role of Regional Manager. Any Person you hire as a Regional Manager must: (a) successfully complete all training programs we require; and (b) sign a Brand Protection Agreement.

**8.5.** **Employees.** You must determine appropriate staffing levels for the Studio to ensure full compliance with this Agreement and our system standards. You will hire, train and supervise employees to assist you with the proper operation of the Studio. You must pay all associated wages, commissions, benefits, worker's compensation premiums and payroll taxes (and other withholdings required by Law). These employees will be employees of yours and not of ours. We do not control the day-to-day activities of your employees or the manner in which they perform their assigned tasks. You must inform your employees that you exclusively supervise their activities and dictate the manner in which they perform their assigned tasks. In this regard, you must use your legal business Entity name (not our Marks or a fictitious name) on employee applications, paystubs, pay checks, employment agreements and similar documents. We do not control the hiring or firing of your employees. You have sole authority and responsibility for all employment-related decisions, including hiring, promotion, hours worked, rates of pay, benefits, work assignments, training and working conditions. We do not provide guidance or advice on these matters. You must ensure each employee signs the acknowledgment form we prescribe that explains the nature of the franchise relationship and notifies the employee that you are his or her sole employer. You must also post a conspicuous notice for employees in the back-of-house area explaining your franchise relationship with us and that you (and not we) are the employee's sole employer. We may prescribe the form and content of this notice.

**8.6.** **Interim Manager.** We may, but need not, designate a Person (an "Interim Manager") to manage your Studio if either: (a) you fail to appoint an approved replacement Managing Operator, who has successfully completed initial training, within 30 days after your Managing Operator ceases to perform the responsibilities of a Managing Operator for any reason; or (b) you fail to cure a material breach before the expiration of the cure period. The Interim Manager will cease to manage your Studio at such time that you appoint an approved replacement Managing Operator who has completed training or you cure the material breach, as applicable. If we appoint an Interim Manager, you agree to: (a) pay us a management fee equal to $500 per day during the period of time the Interim Manager manages your Studio; and (b) reimburse all Travel Expenses incurred by the Interim Manager. The Interim Manager has no liability to you except for gross negligence or willful misconduct. We have no liability to you for an Interim Manager's actions unless we are grossly negligent in appointing the Interim Manager.

**9.** **FRANCHISEE ENTITY**. You represent that Part A of ATTACHMENT "A" includes a complete and accurate list of your Owners. Upon request, you must send us a resolution of the Franchisee Entity authorizing the execution of this Agreement, a copy of the Franchisee Entity's organizational documents and a current Certificate of Good Standing. Each Owner of the Franchisee Entity, and the spouse of each Owner who is a natural Person, must sign a Franchise Owner Agreement.

**10.** **ADVERTISING & MARKETING.**

**10.1.** **Brand Fund**. We have established and administer a brand and system development fund to promote public awareness of our brand and improve our System. On each royalty fee due date, you must pay us a brand fund fee equal to the greater of 2% of Gross Sales or $1,000 per month for each reporting period commencing with your opening date. We deposit all brand fund fees and noncompliance fees we collect into the fund. We may use the fund to pay for any of the following in our sole discretion:

(a) developing, administering or distributing advertising and marketing materials and programs;

(b) conducting and administering promotions, contests or giveaways;

(c) public and consumer relations and publicity;

(d) brand development;

(e) sponsorships and charitable and non-profit donations and events;

(f) research and development of technology, products and services;

(g) website development and search engine optimization;

(h) development, maintenance and promotion of an ecommerce platform;

(i) development and implementation of quality control programs and customer satisfaction surveys;

(j) conducting market research;

(k) changes and improvements to the System;

(l) reimbursing us for costs we incur to host franchisee conferences;

(m) fees and expenses charged by advertising agencies we engage to provide marketing services;

(n) collecting and accounting for brand fund fees and preparing financial accountings of the fund;

(o) any other programs or activities we deem appropriate to promote or improve the System; and

(p) direct or indirect labor, administrative, overhead and other expenses incurred by us and/or our affiliates relating to any of these activities, including salary, benefits and other compensation of any of our (and any of our affiliate's) officers, employees or independent contractors based on time spent working on any brand fund matters described above.

We have sole discretion in determining the content, concepts, materials, media, endorsements, frequency, placement, location and all other matters pertaining to marketing or advertising activities. Any surplus in the fund may be invested and we may lend money to the fund if there is a deficit. The fund is not a trust and we have no fiduciary obligations to you with respect to our administration of the fund. We will prepare, and make available to you upon request, an annual statement of fund operations, including deposits and disbursements. In terms of marketing activities paid for by the fund, we do not ensure that: (a) expenditures in (or affecting) a given geographic area are proportionate or equivalent to the brand fund fees paid by franchisees in that geographic area; or (b) franchisees benefit directly or in proportion to their brand fund fees. We may suspend or discontinue the fund at any time in our sole discretion upon 30 days' prior notice.

**10.2.** **Marketing Assistance From Us**. We may create and make available to you advertising and other marketing materials for your purchase. We may: (a) use the brand fund to pay for the creation and distribution of these materials, in which case there will be no additional charge; (b) provide online access to these materials, in which case you must print the materials at your expense; and/or (c) contract with third-party suppliers to create and sell these materials to you. We will provide reasonable marketing consulting, guidance and support throughout the Term on an as-needed basis.

**10.3.** **Your Marketing Activities**.

(a) Grand Opening Advertising. During the period beginning 90 days before opening and ending 90 days after opening, you must spend the minimum amount we require on approved grand opening advertising and marketing to promote the opening of your Studio. The minimum required amount is $25,000. Any payments you make for marketing materials in the Startup Package will not be counted towards the minimum grand opening expenditure requirement. If you fail to spend the minimum required amount, we may require that you pay us the difference

and we may either deposit the funds into the brand fund or spend them ourselves to promote your Studio.

(b) Ongoing Advertising. You must participate in all advertising, promotional and marketing programs we require at your expense, including any advertising cooperative we establish pursuant to §10.4. You must issue and offer all rebates, giveaways and other promotions we require. Commencing 90 days after your Studio's opening date, you must spend a monthly amount equal to the greater of (i) 2.5% of Gross Sales or (ii) $1,500 per month (referred to as your "Local Advertising Commitment") on local advertising to promote your Studio. We measure your compliance with this requirement on a rolling three-month basis, meaning as long as your average monthly expenditure on local advertising over the three-month period equals or exceeds the Local Advertising Commitment, you are deemed in compliance even if your expenditure in a given month is less than the Local Advertising Commitment. If you fail to spend the required minimum amount, we may require that you pay us the difference between your Local Advertising Commitment and the amount you actually spent on approved local advertising. If this occurs, we may either deposit the funds into the brand fund or spend them ourselves to promote your Studio. Brand fund contributions are in addition to, and not credited towards, your Local Advertising Commitment.

(c) Advertising Standards. All your advertising must be completely factual, conform to the highest standards of ethical advertising and comply with all Laws. You must ensure your advertisements and promotional materials do not infringe upon the intellectual property rights of others. You must comply with any minimum advertised pricing policy we establish.

(d) Extraterritorial Advertising. You may advertise and market outside your Territory as long as you: (i) comply with all policies and procedures in the Manual governing extra-territorial marketing; and (ii) do not engage in targeted marketing directed into another Studio's territory (unless conducted as part of an advertising cooperative that includes the affected territory). Marketing that is distributed, circulated or received both in your Territory and another Studio's territory is not "targeted marketing" if: (i) you use reasonable efforts to limit circulation or distribution of the advertising to areas in your Territory; and (ii) most recipients of the advertising are located in your Territory and there is only incidental circulation or distribution in another Studio's territory. The meaning of "targeted marketing" that is "directed into a territory" may be further defined in the Manual. Examples include direct mail sent to addresses in a given territory, digital advertising sent to devices with IP addresses registered in a given territory and conducting promotional events in a given territory.

(e) Advertising Approval. Prior to use, we must approve all advertising and marketing programs and materials you intend to use, including all materials we did not prepare or previously approve, or that we prepare or approve and you modify. We must also approve the media you use. You may not use any advertising materials, programs or media that we have not approved or that we approve and later disapprove. We have 10 days to review and approve or disapprove advertising and marketing materials and programs you submit. Our failure to approve them within the 10-day period constitutes our disapproval. Any advertising you propose and we approve is an "Improvement" for purposes of §17.5. We reserve the right to prepare all Studio advertising and marketing materials. If this happens, you may not develop your own materials.

(f) Social Media. You may promote your Studio using social media provided that: (i) you only utilize social media platforms we approve (we reserve the right to exclusively manage some or all social media platforms on behalf of Studios); (ii) you strictly comply with our social media policy; (iii) you immediately remove any post we disapprove; (iv) you contract with any social media company we designate upon request; and (v) we own all social media accounts relating to your Studio and retain full administrator rights.

(g) Internet and Websites. Without our prior approval, you may not: (i) develop, host, or otherwise maintain a website (or other digital presence) that references our Marks; (ii) conduct digital or online advertising or marketing; or (iii) engage in ecommerce.

**10.4. Advertising Cooperative**. We may, but need not, establish regional advertising cooperatives for purposes of creating and/or purchasing advertising programs for the benefit of all Studios located in the region. We may: (a) determine the boundaries of the cooperative; (b) specify the manner in which the cooperative is organized and governed; (c) require the cooperative to be administered in accordance with written bylaws, organizational documents or other governing documents that we approve; and (d) require you to participate in the cooperative according to its rules and procedures and abide by its decisions. You must pay a cooperative advertising fee on each royalty fee due date or such other date specified by the cooperative. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the cooperative advertising fee based on majority vote of its members. In either case, the fee will not exceed 2.5% of Gross Sales. We may either: (a) collect cooperative advertising fees and remit them to the cooperative; or (b) require you to pay these fees directly to the cooperative. Cooperative advertising fees are credited towards your Local Advertising Commitment. We may form, change, merge or dissolve advertising cooperatives in our discretion.

## 11. OPERATING STANDARDS.

**11.1. Generally.** You agree to operate your Studio: (a) in a manner that will promote the goodwill of the Marks; and (b) in full compliance with our standards, this Agreement and the Manual.

**11.2. Brand Standards Manual.** You agree to establish and operate your Studio in accordance with the Manual. The Manual may contain, among other things:

(a) architectural plans and specifications for the design, dimensions, layout, equipping and trade dress for a prototype Studio;

(b) a list of (i) goods and services (or specifications for goods and services) you must purchase to develop and operate your Studio and (ii) designated and approved suppliers;

(c) a description of the waxing services, waxing and skincare products, and other goods and services you may sell, including authorized memberships and Series;

(d) specifications, techniques, methods, operating procedures and quality standards; and

(e) policies and procedures pertaining to: (i) reporting and data entry; (ii) accounting and bookkeeping; (iii) insurance; (iv) marketing and advertising; (v) gift card, loyalty and membership programs; (vi) AI Technology; (vii) data ownership, use, transfer and protection; and (viii) any other matters we deem appropriate

The Manual is designed to establish and protect our brand standards and the uniformity and quality of the goods and services offered by franchised Studios. We can modify the Manual at any time. Modifications are binding at the time we notify you of the change, subject to any "grace period" we provide to implement the change. All mandatory provisions in the Manual (whether included now or in the future) are binding on you. The Manual may consist of written text as well as videos, tutorials, training modules, recordings and/or other means of communication.

**11.3. Authorized Goods & Services.** You agree to offer all goods and services we require from time to time in our commercially reasonable discretion. You must ensure your Waxers exclusively utilize our required waxing technique, proprietary wax and other operating supplies that we require or approve. You may not offer any other goods or services without our prior permission. We may change authorized goods and services at any time and you must comply with our instructions regarding same. Any such change shall not constitute a termination of this Agreement.

**11.4. Sales Restrictions**. Unless you receive our prior approval, you may not: (a) offer, sell or provide goods or services from any location other than your Studio's premises; (b) offer, sell or provide goods or services through Alternative Channels of Distribution, including online sales through an

ecommerce site; (c) offer, sell or provide goods or services to any Person for purposes of resale or for use within another business; (d) use, or permit another Person to use, your Studio or any portion thereof for purposes of conducting any business activity not specifically authorized by this Agreement or the Manual; or (e) sell or utilize UKW Products for any purpose other than the operation of your Studio in compliance with this Agreement and the Manual.

**11.5.** **Pricing**. We will provide you with our suggested retail pricing, which may vary by region. You may deviate from our suggested retail pricing in your discretion. However, you must obtain our approval of any deviation that is more than 5% higher or lower than our suggested retail pricing, unless such pricing is part of a temporary advertising campaign that we approve. To the extent permitted by applicable Law, we may set maximum or minimum prices on the goods and services you sell.

**11.6.** **Customer Payments**. You must, at your expense, lease or purchase the necessary equipment and/or software and have arrangements in place with Visa, MasterCard, American Express and all other credit card issuers we designate, in order for you to be able to accept such methods of payment from customers. You must accept debit cards, credit cards, stored value cards, and other non-cash systems (including, for example, Apple Pay and/or Google Wallet) that we specify. You must acquire and install all necessary hardware and/or software used in connection with these non-cash systems.

**11.7.** **Suppliers & Purchasing**.

(a) Generally. You must purchase, lease or license, as applicable, all goods, services and other items required by the Manual. You must only purchase goods and services that satisfy all standards and specifications we designate. You must comply with all sourcing and supplier restrictions we impose from time to time.

(b) System Suppliers. In accordance with the Manual, you must purchase certain goods and services exclusively from suppliers we designate or approve. The Manual may designate us or our affiliate as a designated or approved supplier. Our right to specify the suppliers you use is necessary so we can control the uniformity and quality of goods and services used, sold or distributed in connection with the development and operation of Studios, protect our trade secrets, negotiate bulk purchase discounts and protect the reputation and goodwill associated with our System and Marks. You must immediately discontinue purchasing from any supplier we disapprove.

(c) Approval Process. If you wish to purchase alternative goods or services or purchase from alternative suppliers, you must send us a request for approval that: (i) identifies the proposed supplier and the goods/services to be purchased; (ii) includes all information we require about the goods/services and the supplier (including the supplier's qualifications, reputation, financial strength and production capabilities); and (iii) includes product samples for examination and testing purposes. We may condition our approval on the supplier's agreement to comply with our minimum insurance, indemnification and confidentiality requirements for system suppliers. We will approve or disapprove your request within 30 days after we receive all required information and samples. Your request is deemed disapproved if we fail to issue our approval within the 30-day period. You must pay us a $1,000 review fee and reimburse us for all costs and expenses we incur to review suppliers or goods/services you propose. We need not consider substitute goods or alternative suppliers for goods that are proprietary or branded with our Marks, such as the UKW Products.

(d) Payment Disputes. You understand that: (i) your failure to timely pay a system supplier may jeopardize the supplier's relationship with us and other franchisees; and (ii) a supplier's termination of its relationship with us or refusal to supply goods or services to our franchisees may cause significant harm to us and our franchisees. Accordingly, you agree to promptly pay all amounts owed to system suppliers except as otherwise permitted by this Section. If you have a bona-fide dispute with a supplier that you believe justifies non-payment or partial payment, you must promptly notify the supplier of the particulars of your Claim and diligently pursue resolution of the Claim or prosecution of appropriate legal action. Any trade debt that remains

unpaid more than 30 days after its due date constitutes a material breach of this Agreement unless, before the end of the 30-day period: (i) you and the supplier agree to alternative payment terms; or (ii) you initiate appropriate legal action to contest the trade debt.

(e) Supplier Payments. We may receive rebates, benefits and other consideration from suppliers based on your purchases, leases or licenses. We may retain these payments as compensation and reimbursement for time and expenses we incur to negotiate and manage supplier relationships. We have no obligation to pass them through to you or use them for any particular purpose (except as otherwise agreed to by us and a supplier).

(f) Disclaimer of Liability. Provided that we designate or approve system suppliers in good faith, we have no liability to you for their acts, errors or omissions including, without limitation, defective or tainted goods, delayed delivery or inability to meet demand. With respect to goods purchased from us or our affiliate, you acknowledge that we or our affiliate purchase the goods from third-party manufacturers or suppliers and resell them to you as a convenience. If you have any type of Claim relating to the purchase of goods or services from a system supplier, your sole recourse shall be against the supplier. If we or our affiliate are the supplier, your sole recourse shall be against the manufacturer or supplier from whom we or our affiliate acquired the goods unless both: (i) the Claim arises from our (or our affiliate's) failure to supply the goods in breach of our obligations under this Agreement; and (ii) our (or our affiliate's) failure to supply the goods is not caused by a Force Majeure event. ***We and our affiliates make no warranties or representations and expressly disclaim all warranties and representations, including the implied warranties of merchantability and fitness for a particular purpose, with respect to goods or services you purchase from system suppliers***.

**11.8. Equipment Maintenance and Changes**. You must maintain your equipment in good condition and promptly replace or repair any equipment that is damaged, worn-out or obsolete. We may require that you change your equipment, which may require you to make additional investments. Our right to require significant equipment changes is critical to our ability to administer and change the System and you must comply with these changes within the time period we reasonably specify.

**11.9. Technology Systems**.

(a) Generally. You must acquire and utilize all Technology Systems we require from time to time. Technology Systems may relate to matters such as: purchasing; pricing; accounting; order entry; inventory control; security; data storage, retrieval and transmission; client information; client loyalty; marketing; communications; copying, printing and scanning; or any other business purpose we deem appropriate. We may require that you acquire new or substitute Technology Systems and/or replace, upgrade or update existing Technology Systems at your expense upon reasonable prior notice. You are solely responsible for: (i) the acquisition, operation, maintenance, updating and upgrading of your Technology Systems; (ii) the manner in which your Technology Systems integrate and interface with our computer system and those of third parties; and (iii) any consequences resulting from improper use or operation, or failure to properly maintain, update or upgrade, Technology Systems.

(b) Use and Access. You must use Technology Systems in accordance with the Manual and comply with all associated data entry policies. You may not load or permit any unauthorized programs or games on your Technology Systems. You must ensure your employees are adequately trained in the use of the Technology Systems. You agree to take all steps necessary to provide us with independent and unlimited access to data collected by or through your Technology Systems, including Gross Sales data for purposes of calculating fees owed. Upon request, including upon termination or expiration of this Agreement, you must provide us with user IDs and passwords for your Technology Systems.

(c) AI Technology. Except as otherwise provided below or in the Manual, you may not use AI Technology without our approval. You do not need our approval to use commercially available off-the-shelf productivity software with embedded AI Technology features (e.g., Microsoft

Office with Copilot or Google Workspace with Gemini) for internal business purposes provided that: (i) you only use commercially available standard features and configurations (e.g., no beta, preview, experimental or custom features, third-party plugins, extensions or integrations); (ii) you do not input, upload, submit, expose or otherwise make available to AI Technology any Confidential Information; (iii) you do not authorize, permit or enable training, fine-tuning, grounding or improvement of any AI models, algorithms, products or services based on Confidential Information (if available, you must affirmatively opt out of any such training or improvement features and send us confirmation of same upon request); (iv) you do not use AI Technology (1) for consumer-facing, client-facing or other external communications, content or materials, (2) for marketing analytics, targeting, lead qualifying, profiling or other activities involving clients or third parties, (3) in violation of any Law, (4) in a manner that may cause physical or psychological harm or materially impact the health, safety or fundamental rights of any natural Person or (5) in any other manner prohibited by the Manual; and (v) you maintain commercially reasonable security measures to prevent unauthorized access to or disclosure of any data processed through such AI Technology and immediately notify us of any suspected or actual data breach, security incident or unauthorized use involving AI Technology.

(d) Disruptions. You are solely responsible for protecting against computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, date-related problems and attacks by unauthorized Persons. Upon request, you must obtain and maintain cyber insurance and business interruption insurance for technology disruptions.

(e) Third-Party Technology. You understand and agree that we and our affiliates: (i) do not own certain Technology Systems (or components thereof) you must use to operate your Studio (i.e., Third-Party Technology); and (ii) have no liability to you for any losses, damages or expenses you incur as result of Third-Party Technology not functioning properly. Accordingly, you hereby: (i) waive any and all Claims against us or our affiliates relating to Third-Party Technology; and (ii) acknowledge your sole recourse for any liabilities, losses, damages or expenses you incur due to improperly functioning Third-Party Technology shall be against the owner or licensor of such Third-Party Technology.

(f) Email Accounts. At no additional charge, we will provide you with three (3) unikwax.com email addresses. We may charge you our then-current fee for each additional email address we provide (this fee is added to the technology fee described in §11.9(g) below). You must exclusively use these email addresses for all communications with us, customers, suppliers and other Persons relating to your Studio. You may not use them for any purpose unrelated to your Studio. We own the email addresses and accounts but allow you to use them during the Term.

(g) Fees and Costs. You are responsible for all fees, costs and expenses associated with acquiring, licensing, utilizing, updating and upgrading Technology Systems. Certain Technology Systems must be purchased or licensed from third-party suppliers. We and/or our affiliate may develop proprietary Technology Systems (or components thereof) that become part of our System. If this occurs, you agree to: (i) pay us (or our affiliate) commercially reasonable licensing, support and maintenance fees; and (ii) upon request, sign our prescribed form of license agreement governing use of proprietary Technology Systems (or components thereof). We may enter into master agreements with licensors of Third-Party Technology and charge you for amounts we pay them based on your use of their Third-Party Technology. We may charge you a technology fee, which includes all amounts you pay us and our affiliates relating to Technology Systems, including amounts paid for proprietary items and amounts we collect from you and remit to suppliers of Third-Party Technology. The technology fee may change based on changes to Technology Systems or prices charged by third parties with whom we enter into master agreements. The technology fee may include a reasonable administrative fee for the time, money and resources we invest to administer the technology platform and associated components, negotiate and manage contracts with third-party licensors, and collect and remit technology fees owed to third-party licensors on behalf of franchisees under master license arrangements. The technology fee does not include amounts you pay directly to third-party

suppliers. The technology fee is due 10 days after invoicing or as we otherwise specify. We list the current technology fee in the Manual.

**11.10. Remodeling and Maintenance**. We may periodically require you to remodel and renovate your Studio to conform to our then-current standards and specifications. There is no limitation on the cost or frequency of these obligations. You may not remodel or renovate your Studio without our prior approval. We will not approve any remodeling or renovations that conflict with our then-current standards and specifications. You must maintain your Studio in good order and condition, reasonable wear and tear excepted, and make all necessary repairs, including replacements, renewals and alterations, at your sole expense, to comply with our standards and specifications. Without limiting the generality of the foregoing, you agree to take the following actions at your sole expense: (a) thorough cleaning, repainting, redecorating of the interior and exterior of the Studio's premises at the intervals we prescribe (or at such earlier times that such actions are required or advisable); and (b) interior and exterior repair of the Studio's premises as needed. You must comply with any maintenance, cleaning or facility upkeep schedule we prescribe.

**11.11. System Programs**.

(a) Generally. We may periodically develop and implement membership, loyalty, gift card and other system-wide programs. You must fully participate in all programs we designate as mandatory. In order to participate you must: (i) comply with all policies and procedures we establish for program participation; (ii) purchase or license and utilize all equipment, software, mobile applications, technology and others items we designate as being necessary for program participation and pay all associated fees and costs; and (iii) pay us, our affiliate, or a third party we designate, all program fees, contributions or other amounts we require for program participation (collectively, "Program Participation Rules"). Program Participation Rules may be set forth in the Manual. We may change Program Participation Rules at any time and you must comply with the change. We may develop and implement new or successor programs and/or modify or terminate existing programs at any time.

(b) Membership Program. We may require that all Studios operate under a membership model, in which case your Studio must honor memberships and the associated benefits and privileges even if the member purchased their membership from another Studio. We have the right to: (i) determine how membership fees are divided or otherwise accounted for; (ii) require that all membership fees be paid to us or deposited into a trust account we control for subsequent disbursement to the Studios(s) visited by the member; (iii) adopt policies regarding cooperation between franchisees relating to members who utilize the services of, or enjoy membership privileges at, multiple Studios; and (iv) designate the use of new Technology Systems to monitor sales and allocate payments to the Studio(s) visited by the member, either in whole or on a percentage basis. We may require you to utilize the form of membership agreement we specify. You must hire an attorney, licensed in your state, to review the membership agreement and advise you of any changes necessary to comply with local Laws. You must obtain our approval of any such changes prior to implementation.

(c) Loyalty Programs. You must fully participate and implement all required customer loyalty, rewards and other affinity programs designed to increase customer loyalty, generate new customers or improve overall demand for and utilization of the services offered by Studios.

(d) Gift Card Programs. You must participate in any gift card program we establish and honor all gift cards, even if purchased from us or another Studio. You may not sell gift cards we have not approved. We have the right to: (i) determine how gift card proceeds are divided or otherwise accounted for; (ii) require that gift card proceeds be paid to us or deposited into a trust account we control for subsequent disbursement to the Studio(s) where the gift card is redeemed; and (iii) retain proceeds from unredeemed gift cards.

**11.12. Package Sales.** If we require or allow Studios to sell Series (i.e., packages of treatments) that may be redeemed on multiple visits, we may adopt policies governing cooperation between franchisees

relating to customers who purchase a series or package at one Studio and redeem services at a different Studio. We have the right to: (a) determine how sales proceeds are divided or otherwise accounted for; (b) require that sales proceeds be paid to us or deposited into a trust account we control for subsequent disbursement to the Studio(s) where services are redeemed; and (c) retain proceeds from unredeemed services ("breakage"). You must comply with all policies and procedures we specify from time to time. Under current policy, we allow you to retain all sales proceeds from the sale of Series purchased from your Studio (including breakage) provided that you satisfy each of the following requirements:

(a) you remain in good standing under the terms of all Definitive Agreements;

(b) you separately record, track and carry all Prepaid Liabilities as a liability (we may also track and provide you with reports of your Prepaid Liabilities);

(c) you comply with all financial reporting requirements set forth in the Manual, including timely submission of all data we require through ProfitKeeper or any other software or Technology System we designate; and

(d) upon our request you purchase, and maintain throughout the Term, a surety bond or other form of financial assurance that we designate or approve in accordance with §13.7.

**11.13. Hours of Operation**. Your Studio must be open for business during the minimum days and hours of operation set forth in the Manual, subject to any conflicting requirements imposed by Law. You must establish specific days and hours of operation and submit them to us for approval.

**11.14. Standards of Service and Professionalism**. You must treat your employees and customers, and our staff, with honesty and respect. You and your staff must provide prompt, courteous, friendly and efficient service to all customers and ensure all interactions with customers are conducted in a professional and ethical manner. If you receive a customer complaint, you must follow the complaint resolution process we specify to protect the goodwill associated with the Marks.

**11.15. Quality Assurance Programs.** For quality control purposes we may periodically: (a) inspect your Studio in accordance with §6.4 and §16.1; and/or (b) hire mystery shoppers or quality assurance firms to inspect your Studio. Inspections may address a variety of issues, including customer service, sanitation, waxing technique, inventory rotation, etc. You must fully cooperate with all inspections. We may require that you directly pay any mystery shopper or firm we hire for the cost of the inspection. Alternatively, we may pay for the cost of the inspection and require you to reimburse us. We may implement a scoring system pursuant to which each Studio receives a "grade" or "score" based on inspection results. Failure to achieve a passing grade or score constitutes a default under this Agreement. You must implement all corrective measures we require within the time period we specify to rectify any noncompliance issues revealed by an inspection.

**11.16. Failure to Comply with Standards**. You acknowledge the importance of every one of our standards and operating procedures to the reputation and integrity of the System and goodwill associated with the Marks. If we notify you of a breach of our standards or operating procedures (including failure to submit required reports in a timely manner) and you fail to cure within the time period we prescribe, we may (in addition to our other remedies under this Agreement) impose a noncompliance fee of $500 per occurrence. We may impose a separate $500 fee every 48 hours the same noncompliance issue remains uncured after we impose the initial fee. Any noncompliance fees we collect are paid in consideration of us refraining from exercising our contractual right to terminate this Agreement. If you fail to cure a breach before the expiration of the cure period (if any) and we take steps to cure the breach (for example, obtaining required insurance coverage on your behalf or paying amounts you owe to system suppliers), then you must reimburse all costs and expenses we directly or indirectly incur in connection with our efforts to cure the default. Your payment of noncompliance fees and default expense reimbursements does not preclude us from terminating this Agreement in accordance with §20 if the default continues after we collect these amounts.

**12. FRANCHISE ADVISORY COUNCIL.** We have established a franchise advisory council (FAC) to provide us with suggestions to improve the System, including matters such as marketing, operations and new product or service suggestions. We consider all suggestions in good faith but are not bound by them. The FAC has been established and operates according to rules and regulations we periodically prescribe or approve, including procedures governing the selection of FAC representatives to communicate with us on matters raised by the FAC. You are eligible to be an FAC member as long as you comply with this Agreement and do not act in a disruptive or abusive manner. As a member, you are entitled to all voting rights and privileges granted to other FAC members. Each member would have one vote for each open Studio owned by the member.

**13. FEES**

**13.1. Initial Franchise Fee.** You agree to pay us a $49,500 initial franchise fee in one lump sum at the time you sign this Agreement (or, if applicable, any discounted initial franchise fee specified in an area development agreement signed by you and us). The initial franchise fee is fully earned by us and nonrefundable once this Agreement has been signed.

**13.2. Royalty Fee.** On the day of each week we specify (the "royalty fee due date"), you agree to pay us a royalty fee equal to 7% of Gross Sales generated during the immediately preceding reporting period. The current reporting period runs from the opening of business on Monday through the close of business on Sunday. The current royalty fee due date is the Wednesday immediately following the end of the prior reporting period. We may periodically change the reporting period and weekly royalty fee due date through updates to the Manual.

**13.3. Other Fees & Payments.** You agree to pay all other fees, expense reimbursements and other amounts specified in this Agreement in a timely manner as if fully set forth in §13. You also agree to promptly pay us an amount equal to all taxes levied or assessed against us based on goods or services you sell or goods or services we furnish to you, excluding income taxes imposed on us based on fees you pay us under this Agreement.

**13.4. Due Date & Late Fee.** Payments are due 10 days after invoicing unless otherwise specified. If any sum due under this Agreement is not received by us when due or there are insufficient funds in your Account to cover the sum when due, then in addition to this sum you must pay us $100 plus default interest on the amount past due at a rate equal to the lesser of 18% per annum (pro-rated on a daily basis) or the highest rate permitted by applicable Law. We will not impose a late fee for any amount paid pursuant to §13.5 if, but only to the extent that, sufficient funds were available in your Account to be applied towards the payment when due; *provided, however*, that if we are unable to determine the amount due because of your failure to record sales or submit Gross Sales reports in a timely manner, we may assess a late fee on the entire amount that was due. This §13.4 shall not constitute our agreement to accept late payments or extend credit to you.

**13.5. Method of Payment.** No later than 15 days after the Effective Date, you must send us a completed and fully executed ACH Agreement authorizing us to electronically debit your designated Account for all amounts owed to us and our affiliates on the applicable due date, excluding any amounts due within 15 days after the Effective Date. You must sign all other documents required by us or your bank to enable us to debit your Account for amounts owed. You must deposit all Gross Sales into the Account and ensure sufficient funds are available for withdrawal before each payment due date. If there are insufficient funds in your Account, any excess amounts you owe will be payable upon demand, together with any late charge imposed pursuant to §13.4. We may also impose a $50 NSF fee for each instance where either: (a) there are insufficient funds in your Account to cover amounts owed when due; or (b) a check you issue to us is returned due to insufficient funds.

**13.6. CPI Adjustments.** We may periodically adjust all fees (including minimum fees) expressed as a fixed dollar amount based on changes to the U.S. Consumer Price Index (CPI). We may periodically review and increase these fees based on CPI changes, but only if the then-current CPI ("Current CPI") is more than 5% higher than the corresponding CPI in effect on: (a) the Effective Date of this Agreement (for the initial fee adjustment); or (b) the date we implemented the last fee adjustment

(for subsequent fee adjustments) ("Baseline CPI"). The adjusted fee is calculated by multiplying the current fee by the sum of one (1) plus a fraction: (a) the numerator of which is Current CPI minus Baseline CPI; and (b) the denominator of which is Baseline CPI. We may utilize any CPI index series published by the U.S. Department of Labor or any comparable Governmental Authority that we deem appropriate. We currently use the following index: All Urban Wage Earners and Clerical Workers (CPI-W), U.S. City Average (1982-84 = 100), "All Items". We will notify you of any CPI adjustment at least 60 days before it becomes effective. We may implement no more than one (1) fee adjustment during any five (5) year period. If we decline to exercise our right to increase fees in a given five (5) year period despite a 5% or greater CPI increase, that potential fee increase will accumulate and may be carried forward and applied in connection with a subsequent fee adjustment.

**13.7. Prepaid Liabilities**. From time to time, we may establish policies and procedures in the Manual governing: (a) the sale of gift cards, Series, memberships and other prepaid items from our website or from a Studio; and (b) the method of accounting, financial reporting, characterization and treatment of proceeds from the sale of gift cards, Series, memberships and other prepaid items that are attributable to treatments (or other goods or services) that may be redeemed on subsequent visits ("Prepaid Liabilities"). If we allow you to retain proceeds from the sale of gift cards, Series, memberships or other prepaid items, we may require you to purchase a surety bond, or other form of financial assurance we designate or approve, in an amount equal to or greater than the total amount of Prepaid Liabilities carried by your Studio. Upon expiration or termination of this Agreement, we may require you to pay us an amount equal to the total outstanding amount of your Studio's Prepaid Liabilities. We may also require, as a condition to Transfer, that you pay the transferee an amount equal to the total outstanding amount of your Studio's Prepaid Liabilities as of the date of Transfer.

## 14. BRAND PROTECTION COVENANTS.

**14.1. Reason for Covenants**. The Intellectual Property, training and assistance we provide would not be acquired except through implementation of this Agreement. You agree that competition by you, the Owners or Persons associated with you or the Owners (including family members) could seriously jeopardize our franchise system because you and the Owners receive an advantage through knowledge of our day-to-day operations and Know-how. You and the Owners agree to comply with the covenants in §14 to protect the Intellectual Property and our franchise system.

**14.2. Intellectual Property & Confidential Information**. You and the Owners agree to: (a) refrain from using any Intellectual Property or Confidential Information in any business or for any purpose other than the operation of your Studio pursuant to this Agreement; (b) maintain the confidentiality of our Confidential Information at all times; (c) refrain from making unauthorized copies of documents containing Confidential Information; (d) take all steps we reasonably require to prevent unauthorized use or disclosure of Confidential Information; and (e) stop using the Intellectual Property and Confidential Information immediately upon the expiration, termination or Transfer of this Agreement (any Owner who ceases to be an Owner before the expiration, termination or Transfer of this Agreement must stop using the Intellectual Property and Confidential Information immediately at the time he or she ceases to be an Owner).

**14.3. Unfair Competition**. You and the Owners may not engage in any Prohibited Activities during the Term or Post-Term Restricted Period. Notwithstanding the foregoing, you and the Owners may have an interest in a Competing Business during the Post-Term Restricted Period as long as the Competing Business is not located in the Restricted Territory. If you or an Owner engage in a Prohibited Activity during the Post-Term Restricted Period (other than having an interest in a Competing Business permitted by this Section), then the Post-Term Restricted Period applicable to you or the non-compliant Owner, as applicable, shall be extended by the period of time during which you or the non-compliant Owner, as applicable, engaged in the Prohibited Activity. For purposes of clarity, you and the Owners remain bound by any non-competition covenants in other Definitive Agreements that remain in effect for a period of time that extends beyond the expiration of the Post-Term Restricted Period under this Agreement, and the expiration of the Post-Term Restricted Period under this Agreement does not in any way diminish your or the Owners' obligation to comply with

such covenants.

**14.4.** **Family Members**. Because (a) an Owner could circumvent the intent of §14 by disclosing Confidential Information to an immediate family member (i.e., spouse, parent, sibling, child or grandchild) and (b) it would be difficult for us to prove whether the Owner disclosed Confidential Information to the family member, each Owner agrees that he or she will be presumed to have violated the terms of §14 if any member of his or her immediate family engages in any Prohibited Activity during the Term or Post-Term Restricted Period or uses or discloses Confidential Information. However, the Owner may rebut this presumption with evidence conclusively showing he or she did not disclose Confidential Information to the family member.

**14.5.** **Employees.** All employees, officers, directors, independent contractors and other Persons associated with you or your Studio must sign and send us a Confidentiality Agreement before accessing our Confidential Information. Any Person who signs a Brand Protection Agreement need not sign a Confidentiality Agreement. You must: (a) use best efforts to ensure these individuals comply with the Brand Protection Agreements and Confidentiality Agreements, as applicable; (b) immediately notify us of any breach that comes to your attention; and (c) reimburse all expenses we incur to enforce a Brand Protection Agreement or Confidentiality Agreement, including attorneys' fees and court costs.

**14.6.** **Covenants Reasonable.** You and the Owners agree that: (a) the covenants in §14 are reasonable both in duration and geographic scope; (b) our use and enforcement of similar covenants with respect to other franchisees benefits you and the Owners by preventing others from unfairly competing with your Studio; and (c) you and the Owners have sufficient resources, business experience and opportunities to earn an adequate living while complying with the covenants in §14**.**

**14.7.** **Breach of Covenants**. You and the Owners agree that: (a) any breach of §14 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at Law; and (b) we are entitled to injunctive relief if you or an Owner breach §14, together with any other relief available at equity or Law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires us to post a bond despite our agreement to the contrary, the bond amount may not exceed $1,000. No remedy available to us under this Agreement is exclusive of any other, but may be combined with others under this Agreement, or at Law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

## 15. YOUR OTHER RESPONSIBILITIES

**15.1.** **Insurance.** For your protection and ours, you agree to maintain the following insurance policies:

(a) "all risk" property insurance, including coverage for fire, vandalism and malicious mischief, with minimum coverage for full replacement cost, covering all assets including inventory, furniture, fixtures, equipment and other property used to operate the Studio;

(b) comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of your Studio, containing minimum liability protection of $1,000,000 combined single limit per occurrence and $3,000,000 in the aggregate;

(c) professional liability and malpractice insurance, with no exclusion for waxing services, against claims for bodily and personal injury and death caused by or occurring in conjunction with the operation of your Studio, containing minimum liability protection of $1,000,000 combined single limit per occurrence;

(d) sexual assault and molestation insurance with minimum liability protection of $1,000,000 combined single limit per occurrence;

(e) products/completed operations insurance containing minimum liability protection of $1,000,000 combined single limit per occurrence;

(f) personal and advertising injury insurance containing minimum liability protection of $1,000,000 combined single limit per occurrence;

(g) for any vehicle used in connection with the operation of the Studio, automobile liability coverage, including coverage of owned, non-owned and hired vehicles, with minimum liability protection equal to the greater of (i) the amount required by applicable Law or (ii) $1,000,000 combined single limit per occurrence for bodily injury and property damage;

(h) business interruption insurance providing coverage for 100% of all expenses and financial obligations for a minimum period of six (6) months, including fees owed to us, which shall be deemed to include average weekly royalty fees and brand fund contributions imposed during the 52-week period preceding the event triggering coverage under the insurance policy (or imposed during the entire period of operation if less than 52 weeks);

(i) worker's compensation insurance and employer's liability insurance as required by Law;

(j) any insurance required under your lease or by Law; and

(k) any other insurance we specify in the Manual from time to time.

These policies reflect our minimum requirements and may not be adequate to fully protect your interests. You may wish to procure additional coverage. You must provide us with proof of coverage: (a) prior to opening; (b) within 10 days after a policy renewal; and (c) any other time on demand. You must obtain these policies from licensed insurance carriers rated A or better by AM Best. Each policy must satisfy all requirements in the Manual and be endorsed to: (a) name us and our owners, officers and directors as additional insureds; (b) waive all subrogation rights against us; and (c) provide us with at least 30 days' prior written notice of the termination, expiration, cancellation or modification of the policy. We may disapprove any policy that fails to meet these criteria, and you must immediately secure a new policy meeting our criteria. Upon 10 days' notice, we may increase the minimum liability coverage amount of any policy and/or require different or additional types of insurance, including excess liability (umbrella) insurance, due to inflation, special risks, changes in Law or standards of liability, higher damage awards or other relevant changes in circumstances. If you fail to maintain a required policy we may, at our option, obtain the policy on your behalf. If we do so, you must promptly sign any application or other form required to obtain the policy and reimburse all premiums and other costs we incur.

**15.2. Books & Records.** You must prepare complete and accurate books, records, accounts and tax returns pertaining to your Business and keep copies for at least five (5) years after their preparation. We may require you to prepare your books and records in compliance with our bookkeeping and accounting standards and policies in the Manual. You must maintain, and send to us upon request, a written list of your customers. You must send us copies of your books and records within seven (7) days of our request. You must provide us with independent access to your QuickBooks Online account (or any other financial accounting software we designate) with permission to read all reports.

**15.3. Reports.**

(a) Generally. You must prepare all reports we require including, without limitation, the reports described below. Reports must be prepared in the form and manner we specify. You must send us a copy of any required report upon request. We may independently access your Technology Systems to retrieve and compile Business Data and generate any reports we deem appropriate, including Gross Sales reports.

(b) Report of Initial Investment Costs. To assist us in updating our Franchise Disclosure Document, you must complete and send us a report, in the form we designate, listing all expenses you incur in connection with the development and opening of your Studio. You must send us the completed report within 60 days after the opening date of your Studio.

(c) Gross Sales Reports. No later than each royalty fee due date, you must prepare and send us a

signed and verified statement of your Gross Sales for the immediately preceding reporting period. If you miscalculate Gross Sales, you must notify us of the error before the end of the next reporting period. Otherwise, you will not be entitled to a refund or credit of fees paid to us based on previously reported Gross Sales.

(d) Advertising Expenditure Reports. No later than 60 days after the expiration of your grand opening period, you must prepare and send us a report detailing your expenditures on your grand opening marketing campaign in accordance with §10.3(a). No later than 30 days after the end of each calendar quarter, you must prepare and send us a report detailing your expenditures incurred during the prior calendar quarter on local advertising required by §10.3(b). All advertising expenditure reports must include copies of receipts for the reported expenditures.

**15.4. Financial Statements.** No later than the 15th day of each month, you must prepare and send us a monthly balance sheet and profit and loss statement for your Business in the format we prescribe. Within 90 days after the end of each calendar year, you must prepare and send us a balance sheet (as of the end of the calendar year) and profit and loss statement for the prior calendar year. Financial statements must be: (a) verified and signed by you certifying to us that the information is true, complete, and accurate; (b) prepared on an accrual basis in compliance with Generally Accepted Accounting Principles; and (c) submitted in any format we reasonably require. We may require that your financial statements be reviewed or audited by a certified public accountant if you submit materially inaccurate financial statements on a prior occasion. You must send us a copy of any financial statement required by this Section upon request. You hereby authorize us to disclose Operational Data to prospective franchisees, Governmental Authorities and other Persons for any reasonable business purpose, provided the disclosure is not prohibited by applicable.

**15.5. Legal Compliance.** You must secure and maintain all required licenses, permits and regulatory approvals and operate your Studio in compliance with all applicable Laws.

**15.6. Reportable Events.** You must notify us within two (2) business days after you become aware of any of the following (each, a "Reportable Event"):

(a) the occurrence of an incident at your Studio involving significant personal injury;

(b) the issuance of a citation or notice of violation by a Governmental Authority (or the commencement of an inquiry you believe is reasonably likely to lead to a citation or notice of violation) relating to a health or safety matter involving your Studio;

(c) the commencement (or written threat) of an action, suit or proceeding against you, your Owners and/or your Studio that is reasonably likely to materially and adversely affect you, your Studio or the goodwill associated with the Marks; or

(d) the conviction or indictment of any Owner or member of your management team for a felony or other crime reasonably likely to materially and adversely affect you, your Studio or the goodwill associated with the Marks.

**15.7. Ownership & Protection of Business Data.**

(a) Ownership & Use. We are the exclusive owner of all Business Data, whether collected by you, us or any other Person. We hereby grant you a license to use the Business Data solely for purposes of operating your Studio in compliance with this Agreement.

(b) Protection. You must protect all Customer Data with a level of control proportionate to the sensitivity of data. You must adhere to applicable privacy Laws with respect to data which, if compromised, could have a negative impact on our image or consumer confidence. You must comply with all applicable data protection Laws and our data processing and data privacy policies in the Manual (if any). Upon request, you must sign any data processing or data privacy agreement required by us or by Law. You may not enter Business Data into public/open AI models or any other AI model that uses such information to train the AI without our prior

approval.

(c) PCI-DSS. You agree to: (a) obtain, maintain and adhere to all applicable compliance standards established by PCI-DSS; (b) establish appropriate administrative, technical and physical controls consistent with Law and PCI-DSS to preserve the security and confidentiality of credit card information (in any form) that you store, process, transmit or come in contact with; (c) promptly notify us if you suspect, or there has been, a security breach or potential compromise of credit card information; (d) provide us with updates regarding the status of PCI-DSS via completed PCI AOC (Attestation of Compliance), PCI-DSS SAQ (Self-Assessment Questionnaire) or other mutually-agreed method; and (e) promptly notify us of any PCI-DSS noncompliance to discuss your remediation efforts and timeline.

(d) Data Breach. In the event of a data breach, we reserve the right to exclusively control the response, but we have no liability to you for any damages arising from the data breach. You must cooperate with us and follow our instructions relating to the data breach.

## 16. INSPECTION AND AUDIT

**16.1. Inspections.** For quality control purposes and to ensure compliance with this Agreement, we (or our representative) may enter your Studio, evaluate your operations and inspect your books, records, accounts and tax returns. We will determine the scope of the inspection, which may include, among other things:

(a) examining and copying your books, records, accounts and tax returns;

(b) auditing your use of AI Technology and related data handling practices;

(c) inspecting and testing your equipment;

(d) removing samples of your wax and other operating supplies and inventory items for testing purposes;

(e) evaluating the physical condition of your Studio for cleanliness, sanitation and state of repair;

(f) monitoring and speaking with your staff; and

(g) contacting and speaking with your landlord and customers.

We may conduct inspections at any time without prior notice. We (or our representative) will use reasonable efforts to minimize any interference with the operation of your Studio. You and your employees must cooperate and not interfere with the inspection. You consent to us accessing your Technology Systems and retrieving Business Data. You must reimburse all Travel Expenses and other costs we incur to conduct an inspection to verify whether you remedied: (a) a health or safety issue identified by a Governmental Authority; or (b) a breach of system standards we bring to your attention. We bear the cost of all other inspections.

**16.2. Audit.** We may audit your books and records at any time. You must fully cooperate with us and any Person we hire to conduct the audit. If an audit reveals an understatement of Gross Sales, you must immediately pay us all additional fees you owe together with any late fee imposed pursuant to §13.4. You must reimburse us for the cost of any audit (including reasonable accounting and attorneys' fees and Travel Expenses incurred by us or the auditor) that: (a) is required due to your failure to provide information we request, preserve records or file reports as required by this Agreement; or (b) reveals you understated Gross Sales by at least 3%. We bear the cost of all other audits. Your reimbursement of our audit costs does not preclude us from terminating this Agreement.

## 17. INTELLECTUAL PROPERTY

**17.1. Ownership and Use**. You acknowledge that: (a) we are (or our affiliate is) the exclusive owner of the Intellectual Property and the associated goodwill; and (b) your right to use the Intellectual Property is derived solely from this Agreement and is limited to a license to operate your Studio

during the Term pursuant to, and only in compliance with, this Agreement and the Manual. You may not use the Intellectual Property in connection with the sale of any unauthorized product or service or in any other manner not expressly authorized by us. Any unauthorized use of the Intellectual Property constitutes an infringement of our rights. You must comply with all provisions in the Manual governing use of the Intellectual Property. You will not acquire any goodwill, title or interest in or to the Intellectual Property.

**17.2.** **Changes to Intellectual Property**. We may change the Intellectual Property at any time in our sole discretion, including by changing the Copyrighted Materials, Know-how, Marks and/or System. You must, at your expense, implement all Intellectual Property changes we require in accordance with our instructions. We are not liable for any Losses and Expenses you incur (including loss of goodwill associated with a Mark) due to a change to the Intellectual Property.

**17.3.** **Use of Marks**. You agree to: (a) use the Marks as the sole identification of your Studio; *provided, however*, that you must identify yourself as the independent owner of your Studio in the manner we prescribe; (b) prominently display the Marks in the manner we prescribe on or in connection with any advertising, promotional materials, displays, receipts, stationery and forms we designate to give notice of trademark and service mark registrations and copyrights; and (c) obtain any fictitious or assumed name registrations required by applicable Law. You may not: (a) use the Marks in any modified form or as part of a corporate or trade name or with any prefix, suffix, or other modifying words, designs or symbols (other than logos we license to you); (b) use the Marks when signing a contract, lease, check or other agreement or in any other manner that may cause confusion or imply we are liable for your obligations; (c) register or attempt to register a Mark, or a trademark confusingly similar to a Mark, with a Governmental Authority; or (d) challenge or contest the validity or ownership of our Marks.

**17.4.** **Use of Know-how**. We disclose our proprietary Know-how to you during training programs, in the Manual and through other guidance furnished during the Term. You do not acquire any interest in the Know-how other than the right to utilize it, during the Term, solely for purposes of developing and operating your Studio in compliance with this Agreement and the Manual.

**17.5.** **Improvements**. If you (or your Owner or employee) conceive of or develop an Improvement, you must send us a notice describing the Improvement. You must obtain our approval prior to using the Improvement. Any Improvement we approve may be used by us and any Person we authorize to operate a Studio, without any obligation to pay royalties or other fees to you or any other Person. You or your Owner or employee, as applicable, must assign ownership of the Improvement to us or our designee, without charge, together with all associated intellectual property rights, including the right to grant sublicenses. If applicable Law precludes you from assigning ownership to us, then you must grant us a perpetual royalty-free license to use, commercialize and sublicense the Improvement in any manner we deem appropriate.

**17.6.** **IP Disputes**. You must immediately notify us of any IP Dispute. You may not communicate with any Person other than us and our counsel in connection with the IP Dispute. We have sole discretion in deciding what action, if any, to take in response to an IP Dispute. We exclusively control all litigation and other proceedings relating to IP Disputes. You must execute all documents, render all assistance, and perform all acts that our counsel deems necessary or advisable to protect or maintain our interest in the proceeding and/or protect the Intellectual Property.

**18.** **INDEMNITY.** You agree to indemnify the Indemnified Parties and hold them harmless for, from and against any and all Losses and Expenses they incur as a result of or in connection with:

(a) the marketing, use or operation of your Studio;

(b) the breach of a Definitive Agreement committed by you or your Owner or affiliate;

(c) the breach of an agreement with a third party committed by you or your Owner or affiliate;

(d) any representations made by you or your Owner to a transferee in connection with a Transfer;

(e) any Claim relating to taxes or penalties a Governmental Authority assesses against us as a direct result of your failure to pay or perform functions required of you under this Agreement;

(f) libel, slander or disparaging comments made by you or your Owners, officers, employees or independent contractors regarding the System, a Studio or an Indemnified Party (this provision does not apply to disclosure of truthful information to Governmental Authorities);

(g) any labor, employment or similar type of Claim pertaining to your employees (including Claims alleging we are a joint employer of your employees) or our relationship with you or your Owners (including Claims alleging we are an employer of you and/or any of your Owners); or

(h) any actions, investigations, rulings or proceedings conducted by any Governmental Authority (including the United States Department of Labor, Equal Employment Opportunity Commission or National Labor Relations Board) relating to your employees.

You and your Owners must immediately notify us of any Claim or proceeding described above. The Indemnified Parties have the right, in their sole discretion, to: (a) retain counsel of their choosing to represent them; and (b) control the response thereto and the defense thereof, including the right to settle the Claim. You may participate in the defense at your expense. You must fully cooperate and assist the Indemnified Parties with defense of the Claim and reimburse all costs and expenses they incur in defending the Claim including, without limitation, mediation, arbitration or court expenses, expert fees and Travel Expenses incurred by attorneys or expert witnesses to attend proceedings or hearings relating to the matter. Your indemnification obligations survive, and continue in full force and effect after, the Transfer, termination or expiration of this Agreement.

Provided that you are in full compliance with all Definitive Agreements, we will indemnify you and your Owners and hold them harmless for, from and against any and all Losses and Expenses they incur as a result of or in connection with any Claim asserted against you and/or your Owners alleging that your use of our Marks in strict compliance with the terms of this Agreement and the Manual violates a third party's intellectual property rights. You must promptly notify us of any such Claim and fully cooperate with our defense of the Claim. For purposes of this section, our "principal" Marks include, and are limited to, UNI K WAX® and any Marks that include the phase UNI K WAX®.

## 19. TRANSFERS

**19.1.** **By Us**. This Agreement is fully assignable by us (without prior notice to you) and shall inure to the benefit of any assignee(s) or other legal successor(s) to our interest in this Agreement, provided that we shall, subsequent to any such assignment, remain liable for any obligations incurred by us prior to the effective date of the assignment. We may also delegate our obligations under this Agreement to one or more Persons without assigning the Agreement.

**19.2.** **By You**. The rights and duties created by this Agreement are personal to you and the Owners. We are granting you franchise rights in reliance upon the character, skill, attitude, business ability and financial resources of you and your Owners. Because this Agreement is a personal services contract, neither you nor any Owner may engage in a Transfer (other than a Permitted Transfer) without our prior approval. Any Transfer (other than a Permitted Transfer) without our approval is void and constitutes a breach of this Agreement. We will not unreasonably withhold our approval of a proposed Transfer if all of the following conditions are satisfied:

(a) you notify us of your intent to engage in a Transfer prior to soliciting prospective purchasers;

(b) we believe the proposed transferee has sufficient business experience, aptitude and financial resources to own and operate a Studio and meets our minimum criteria for franchisees;

(c) you and your affiliates and Owners are in full compliance with all Definitive Agreements;

(d) the transferee's owners successfully complete, or make arrangements to attend, the initial training program (and the transferee pays us any applicable training fee);

(e) your landlord consents to the assignment of your lease to the transferee, or the transferee is diligently pursuing an approved substitute location within the Site Selection Area;

(f) you pay the transferee an amount equal to your Studio's total outstanding Prepaid Liabilities as of the date of Transfer or you provide another form of financial assurance we approve (such as transferring a surety bond to the transferee that is for an amount equal to or greater than the total amount of your Studio's outstanding Prepaid Liabilities as of the date of Transfer);

(g) the transferee and its owners obtain all licenses and permits required by applicable Law to own and operate the Studio;

(h) the transferee agrees to discharge and guarantee your obligations under this Agreement and other Business contracts (including customer contracts, waxing series or package purchases, gift cards and supplier contracts) and signs any agreement we require to confirm the foregoing;

(i) the transferee and its owners sign our then-current form of franchise agreement (unless we instruct you to assign this Agreement to the transferee) except that: (i) the Term and renewal term(s) shall be the Term and renewal term(s) remaining under this Agreement; and (ii) the transferee need not pay a separate initial franchise fee;

(j) the transferee agrees to remodel the Studio and upgrade all furniture, fixtures and equipment to conform to our then-current standards and specifications (these changes must be completed within three (3) months after the Transfer or such shorter period of time we specify);

(k) you or the transferee pay us a transfer fee equal to 20% of our then-current non-discounted initial franchise fee to defray expenses we incur in connection with the Transfer (in addition to the transfer fee, you must reimburse us for any commission we pay our broker if our broker finds the transferee);

(l) you and your Owners sign a General Release;

(m) you agree to subordinate the transferee's financial obligations to you to the transferee's financial obligations owed to us pursuant to the franchise agreement (we may require you to enter into a written subordination agreement);

(n) we choose not to exercise our right of first refusal described in §19.5; and

(o) you or the transferring Owner, as applicable, and the transferee satisfy all other conditions we reasonably require as a condition to approval of the Transfer.

Our consent to a Transfer shall not constitute a waiver of any Claims we have against the transferor or our right to demand the transferee comply with all terms of the franchise agreement.

**19.3. Permitted Transfers.** You may engage in a Permitted Transfer without our prior approval, but you must: (a) give us at least 10 days' prior notice; and (b) upon our request, cause the former Franchisee Entity to sign a corporate guarantee in the format we require to secure performance of the new Franchisee Entity's financial obligations under all Definitive Agreements (if the Permitted Transfer results in a new Franchisee Entity). You and the Owners (and transferee) must sign all documents we reasonably request to effectuate and document the Permitted Transfer.

**19.4. Owner Death or Disability.** Within 180 days after an Owner's death or permanent disability, the Owner's Equity Interest in the Business or Franchisee Entity must be Transferred to another Person in compliance with §19.2 or §19.3. An Owner is deemed to have a "permanent disability" only if he/she has a medical or mental problem preventing him/her from substantially complying with his/her obligations under this Agreement or operating the Business in the manner required by this Agreement and the Manual for a continuous period of at least three (3) months.

**19.5. Our Right of First Refusal.** If you or an Owner wish to engage in a Transfer, you or the Owner, as applicable, must obtain and send us a bona-fide offer executed by the purchaser after completion of

due diligence. We have 30 days after receiving the offer to decide whether to purchase the interest for the same price and upon the same terms contained in the offer, except we may substitute cash for any non-cash form of payment proposed in the offer. If we notify you within the 30-day period that we intend to purchase the interest, you or the Owner, as applicable, must sell the interest to us. We will have an additional 60 days to prepare for closing. You or the Owner, as applicable, must provide us with all customary representations and warranties regarding the title to and condition of the assets or Equity Interest that we purchase, or at our option, the representations and warranties contained in the offer. If we do not exercise our right of first refusal, you or the Owner, as applicable, may complete the Transfer to the purchaser pursuant to the terms of the offer, subject to the requirements of §19.2, including our approval of the transferee. If the sale is not completed within 120 days after we receive the offer, or there is a material change to the terms of sale, we will again have the right of first refusal specified in this Section. Our right of first refusal shall not apply to a Permitted Transfer.

## 20. TERMINATION

**20.1.** **By You**. You may terminate this Agreement if we fail to cure a material breach within 90 days after you send us a default notice specifying the nature of the breach. If you terminate pursuant to §20.1, you must still comply with your post-term obligations described in §21 (other than payment of liquidated damages) and all other obligations that survive the termination of this Agreement.

**20.2.** **By Us**. We may terminate this Agreement, effective upon delivery of a notice of termination, for any of the following reasons, all of which constitute material events of default and "good cause" for termination, and without opportunity to cure except for any cure period expressly set forth below:

(a) if you become insolvent by reason of your inability to pay your debts as they become due;

(b) if you file a voluntary petition in bankruptcy or any pleading seeking any reorganization, liquidation, dissolution or composition or other settlement with creditors under any Law, or you are the subject of an involuntary bankruptcy (which may or may not be enforceable under the Bankruptcy Act of 1978);

(c) if your Studio, or substantially all of its assets, are seized by a Government Official or taken over or foreclosed upon by a creditor, lienholder or lessor;

(d) if a final judgment against you remains unsatisfied for 30 days unless a supersedes or other appeal bond has been filed;

(e) if a levy of execution has been made upon the license granted by this Agreement or any property used in your Business and is not discharged within five (5) days of the levy;

(f) if the Managing Operator fails to satisfactorily complete initial training as required by §5.1;

(g) if you fail to identify an approved site or open your Studio before the associated deadlines in §7.1 or §7.6, respectively;

(h) if you abandon or fail to operate your Studio for three (3) consecutive business days unless due to Force Majeure (in which case §24.6 governs) or another reason we approve;

(i) if a Governmental Authority suspends or revokes a license or permit required to lawfully operate the Studio unless the suspension/revocation is overturned within 20 days thereafter;

(j) if you operate the Studio in a manner that presents a health or safety hazard to your customers, employees or the public and fail to cure within 24 hours after notice from us;

(k) if you intentionally conceal Gross Sales by any amount, or underreport Gross Sales by at least 3% on two (2) or more occasions (even if unintentional);

(l) if you fail to pay any amount owed to us, our affiliate or an approved or designated supplier within 10 days after demand for payment (subject to your right to dispute, in good faith, amounts owed to third-party suppliers in accordance with §11.7(d));

(m) if you fail to timely notify us of a Reportable Event in accordance with §15.6;

(n) if you (or an Owner) (i) are subject to a material administrative disciplinary action or (ii) plead no contest to, or are convicted of, a felony or other material crime;

(o) if you (or an Owner) fail to comply with a material Law applicable to your Studio;

(p) if you or an Owner commits an act that can reasonably be expected to materially and adversely affect the reputation of the System or the goodwill associated with the Marks;

(q) if you (or an Owner) make a material misrepresentation to us at any time;

(r) if you (or an Owner) make an unauthorized Transfer;

(s) if you (or an Owner) use the Intellectual Property in an unauthorized manner;

(t) if you (or an Owner) breach a brand protection covenant in §14 or representation in §23.3;

(u) if an Owner (or their spouse) breaches a Franchise Owner Agreement;

(v) if the lease for your premises is terminated due to your default;

(i) if we send you three (3) or more valid default notices in any 18-month period (even if cured);

(ii) if you sell UKW Products to third parties or reuse or recycle UKW Products without our approval;

(w) if we (or our affiliate) terminate any Definitive Agreement, other than an area development agreement, due to a default committed by you (or your affiliate or an Owner); or

(x) if you (or an Owner) breach any other provision of this Agreement, including any mandatory provision in the Manual, and fail to cure within 30 days after receipt of a default notice.

If we send you a default notice we may cease to perform our obligations under this Agreement until you cure the breach, unless our failure to perform would materially impair your ability to cure.

**20.3. <u>By Mutual Agreement</u>.** If you and we mutually agree in writing to terminate this Agreement, any notice or cure period that might otherwise apply shall be deemed waived.

## 21. POST-TERM OBLIGATIONS.

**21.1. <u>Obligations of You and the Owners</u>.** After the termination, expiration or Transfer of this Agreement, you and the Owners agree to:

(a) immediately cease use of the Intellectual Property;

(b) immediately cease all communications with Studio customers for any business-related purpose;

(c) comply with all post-term covenants described in §14 or a Franchise Owner Agreement;

(d) cancel all fictitious or assumed name registrations relating to your use of the Marks;

(e) pay us an amount equal to your Studio's total outstanding Prepaid Liabilities, measured as of the effective date of the termination, expiration or Transfer of this Agreement, for unredeemed (or partially redeemed) gift cards, gift certificates, Series, memberships and other prepaid items purchased by customers from your Studio (this clause does not apply to the extent we collect proceeds from these sales transactions at the time of sale);

(f) pay us all other amounts you owe including, if applicable, liquidated damages under §21.3;

(g) comply with our data retention policies pertaining to the Business Data;

(h) comply with our instructions to return, destroy or transfer all copies of the Manual and

Copyrighted Materials and all signs, brochures, advertising and promotional materials, forms and other materials bearing the Marks or containing Confidential Information;

(i) comply with our instructions to destroy your remaining supply of UKW Products unless we exercise our option to purchase them in accordance with §21.2;

(j) transfer Customer Data (and, if we so request, assign all customer contracts) to us or our designee;

(k) alter the interior and exterior of the premises to the extent necessary, or to the extent we require, to prevent any further resemblance to or connection with a Studio or our System, including repainting the exterior and interior with new colors and removing trade dress, fixtures, signage, window decals and décor items associated with a Studio;

(l) notify all telephone, listing and domain name registration companies of the termination or expiration of your right to use: (i) any telephone numbers and/or domain names associated with your Studio; and (ii) any regular, classified or other telephone directory listings associated with the Marks (you hereby authorize the foregoing companies to transfer such telephone numbers, domain names and listings to us and you authorize us, and appoint us and any officer we designate as your attorney-in-fact to direct these companies to transfer the telephone numbers, domain names and listings to us if you fail or refuse to do so); and

(m) provide us with satisfactory evidence of your compliance with the above obligations within 30 days after the effective date of the termination, expiration or Transfer of this Agreement.

Subsections (g), (h), (i), (j), (k) and (l) above do not apply if you Transfer your Studio to an approved transferee or we exercise our right to purchase your Studio. If an Owner transfers his or her entire Equity Interest in the Business or Franchisee Entity but you continue to operate the Studio pursuant to this Agreement, then this Section will not apply to you (or to any remaining Owner) and the former Owner is subject only to the obligations set forth in subsections (a), (b) and (c).

**21.2. Purchase Option**.

(a) Generally. Upon the termination or expiration of this Agreement we have the option to purchase your Studio and/or its assets. If we choose to exercise our purchase option, we will notify you of the assets we wish to purchase (the "Acquired Assets") within 30 days after the termination or expiration date. You may not sell or transfer any of your assets during this 30-day period. If we exercise our purchase option we may require that: (i) you assign your lease to us at no additional charge (if you lease the premises); or (ii) you or your affiliate enter into a lease with us upon standard and commercially reasonable leasing terms, including rent at fair rental value, for a term of 10 years or such shorter term that we specify (if you or your affiliate own the real estate). The purchase price for the Acquired Assets will be: (i) the purchase price established by the parties (if mutually agreed upon); or (ii) the Appraised Value established in accordance with §21.2(b) below; *provided, however*, that we may purchase your remaining inventory of UKW Products at the lesser of fair market value or $2,500. We may, at our option, assign our purchase option to a designee of our choosing.

(b) Appraisal Process. If the parties cannot agree on the purchase price, the purchase price shall be the Appraised Value established in accordance with this Section (subject to our right to purchase your remaining inventory of UKW Products at the lesser of fair market value or $2,500). "Appraised Value" means the fair market value of the Acquired Assets as of the date this Agreement is terminated or expires, as applicable; *provided, however*, that fair market value shall not include any value for goodwill and/or the franchise rights granted by this Agreement. The parties shall attempt to mutually agree upon a single independent appraiser. If they fail to do so, either party may demand the appointment of three (3) appraisers in accordance with the following: (i) no later than 15 days after the demand, each party shall appoint one (1) appraiser and notify the other party of the appointed appraiser's name and contact information; and (ii) no

later than 30 days after the demand, the two (2) appraisers appointed by the parties will jointly appoint a third (3rd) appraiser. If either party fails to appoint an appraiser within the 15-day period, then the appraiser appointed by the other party shall be deemed the single appraiser approved by the parties. You must promptly provide any documents or information requested by the appraisers. If a single appraiser is appointed, the purchase price shall be the Appraised Value established by the appraiser. If three (3) appraisers are appointed, the purchase price shall be: (i) the Appraised Value agreed upon by at least two (2) of the appraisers; or (ii) the average of the two (2) Appraised Values that are closest to each other if none of the appraisers agree upon the Appraised Value. Each party shall promptly pay 50% of the cost of the appraisal.

(c) Closing. The parties shall memorialize the acquisition by executing the form of Asset Purchase Agreement we reasonably prescribe, which shall include customary representations and warranties regarding title to and the condition of the Acquired Assets. At closing you must transfer good and clean title to the Acquired Assets, subject to any exceptions set forth in the Asset Purchase Agreement, and we must pay you the purchase price. We may deduct from the purchase price: (i) any amounts you owe us or our affiliates under any Definitive Agreements including, if applicable, liquidated damages and other damages owed (other than lost profits) as a result of our termination of this Agreement due to your breach; and (ii) the amount of any liabilities we assume on your behalf, including future rent and Prepaid Liabilities. We will have at least 60 days after the purchase price is established to close the transaction.

**21.3. Liquidated Damages**. You must pay us liquidated damages if either: (a) we terminate this Agreement due to your default; or (b) you terminate this Agreement in any manner other than as permitted by §20.1 or §20.3. Liquidated damages are calculated as the product of Average Weekly Fees multiplied by the lesser of (a) 104 or (b) the total number of full weeks remaining under the Term as of the termination effective date. "Average Weekly Fees" means the combined average weekly royalty fee and brand fund fee (without regard to any fee waivers or other reductions, and regardless of collection) imposed by this Agreement during the 52-week period preceding the termination date (or during the period of time you operated the Business if less than 52 weeks). Liquidated damages are due 30 days after we send you an invoice detailing our calculation of same. Liquidated damages are in addition to and not in lieu of: (a) any fees or other amounts incurred by you prior to the termination of this Agreement, all of which must be paid by you in accordance with the terms of this Agreement; or (b) any damages we or our affiliate incur as a result of your breach of this Agreement; *provided, however*, that we may not pursue a Claim against you for recovery of lost future profits if you pay us all liquidated damages owed when due. The parties agree the amount of liquidated damages set forth in this Section is in proportion to, and is necessary to protect, our legitimate interests, including: (a) encouraging our franchisees to commit to the 10-year franchise relationship in which both parties have already invested time and expense to develop; (b) the time and expense we will incur to ensure your timely and orderly departure from our franchise network and recruit a new franchisee to acquire franchise rights to the Territory; (c) protecting the reputation and goodwill associated with our Marks; and (d) partially compensating us for financial damages we expect to incur as a result of your breach or wrongful termination. If this liquidated damages clause is unenforceable under applicable Law, then we are only entitled to recover actual damages we incur as a result of your default or improper termination.

## 22. DISPUTE RESOLUTION.

**22.1. Negotiation and Mediation.** Except as otherwise provided below with respect to Excluded Claims, the parties shall attempt in good faith to resolve any Dispute through informal discussions and negotiations. If these efforts are unsuccessful, either party may submit the Dispute to mediation before a mutually-agreeable mediator prior to litigation. All negotiations and mediation proceedings (including all discovery conducted therein and statements and settlement offers made by either party or the mediator in connection with the mediation): (a) shall be strictly confidential; (b) shall constitute "settlement negotiations" for purposes of federal and state rules of evidence; and (c) shall not be admissible or otherwise used for any purpose in any court or arbitration proceeding (except evidence that would otherwise be discoverable or admissible shall not be excluded from discovery or

made inadmissible simply because of its use in mediation). The mediator may not be called as a witness for any purpose in any court proceeding. Any Dispute involving Claims alleging a breach of §14, §17 and/or 21 (referred to as "Excluded Claims") is not subject to negotiation or mediation unless both parties agree otherwise.

**22.2. Litigation.** If a Dispute either (a) is not successfully resolved by mediation within 60 days after a party makes a demand for mediation or (b) involves an Excluded Claim, then either party may file a lawsuit in any state or federal court of general jurisdiction in accordance with the choice of venue provision below. The parties hereby express their clear and unequivocal intent that a court, rather than a mediator, has exclusive jurisdiction to decide the threshold issue of whether a Dispute involves an Excluded Claim (i.e., whether any Claim alleges a breach of §14, §17 or §21).

**22.3. Venue.** All mediation and litigation shall take place in the county in which we maintain our principal place of business at the time the Dispute arises (currently, Miami-Dade County, Florida). The parties irrevocably waive any objection to such venue and consent to the jurisdiction of such courts.

**22.4. Attorney's Fees and Costs.** If a Dispute is resolved through a judicial proceeding, the substantially prevailing party is entitled to reimbursement of its costs and expenses, including reasonable accounting and legal fees and court costs. In addition, if you or an Owner breach any term of a Definitive Agreement, you must reimburse us for all reasonable legal fees and other expenses we incur as a result of the breach, regardless of whether the breach is cured prior to commencement of formal dispute resolution proceedings.

**22.5. Waivers.** UNLESS PROHIBITED BY APPLICABLE LAW, ANY CLAIM (OTHER THAN FOR PAYMENT OF MONIES OWED OR AN EXCLUDED CLAIM) MUST BE BROUGHT BY FILING A WRITTEN DEMAND FOR MEDIATION WITHIN ONE (1) YEAR FOLLOWING THE CONDUCT, ACT OR OTHER EVENT OR OCCURRENCE GIVING RISE TO THE CLAIM, OR THE RIGHT TO ANY REMEDY WILL BE DEEMED FOREVER WAIVED AND BARRED. WE AND YOU IRREVOCABLY WAIVE: (a) TRIAL BY JURY; AND (b) THE RIGHT TO LITIGATE A DISPUTE ON A CLASS ACTION BASIS.

**23. REPRESENTATIONS**.

**23.1. Corporate Representations**. You and the Owners jointly and severally represent and warrant to us that the execution and delivery of this Agreement, and the performance of your obligations hereunder, does not: (a) conflict with, breach or constitute a default under any agreement to which you are (or any affiliate of yours is) a party or by which your (or your affiliate's) assets are bound; (b) violate any order, injunction, decree, judgment or ruling of a Governmental Authority; or (c) violate any applicable Law. If the franchisee is an Entity, you and the Owners also jointly and severally represent and warrant to us that: (a) the Franchisee Entity is duly organized, validly existing and in good standing under the Laws of the state of its formation and has the requisite power and authority to enter into this Agreement and perform its obligations hereunder; and (b) the execution and delivery of this Agreement have been duly authorized by all requisite corporate action and this Agreement constitutes the legal, valid and binding obligation of, and is enforceable against, the Franchisee Entity in accordance with its terms.

**23.2. General Representations**. You and the Owners jointly and severally represent and warrant to us that you and the Owners are aware that: (a) other franchisees may operate under different forms of agreement and our obligations and rights with respect to franchisees differs materially in certain circumstances; and (b) we may negotiate terms or offer concessions to other franchisees and we have no obligation to offer you the same or similar negotiated terms or concessions.

**23.3. Anti-Terrorism Compliance**. You and the Owners jointly and severally represent and warrant to us that, to the best of your and their knowledge: (a) no property or interest owned by you or any Owner is subject to being "blocked" under any Anti-Terrorism Law; (b) neither you nor any Owner, nor any of their respective funding sources (including any legal or beneficial owner of an Equity Interest in the Business or Franchisee Entity) or related parties is, or has ever been: (i) a terrorist or suspected

terrorist within the meaning of the Anti-Terrorism Law; or (ii) identified by name, alias, pseudonym, nickname or address on any Terrorist List, including the list of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts currently available at www.home.treasury.gov); and (c) you and the Owners are in compliance with, and shall continue to comply with, the Anti-Terrorism Law and all other U.S. Laws currently in effect, or enacted in the future, that prohibit corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government. The foregoing representations and warranties are 'continuing' representations and warranties for the duration of the franchise relationship. Accordingly, you must immediately notify us of the occurrence of an event or development of a circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

## 24. GENERAL PROVISIONS

**24.1. Governing Law.** Except as governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051, et seq.), this Agreement and the franchise relationship shall be governed by the Laws of Florida, without reference to its principles of conflicts of law, but any Florida Law that regulates the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

**24.2. Relationship of the Parties.** Nothing in this Agreement creates a fiduciary relationship between the parties or is intended to make either party a general or special agent, legal representative, joint venture, partner, employee or servant of the other for any purpose. Throughout the Term you must, in all dealings with third parties, conspicuously identify yourself as a franchisee and the independent owner of your Studio. We may require that you display a written notice of independent ownership, in the form we prescribe, at any location within your Studio that we specify. You must also include a written indication of independent ownership on all agreements, forms, letterhead, advertising materials, business cards and other materials that we specify. Neither party may: (a) make any express or implied agreement, warranty or representation, or incur any debt, in the name of or on behalf of the other; or (b) represent that our relationship is other than franchisor and franchisee. Neither party is obligated by any agreement or representation made by the other party unless expressly authorized by this Agreement.

**24.3. Severability**. Each section of this Agreement (and portion thereof) is severable. If applicable Law imposes mandatory terms that conflict with this Agreement, the terms required by such Law shall govern to the extent of the inconsistency. If a court concludes any promise or covenant in this Agreement is unreasonable or unenforceable, we or the court may modify such promise or covenant to the minimum extent necessary to make it enforceable.

**24.4. Waivers.** Each party may waive any obligation imposed on the other party in writing. Neither party is deemed to have waived or impaired any of its rights under this Agreement, including the right to require strict compliance with all terms of this Agreement or terminate this Agreement if the other party fails to comply with such terms, by virtue of: (a) any custom or practice of the parties at variance with the terms of this Agreement; (b) any failure, refusal or neglect by a party to exercise any right under this Agreement or require the other party to strictly comply with any term of this Agreement; (c) our waiver, failure or refusal to exercise any of our rights with respect to other franchisees; or (d) our acceptance of payment from you after your breach.

**24.5. Approvals.** Whenever this Agreement requires our approval, you must make a timely written request for approval. Our approval must be in writing in order to bind us. Except as otherwise expressly provided in this Agreement, if we fail to approve any request for approval within the required period of time, we shall be deemed to have disapproved your request.

**24.6. Force Majeure.** Neither party is liable for loss or damage or deemed in breach of this Agreement if such party's failure to perform its obligations results from an event of Force Majeure; provided, however, that Force Majeure will not excuse or permit any failure to perform for more than 120

days. If the period of non-performance exceeds 120 days from receipt of notice of the Force Majeure event, the party whose ability to perform has not been affected may immediately terminate this Agreement by giving notice of termination to the other party.

**24.7.** **Binding Effect**. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any Person not a party to this Agreement; *provided, however*, that the additional insureds listed in §15.1 and the Indemnified Parties are intended third-party beneficiaries under this Agreement with respect to §15.1 and §18, respectively.

**24.8.** **Integration.** THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT, EXCEPT AS PERMITTED BY §11.2 AND §24.3, BE CHANGED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY BOTH PARTIES. In addition, our issuance of a Site Approval Notice shall be deemed to amend this Agreement to identify the approved site and (if applicable) Territory for your Studio, regardless of whether you countersign and/or return the Site Approval Notice. Any email or informal electronic communication shall not be deemed to modify this Agreement unless it is signed by both parties and expressly states it is intended to modify this Agreement. The attachments are part of this Agreement, which together with any Amendments or Addenda executed on or after the Effective Date, constitute the entire understanding and agreement of the parties. There are no other oral or written understandings or agreements between the parties about the subject matter of this Agreement. As referenced above, all mandatory provisions of the Manual are part of this Agreement. Any representations not specifically contained in this Agreement made before entering into this Agreement do not survive after the signing of this Agreement. Nothing in this Agreement is intended to disclaim any of the representations we made in the Franchise Disclosure Document. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**24.9.** **Good Faith Covenant**. If applicable Law implies into this Agreement a covenant of good faith and fair dealing, the covenant may not imply any right or obligation inconsistent with the express terms hereof. This Agreement, and the relationship of the parties inherent in this Agreement, grants us discretion to make decisions, take actions or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests. We will use our judgment to exercise this discretion based on our assessment of our own interests and balancing our interests against the interests of our franchisees, but without considering the individual interests of you or any other franchisee.

**24.10.** **Rights of Parties are Cumulative**. The rights of the parties under this Agreement are cumulative and no exercise or enforcement by either party of any right or remedy under this Agreement will preclude any other right or remedy available under this Agreement or by Law.

**24.11.** **Survival**. All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Agreement, or the Transfer of an Equity Interest in the Business or Franchisee Entity, shall continue in full force and effect subsequent to and notwithstanding its termination, expiration or Transfer and until they are satisfied in full or by their nature expire, including, without limitation, §13, §14, §16, §18, §21, §22 and §24.

**24.12.** **Construction.** The headings in this Agreement are for convenience only and do not define, limit or construe the contents of the sections or subsections. All references to Sections refer to the Sections contained in this Agreement unless otherwise specified. All references to days in this Agreement refer to calendar days unless otherwise specified. All references to "including" shall be construed as references to "including, but not limited to".

**24.13.** **Time of Essence.** Time is of the essence in this Agreement and every term thereof.

**24.14. Notices**. All notices and notifications given under this Agreement must be in writing and must be delivered by: (a) hand delivery; (b) registered or certified air mail, postage prepaid, return receipt requested; (c) special delivery service (e.g., Federal Express, DHL, UPS, etc.); or (d) email, in each case to the following addresses (which may be changed upon 10 business days' prior notice):

YOU: As set forth in Part A of ATTACHMENT "A"

US: Uni K Wax Franchising, LLC
117 NW 9th Terrace, Bay#1
Hallandale Beach, Florida 33009
Attention: Chief Operations Officer
Email: compliance@unikwaxgroup.com

Notice is deemed given on the earliest to occur of: (i) the date delivered by hand; (ii) the third (3rd) business day after placed in the mail or provided to special delivery services in accordance with clause (b) or (c) above; or (iii) the first (1st) calendar day after sent by email.

**24.15. Counterparts.** This Agreement may be signed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

The parties below have executed this Agreement effective as of the Effective Date first above written.

**FRANCHISOR:**

Uni K Wax Franchising, LLC, a Delaware limited liability company

By:_____
Name:_____
Title:_____

**YOU (If you are an Entity):**

_____,
a(n)_____

By:_____
Name:_____
Title:_____

**YOU (If you are not an Entity):**

_____
Name:_____

_____
Name: _____

_____
Name: _____

**ATTACHMENT "A"**

**TO FRANCHISE AGREEMENT**

**DEAL TERMS**

**A. Franchisee Details.**

Name of Franchisee: [_____]

Is the franchisee one or more natural Persons signing in their individual capacity? **Yes**: _____ **No**: _____

Type of Entity and State of Formation* (if applicable): [_____]

* *If the franchisee is a business Entity, each Person holding a direct or indirect Equity Interest in the Franchisee Entity, and spouse of each such Person who is a natural Person, must sign the Franchise Owner Agreement concurrently with the execution of this Agreement.*

The following table includes the full name of each Person holding a direct or indirect Equity Interest in the Business or Franchisee Entity, as applicable, along with a description of their Equity Interest.

| **Owner's Name** | **% Equity Interest** | **Direct or Indirect (if indirect, describe nature of interest)** |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |

Notice Address: _____
_____
_____
Attention: _____
Email: _____

**B. <u>Site Selection Area</u>**.

The Site Selection Area referenced in the Franchise Agreement consists of the following geographic area: [_____]

* *The Site Selection Area is not your territory and there are no protections associated with this area.*

**C. <u>Approved Site</u>.**

We hereby approve the site listed below for your Studio.

Approved Address: [_____]

* *If the site for your Studio has not been approved by us at the time this Agreement is signed, we will send you a Site Approval Notice in accordance with §7.1 listing the address of your approved site.*

**D. <u>Territory</u>**.

The Territory referenced in the Franchise Agreement consists of, and shall be limited to, the following geographic area (as may be further depicted on a map attached below or the following page):

[_____]

If the boundaries that define the Territory change during the Term, the boundaries of your Territory will remain unaffected and will continue to be defined by the boundaries that were in effect as of the Effective Date (as may be depicted on a map attached below or on the following page).

* *If your Territory has not been designated by us at the time this Agreement is signed, we will send you a Site Approval Notice in accordance with §3 identifying the geographic area that comprises your Territory.*

*[Insert Map Below (if applicable)]*

**ATTACHMENT "B"**

**TO FRANCHISE AGREEMENT**

**FORM OF SITE APPROVAL NOTICE**

*[See Attached]*

# SITE APPROVAL NOTICE

Uni K Wax Franchising, LLC ("we" or "us") is issuing this Site Approval Notice (this "Notice") to _____ ("you"), effective _____, 202___, in connection with the UNI K WAX® Franchise Agreement (the "Franchise Agreement") that we executed with you on _____, 202___. The purpose of this Notice is to confirm our approval of the site you proposed for your Studio and, if not already specified in the Franchise Agreement, our designation of the boundaries of your "Territory".

**Approved Address**:

Pursuant to §7.1 of the Franchise Agreement, we hereby approve the site listed below for your Studio:

_____
_____
_____

**Territory**: (only completed if Territory undetermined when Franchise Agreement signed)

Pursuant to §3 of the Franchise Agreement, we hereby designate the following geographic area as your Territory under the Franchise Agreement (as may be further depicted on the map attached on the following page):

[_____]

If the boundaries that define the Territory change during the Term, the boundaries of your Territory will remain unaffected and will continue to be defined by the boundaries that were in effect as of the date hereof (as may be depicted on a map attached below or on the following page).

* * *

By signing below, you and we agree that: (a) the address identified in this Notice shall be deemed the approved site for your Studio established and operated pursuant to the Franchise Agreement; and (b) the geographic area described in this Notice under "Territory" shall be deemed your Territory under the Franchise Agreement. You acknowledge and agree that our acceptance of the site you proposed is in no way a representation by us that your site will be successful. Rather, our acceptance merely indicates the site meets our minimum standards and requirements.

We request that you sign below and send us an executed copy of this Notice to acknowledge your receipt. However, your failure or refusal to sign below will not invalidate or otherwise affect our designation of your approved site or Territory. Our designation of your approved site and Territory, as set forth in this Notice, shall be binding on you effective as of the effective date listed in the first paragraph in this Notice.

| **Franchisor** | **Franchisee** |
|---|---|
| Uni K Wax Franchising, LLC | _____ |
| By:_____ | By:_____ |
| Name:_____ | Name:_____ |
| Title:_____ | Title:_____ |
| Date:_____ | Date:_____ |

**ATTACHMENT "C"**

**TO FRANCHISE AGREEMENT**

**LEASE ADDENDUM**

*[See Attached]*

**Lease Addendum**

This Lease Addendum (this "Agreement") is executed as of _____, 202__ by and among Uni K Wax Franchising, LLC, a Delaware limited liability company ("Franchisor"), [_____], a(n) [_____], with principal offices located at [_____] ("Landlord"), and [_____], a(n) [_____], with principal offices located at [_____] ("Tenant").

**Background**

A. On [_____], 202[__], Franchisor and Tenant executed a UNI K WAX® Franchise Agreement (the "Franchise Agreement"), pursuant to which Franchisor granted Tenant the right and obligation to develop, open and operate a UNI K WAX® studio at the premises described in Exhibit "A" (the "Premises").

B. Concurrently with the execution of this Agreement, Landlord and Tenant are executing a lease agreement (the "Lease"), pursuant to which Landlord will lease the Premises to Tenant.

C. To protect Franchisor's rights and interests under the Franchise Agreement, Landlord agrees to grant certain rights to Franchisor as set forth below.

**Agreement**

1. Default Notices. Landlord agrees to provide Franchisor with copies of all written default notices sent to Tenant at the same time such notices are sent to Tenant. Landlord agrees to send such copies to Franchisor by email and registered mail as set forth below (Franchisor may change the notice email and address from time to time by sending written notice to Landlord):

   Uni K Wax Franchising, LLC
   117 NW 9th Terrace, Bay#1
   Hallandale Beach, Florida 33009
   Attention: Chief Executive Officer
   Email: compliance@unikwaxgroup.com

2. Right to Cure. If Tenant defaults under the Lease, Franchisor has the right (but not the duty) to cure such default within 15 days following the expiration of any applicable cure period. In such event, Franchisor may immediately commence occupancy of the Premises as the tenant under the Lease without obtaining Landlord's or Tenant's consent. Franchisor may thereafter assign the Lease to another UNI K WAX® franchisee or to an entity owned and/or controlled by Franchisor. If it does, Franchisor must first obtain Landlord's written approval of the assignee. Landlord, however, must neither unreasonably withhold nor delay its approval thereof. Landlord will acknowledge any such assignment in writing. No assignment permitted under this Section is subject to any assignment or similar fee or will cause any rental acceleration.

3. Right to Assign. At any time, including, without limitation, upon the expiration or termination of the Franchise Agreement, and without Landlord's prior consent, Tenant may assign the Lease to Franchisor. In such event, Franchisor may thereafter assign the Lease to another UNI K WAX® franchisee or to an entity owned and/or controlled by Franchisor. If it does, Franchisor must first obtain Landlord's written approval of the assignee. Landlord, however, must neither unreasonably withhold nor delay its approval thereof. Landlord will acknowledge any such assignment in writing. No assignment permitted under this Section is subject to any assignment or similar fee or will cause any rental acceleration.

4. Right of First Refusal. Landlord hereby grants Franchisor the first right of refusal to lease the Premises as the new tenant upon the expiration or termination of the Lease. Franchisor shall have a period of 30 days after the expiration or termination of the Lease to decide whether to exercise its right of first refusal.

5. Expiration or Termination of Franchise Agreement. Landlord agrees that the expiration or termination of the Franchise Agreement shall constitute a default under the Lease, giving Franchisor the right, but not

the obligation, to cure such default by succeeding to Tenant's interests under the Lease in accordance with §2 above.

6. Exclusive Rights. Landlord agrees to grant Tenant the exclusive right to operate a waxing business in the shopping center in which the Premises is located.

7. Acknowledgement of Rights. Landlord acknowledges Franchisor's rights under the Franchise Agreement to enter the Premises, without being guilty of trespass or any other tort or crime, to: (a) make any modifications or alterations to the Premises that Franchisor deems necessary to protect its franchise system or trademarks; and (b) remove any trade fixtures, interior or exterior signs and other items bearing Franchisor's trademarks or service marks upon the expiration or termination of the Franchise Agreement.

8. Modification of Lease. Landlord and Tenant will not amend, modify, supplement, terminate, renew or extend the Lease without Franchisor's written consent.

9. Miscellaneous.

   (a) In the event of any inconsistency between the terms of this Agreement and the terms of the Lease, the terms of this Agreement control.

   (b) All of the terms of this Agreement, whether so expressed or not, are binding upon, inure to the benefit of, and are enforceable by the parties and their respective personal and legal representatives, heirs, successors and permitted assigns.

   (c) This Agreement may be amended, supplemented, waived or changed only by a written document signed by all the parties to this Agreement and making specific reference to this Agreement.

   (d) This Agreement may be executed in one or more counterparts, each of which is an original, but all of which together constitute one and the same instrument.

In witness whereof, this Agreement has been executed the date and year first above written.

**FRANCHISOR:**

Uni K Wax Franchising, LLC, a Delaware limited liability company

By:_____
Name:_____
Date:_____

**LANDLORD:**

_____, (a)n _____
_____

By:_____
Name:_____
Date:_____

**TENANT:**

_____, (a)n _____
_____

By:_____
Name:_____
Date:_____

**EXHIBIT “A” TO LEASE ADDENDUM**

**DESCRIPTION OF PREMISES**

_____

_____

**ATTACHMENT "D"**

**TO FRANCHISE AGREEMENT**

**FRANCHISE OWNER AGREEMENT**

*[See Attached]*

# FRANCHISE OWNER AGREEMENT

This Franchise Owner Agreement (this "Agreement") is entered into by: (a) each of the undersigned Owners of Franchisee (defined below); and (b) the spouse of each such Owner who is a natural Person, in favor of Uni K Wax Franchising, LLC, a Delaware limited liability company, and its successors and assigns ("us"). Each signatory to this Agreement is referred to as "you".

**1. DEFINITIONS**. Capitalized terms not defined above have the meanings given to them below, or if not defined below, the meanings given to them in the Franchise Agreement:

"*Development Agreement*" means, if applicable, the Area Development Agreement pursuant to which the Franchise Agreement was executed.

"*Franchise Agreement*" means the UNI K WAX® Franchise Agreement executed by Franchisee with an effective date of _____, 202__.

"*Franchisee*" means _____. For purposes of this Agreement, the term "Franchisee" includes both: (a) [_____], as Franchisee under the Franchise Agreement; and (b) the Person who signed the Development Agreement (if applicable), as Developer, if such Person is different than Franchisee.

"*Restricted Period*" means the two-year period after the earliest to occur of: (a) the termination or expiration of the Franchise Agreement; (b) the date Franchisee assigns the Franchise Agreement to another Person with respect to whom neither you nor your spouse own an Equity Interest; or (c) the date neither you nor your spouse own an Equity Interest in the Business or Franchisee Entity; *provided however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Restricted Period means the one-year period after the earliest to occur of: (a) the termination or expiration of the Franchise Agreement; (b) the date Franchisee assigns the Franchise Agreement to another Person with respect to whom neither you nor your spouse own an Equity Interest; or (c) the date neither you nor your spouse own an Equity Interest in the Business or Franchisee Entity.

**2. BACKGROUND**. In your capacity as an Owner (or the spouse of an Owner) of Franchisee, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and you could seriously jeopardize our franchise system if you were to unfairly compete with us or misuse our Intellectual Property. In addition, you understand that certain terms of the Franchise Agreement apply to "Owners" and not just Franchisee. You agree to comply with this Agreement to: (a) avoid damaging our System by engaging in unfair competition; and (b) bind yourself to the terms of the Franchise Agreement applicable to Owners.

**3. BRAND PROTECTION COVENANTS**.

(a) Intellectual Property and Confidential Information. You agree to: (i) refrain from using the Intellectual Property or Confidential Information in any capacity or for any purpose other than the operation of Franchisee's Studio in compliance with the Franchise Agreement and Manual; (ii) maintain the confidentiality of the Confidential Information at all times; (iii) refrain from making unauthorized copies of documents containing Confidential Information; (iv) take all steps we reasonably require to prevent unauthorized use or disclosure of Confidential Information; and (v) immediately stop using the Intellectual Property and Confidential Information at such time that you are (or your spouse is) no longer an Owner. You agree to assign to us or our designee, without charge, all rights to any Improvement developed by you, including the right to grant sublicenses. If applicable Law precludes you from assigning ownership to us, then you agree to perpetually license the Improvement to us, free of charge, with full rights to use, commercialize and sublicense the same.

(b) Unfair Competition. You may not engage in any Prohibited Activities at any time: (i) that you are (or your spouse is) an Owner; or (ii) during the Restricted Period. Notwithstanding the foregoing, you may have an interest in a Competing Business during the Restricted Period as long as the Competing Business is not located in the Restricted Territory. If you engage in any Prohibited Activity during the Restricted Period (other than having an interest in a Competing Business permitted by this Section)

your Restricted Period will be extended by the period of time during which you engaged in the Prohibited Activity. Any such extension of time will not constitute a waiver of your breach or impair any of our rights or remedies relating to your breach. For purposes of clarity, you remain bound by any non-competition covenants in other Definitive Agreements that remain in effect for a period of time that extends beyond the expiration of the Restricted Period under this Agreement, and the expiration of the Restricted Period under this Agreement does not in any way diminish your obligation to comply with such other covenants.

(c) Family Members. You could circumvent the purpose of §3 by disclosing Confidential Information to immediate family members (i.e., parent, sibling, child or grandchild) and it would be difficult for us to prove your breach. For that reason you are presumed to have breached this Agreement if an immediate family member: (i) engages in a Prohibited Activity at any time you are prohibited from doing so; or (ii) uses or discloses Confidential Information. However, you may rebut this presumption with evidence conclusively showing you did not disclose Confidential Information to the family member.

(d) Covenants Reasonable. You agree that: (i) the covenants in §3 are reasonable in duration and geographic scope; and (ii) you have sufficient resources, business experience and opportunities to earn an adequate living while complying with these covenants. Although you and we believe the covenants in §3 are reasonable we may, upon written notice to you, unilaterally modify the brand protection covenants in §3 of this Agreement by limiting the scope of the Prohibited Activities, narrowing the definition of a Competing Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under §3 of this Agreement to ensure the covenants are enforceable under applicable Law.

(e) Breach. You agree that: (i) any failure to comply with §3 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at law; and (ii) we are entitled to injunctive relief if you breach §3 together with any other relief available at equity or law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires that we post a bond despite our mutual agreement to the contrary, the bond amount may not exceed $1,000. No remedy available to us under this Agreement is exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

**4.** **TRANSFER RESTRICTIONS**. We must approve all Persons who own an Equity Interest in the Business or Franchisee Entity. If you are an Owner, you agree that you will not Transfer an Equity Interest in the Business or Franchisee Entity except in accordance with §19 of the Franchise Agreement.

**5.** **FINANCIAL SECURITY**. In order to secure Franchisee's financial obligations under the Franchise Agreement and all other Definitive Agreements (collectively, the "Secured Agreements") you hereby personally and unconditionally: (a) guarantee to us and our successors and assigns, that Franchisee shall punctually fulfil all of its payment and other financial obligations under the Secured Agreements; and (b) agree to be personally bound by, and personally liable for, each and every monetary provision in the Secured Agreements. You waive: (i) acceptance and notice of acceptance by us of the foregoing undertakings; (ii) notice of demand for payment of any indebtedness guaranteed; (iii) protest and notice of default to any party with respect to the indebtedness guaranteed; (iv) any right you may have to require that an action be brought against Franchisee or any other Person as a condition of liability; and (v) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed. You agree that: (a) your direct and immediate liability under this guaranty is joint and several with Franchisee and all other signatories to this Agreement; (b) you will render any payment required under the Secured Agreements upon demand if Franchisee fails to promptly do so; (c) your liability is not contingent or conditioned upon our pursuit of any remedies against Franchisee or any other Person; and (d) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence we grant to Franchisee or any other Person, including the acceptance of any partial payment or performance, or the compromise or release of any Claims, none of which shall in any way modify or amend this guarantee, which remains continuing and irrevocable during the term of each Secured Agreement and following the termination, expiration or transfer of each Secured Agreement to the extent

any financial obligations under a Secured Agreement survive such termination, expiration or transfer. This guaranty will continue unchanged by the occurrence of any bankruptcy of Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Secured Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance with the terms of this undertaking nor any remedy for enforcement will be impaired, modified, released or limited in any manner whatsoever by any impairment, modification, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency.

6. **REPRESENTATION**. You represent to us that you received a copy of the executed Franchise Agreement.

7. **DISPUTE RESOLUTION**. Any dispute between the parties relating to this Agreement shall be brought in accordance with the dispute resolution provisions set forth in the Franchise Agreement, which are incorporated into this Agreement by reference as if fully set forth herein. **You acknowledge and agree that your breach of this Agreement constitutes a material event of default under the Franchise Agreement, permitting us to terminate the Franchise Agreement in accordance with its terms.**

8. **MISCELLANEOUS**.

   (a) If either party hires an attorney or files suit against the other party for breach of this Agreement, the losing party must reimburse the prevailing party for its reasonable attorneys' fees and costs.

   (b) This Agreement is governed by the Laws of Florida.

   (c) Any Claim or defense you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

   (d) Each section of this Agreement (and portion thereof) is severable. If any section (or portion thereof) is unenforceable, it shall not affect the enforceability of any other section (or portion thereof). A court may revise any provision of this Agreement to the extent necessary to make the provision enforceable.

   (e) We may deliver to you any notice contemplated by this Agreement in the same manner and to the same address listed in the notice provision of the Franchise Agreement and any such delivery shall be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice shall be delivered in the manner and to the address listed in the Franchise Agreement.

Each of the undersigned has executed this Agreement as of the date or dates set forth below.

**OWNER / SPOUSE**

By:_____

Name:_____

Date:_____

**OWNER / SPOUSE**

By:_____

Name:_____

Date:_____

**OWNER / SPOUSE**

By:_____

Name:_____

Date:_____

**ATTACHMENT "E"**

**TO FRANCHISE AGREEMENT**

**ACH AUTHORIZATION FORM**

*[See Attached]*

**AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM**

**Franchisee Information:**

| | |
|---|---|
| Franchisee Name | Business No. |
| Franchisee Mailing Address (street) | Franchisee Phone No. |
| Franchisee Mailing Address (city, state, zip) | |
| Contact Name, Address and Phone number (if different from above) | |
| Franchisee Fax No. | Franchisee Email Address |

**Bank Account Information:**

| | | |
|---|---|---|
| Bank Name | | |
| Bank Mailing Address (street, city, state, zip) | | |
| Bank Account No. | ☐ Checking ☐ Savings (check one) | Bank Routing No. (9 digits) |
| Bank Mailing Address (city, state, zip) | | Bank Phone No. |

**Authorization:**

Franchisee hereby authorizes Uni K Wax Franchising, LLC ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature:_____ Date:_____

Name:_____

Title:_____

Federal Tax ID Number:_____

**NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT.**

**ATTACHMENT "F"**

**TO FRANCHISE AGREEMENT**

**BRAND PROTECTION AGREEMENT**

*[See Attached]*

**BRAND PROTECTION AGREEMENT**

This Agreement (this "Agreement") is entered into by the undersigned ("you") in favor of Uni K Wax Franchising, LLC, a Delaware limited liability company, and its successors and assigns ("us").

**1. DEFINITIONS**. Capitalized terms not defined above have the meanings given to them below, or if not defined below, the meanings given to them in the Franchise Agreement:

"*Business Data*" means all data pertaining to Franchisee's Studio, customers and business operations, whether collected by you, Franchisee, us or any other person.

"*Competing Business*" means any business that meets at least one of the following criteria: (a) any business that derives, or can reasonably be expected to derive, at least 20% of its revenue from the sale of waxing and/or other hair removal services and products; (b) any business that solicits, offers or sells franchises or licenses for a business that meets the criteria in clause (a) of this definition; and/or (c) any business that services, trains, supports, consults with, advises or otherwise assists any Person with respect to the development, management and/or operation of a business that meets the criteria in clause (a) of this definition. A Competing Business does not include any UNI K WAX® Studio operated pursuant to a valid franchise agreement or license agreement with us or our affiliate.

"*Confidential Information*" means and includes: (a) Know-How; (b) Business Data, including the names, contact information and other data pertaining to current, former, or prospective Studio customers; (c) information in the Manual or comprising the System; (d) terms of the Franchise Agreement (and related agreements) signed by Franchisee in connection with the Studio; and (e) all other concepts, ideas, trade secrets, financial information, marketing strategies, expansion strategies, studies, supplier information, customer information, franchisee information, investor information, flow charts, inventions, mask works, improvements, discoveries, standards, specifications, formulae, recipes, designs, sketches, drawings, policies, processes, procedures, methodologies and techniques, together with analyses, compilations, studies or other documents that are: (i) designated as confidential; (ii) known by you to be considered confidential by us; and/or (iii) reasonably to be considered confidential due to their nature. Confidential Information does not include information that: (a) is now, or subsequently becomes, generally available to the public (except as a result of a breach of confidentiality obligations by you, Franchisee or Franchisee's owners, employees or other constituents); (b) you can demonstrate was rightfully in your possession, without obligation of nondisclosure, before we (or any person associated with us) or Franchisee (or any person associated with Franchisee) disclosed the information to you; (c) is independently developed by you without any use of, or reference to, any Confidential Information; or (d) is rightfully obtained from a third party who has the right to transfer or disclose the information to you without breaching a confidentiality covenant imposed on such third party.

"*Copyrighted Materials*" means all copyrightable materials for which we or our affiliate claim or secure common law or registered copyright protection and that we allow franchisees to use, sell or display in connection with the marketing and/or operation of a Studio.

"*Franchisee*" means the UNI K WAX® franchisee for whom you are an officer, director, employee or independent contractor.

"*Improvement*" means any idea, addition, modification or improvement to the (a) goods or services offered or sold at a Studio, (b) method of operation of a Studio, (c) processes, systems or procedures utilized by a Studio, including new or modified waxing techniques, (d) marketing, advertising or promotional materials, programs or strategies utilized by a Studio or (e) trademarks, service marks, logos or other intellectual property utilized by a Studio, whether developed by you, Franchisee or any other person.

"*Intellectual Property*" means, collectively or individually, the Business Data, Copyrighted Materials, Improvements, Know-how, Marks and System.

"*Know-how*" means and includes our (and our affiliates') trade secrets and other proprietary information relating to the design, construction, development, marketing or operation of a Studio, including: architectural plans, drawings and specifications for a prototype Studio; site selection criteria; methods and techniques; standards and specifications; policies and procedures; supplier lists and information; marketing strategies; merchandising strategies; and information comprising the System or included in the Manual.

"*Manual*" means our confidential brand standards manual for the operation of a Studio.

"*Marks*" means and includes all service marks, trademarks, trade names and logos that we designate from time to time and authorize Studios to use, including UNI K WAX® and the associated logo. The Marks also include any distinctive trade dress used to identify a Studio or the products it sells.

"*Prohibited Activities*" means and includes any of the following: (a) owning, operating or having any other interest (e.g., as a director, officer, employee, manager, consultant, creditor, representative, agent or in any similar capacity) in a Competing Business, other than owning less than 5% of the equity interests in a Competing Business that is a publicly-traded company; (b) disparaging or otherwise making negative comments about us, our affiliate, the System or any Studio; (c) diverting or attempting to divert any business from a Studio; and/or (d) inducing any customer to transfer their business from a Studio to a competitor.

"*Restricted Period*" means the two (2) year period after you cease to be an officer, director, employee or independent contractor of Franchisee; *provided, however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable, then Restricted Period means the one (1) year period after you cease to be an officer, director, employee or independent contractor of Franchisee.

"*Restricted Territory*" means the geographic area within: (a) a 15-mile radius from Franchisee's Studio (including the Studio's premises); and (b) a 15-mile radius from all other Studios that are operating or under construction when the Restricted Period begins; *provided, however*, that if a court of competent jurisdiction determines the foregoing Restricted Territory is too broad to be enforceable then Restricted Territory means the geographic area within a 10-mile radius from Franchisee's Studio (including the Studio's premises).

"*Studio*" means any waxing studio that we authorize to operate under our Marks and use our System.

"*System*" means the system developed for the operation of a Studio, the characteristics of which include: the Marks; distinctive interior and exterior design, décor, signage, color scheme and other trade dress elements; proprietary and/or branded products; high quality waxing services, techniques and products; comprehensive training programs; advertising and marketing strategies; merchandising strategies; and operating system.

**2. BACKGROUND**. You are an officer, director, employee or independent contractor of Franchisee. As a result of this association, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and that you could seriously jeopardize our franchise system if you were to misuse our Intellectual Property or engage in unfair competition. To avoid such damage, you agree to comply with the terms of this Agreement.

**3. BRAND PROTECTION COVENANTS**.

(a) Intellectual Property and Confidential Information. You agree to: (i) refrain from using the Intellectual Property or Confidential Information in any business or for any purpose other than the operation of Franchisee's Studio; (ii) maintain the confidentiality of the Confidential Information at all times; (iii) refrain from making unauthorized copies of documents containing Confidential Information; (iv) take all steps we reasonably require to prevent unauthorized use or disclosure of Confidential Information; and (v) immediately stop using the Intellectual Property and Confidential Information at such time that you are no longer an officer, director, employee or independent contractor of Franchisee. You agree to assign to us or our designee, without charge, all rights to any Improvement developed by you, including the right to grant sublicenses. If applicable Law precludes you from assigning ownership to us, then you agree to perpetually license the Improvement to us, free of charge, with full rights to use, commercialize and sublicense the same.

(b) Unfair Competition. You may not engage in any Prohibited Activities at any time: (i) that you are (or your spouse is) an Owner; or (ii) during the Restricted Period. Notwithstanding the foregoing, you may have an interest in a Competing Business during the Restricted Period as long as the Competing Business is not located in the Restricted Territory. If you engage in any Prohibited Activity during the Restricted Period (other than having an interest in a Competing Business permitted by this Section)

your Restricted Period will be extended by the period of time during which you engaged in the Prohibited Activity. Any such extension of time will not constitute a waiver of your breach or impair any of our rights or remedies relating to your breach. For purposes of clarity, you remain bound by any non-competition covenants in other Definitive Agreements that remain in effect for a period of time that extends beyond the expiration of the Restricted Period under this Agreement, and the expiration of the Restricted Period under this Agreement does not in any way diminish your obligation to comply with such other covenants.

(c) Family Members. You could circumvent the purpose of §3 by disclosing Confidential Information to immediate family members (i.e., parent, sibling, child or grandchild) and it would be difficult for us to prove your breach. For that reason you are presumed to have breached this Agreement if an immediate family member: (i) engages in a Prohibited Activity at any time you are prohibited from doing so; or (ii) uses or discloses Confidential Information. However, you may rebut this presumption with evidence conclusively showing you did not disclose Confidential Information to the family member.

(d) Covenants Reasonable. You agree that: (i) the covenants in §3 are reasonable in duration and geographic scope; and (ii) you have sufficient resources, business experience and opportunities to earn an adequate living while complying with these covenants. Although you and we believe the covenants in §3 are reasonable we may, upon written notice to you, unilaterally modify the brand protection covenants in §3 of this Agreement by limiting the scope of the Prohibited Activities, narrowing the definition of a Competing Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory and/or reducing the scope of any other covenant imposed upon you under §3 of this Agreement to ensure the covenants are enforceable under applicable Law.

(e) Breach. You agree that: (i) any failure to comply with §3 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at law; and (ii) we are entitled to injunctive relief if you breach §3 together with any other relief available at equity or law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires that we post a bond despite our mutual agreement to the contrary, the bond amount may not exceed $1,000. No remedy available to us under this Agreement is exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

**4. THIRD-PARTY BENEFICIARY**. Franchisee is an express and intended third-party beneficiary of this Agreement with the right to directly enforce the terms of this Agreement against you.

**5. MISCELLANEOUS**.

(a) If we hire an attorney or file suit against you for breach of this Agreement and we prevail, you must reimburse us for our reasonable attorneys' fees and costs.

(b) This Agreement is governed by the laws of Florida. Any legal proceedings arising out of this Agreement must be brought exclusively in a court of competent jurisdiction in Florida.

(c) Each section of this Agreement (and portion thereof) is severable. If any section (or portion thereof) is unenforceable, it shall not affect the enforceability of any other section (or portion thereof). A court may revise any provision of this Agreement to the extent necessary to make the provision enforceable.

(d) If you are a resident of Washington, D.C. as of the date you sign this Agreement, then the noncompetition covenant set forth in this Agreement shall not be applicable to you and the definition of "Prohibited Activities" shall be deemed amended by deleting clause (a) from such definition.

This Brand Protection Agreement is executed as of the date or dates set forth below.

By:_____

Name:_____

Date:_____

**ATTACHMENT "G"**

**TO FRANCHISE AGREEMENT**

**CONFIDENTIALITY AGREEMENT**

*[See Attached]*

**CONFIDENTIALITY AGREEMENT**

This Agreement (this "Agreement") is entered into by the undersigned ("you") in favor of Uni K Wax Franchising, LLC, a Delaware limited liability company, and its successors and assigns ("us").

**1. DEFINITIONS**. Capitalized terms that are not defined above have the meanings given to them below:

"*Business Data*" means all data pertaining to Franchisee's Studio, customers and business operations, whether collected by you, Franchisee, us or any other person.

"*Confidential Information*" means and includes: (a) Know-How; (b) Business Data, including the names, contact information and other data pertaining to current, former, or prospective Studio customers; (c) information in the Manual or comprising the System; (d) terms of the Franchise Agreement (and related agreements) signed by Franchisee in connection with the Studio; and (e) all other concepts, ideas, trade secrets, financial information, marketing strategies, expansion strategies, studies, supplier information, customer information, franchisee information, investor information, flow charts, inventions, mask works, improvements, discoveries, standards, specifications, formulae, recipes, designs, sketches, drawings, policies, processes, procedures, methodologies and techniques, together with analyses, compilations, studies or other documents that are: (i) designated as confidential; (ii) known by you to be considered confidential by us; and/or (iii) reasonably to be considered confidential due to their nature. Confidential Information does not include information that: (a) is now, or subsequently becomes, generally available to the public (except as a result of a breach of confidentiality obligations by you, Franchisee or Franchisee's owners, employees or other constituents); (b) you can demonstrate was rightfully in your possession, without obligation of nondisclosure, before we (or any person associated with us) or Franchisee (or any person associated with Franchisee) disclosed the information to you; (c) is independently developed by you without any use of, or reference to, any Confidential Information; or (d) is rightfully obtained from a third party who has the right to transfer or disclose the information to you without breaching a confidentiality covenant imposed on such third party.

"*Copyrighted Materials*" means all copyrightable materials for which we or our affiliate claim or secure common law or registered copyright protection and that we allow franchisees to use, sell or display in connection with the marketing and/or operation of a Studio.

"*Franchisee*" means the UNI K WAX® franchisee for whom you are an officer, director, employee or independent contractor.

"*Improvement*" means any idea, addition, modification or improvement to the (a) goods or services offered or sold at a Studio, (b) method of operation of a Studio, (c) processes, systems or procedures utilized by a Studio, including new or modified waxing techniques, (d) marketing, advertising or promotional materials, programs or strategies utilized by a Studio or (e) trademarks, service marks, logos or other intellectual property utilized by a Studio, whether developed by you or any other person.

"*Intellectual Property*" means, collectively or individually, the Business Data, Copyrighted Materials, Improvements, Know-how, Marks and System.

"*Know-how*" means and includes our (and our affiliates') trade secrets and other proprietary information relating to the design, construction, development, marketing or operation of a Studio, including: architectural plans, drawings and specifications for a prototype Studio; site selection criteria; methods and techniques; standards and specifications; policies and procedures; supplier lists and information; marketing strategies; merchandising strategies; and information comprising the System or included in the Manual.

"*Manual*" means our confidential brand standards manual for the operation of a Studio.

"*Marks*" means and includes all service marks, trademarks, trade names and logos that we designate from time to time and authorize Studios to use, including UNI K WAX® and the associated logo. The Marks also include any distinctive trade dress used to identify a Studio or the products it sells.

"*Studio*" means any waxing studio that we authorize to operate under our Marks and use our System.

"*System*" means the system developed for the operation of a Studio, the characteristics of which include: the Marks; distinctive interior and exterior design, décor, signage, color scheme and other trade dress

elements; proprietary and/or branded products; high quality waxing services, techniques and products; comprehensive training programs; advertising and marketing strategies; merchandising strategies; and operating system.

**2. BACKGROUND**. You are an employee or independent contractor of Franchisee. As a result of this association, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and that you could seriously jeopardize our franchise system if you were to misuse our Intellectual Property or engage in unfair competition. To avoid such damage, you agree to comply with the terms of this Agreement.

**3. YOUR COVENANTS AND OBLIGATIONS**.

(a) Protection of Confidential Information and IP. You agree to: (i) refrain from using the Intellectual Property or Confidential Information in any business or for any purpose other than the operation of Franchisee's Studio for the exclusive benefit of Franchisee; (ii) refrain from using the Intellectual Property or Confidential Information for any purpose or in any manner unrelated to the performance of your responsibilities to Franchisee in accordance with the terms of your employment or engagement with Franchisee; (iii) maintain the confidentiality of Confidential Information at all times; (iv) refrain from making unauthorized copies of documents containing Confidential Information; (v) take all steps we reasonably require to prevent unauthorized use or disclosure of Confidential Information; and (vi) immediately stop using the Intellectual Property and Confidential Information at such time that you are no longer an employee or independent contractor of Franchisee.

(b) Improvements. You agree to assign to us or our designee, without charge, all rights to any Improvement developed by you, including the right to grant sublicenses. If applicable law precludes you from assigning ownership of any Improvement to us, then such Improvement shall be perpetually licensed by you to us free of charge, with full rights to use, commercialize and sublicense the same.

(c) Customer Information. All data and information pertaining to Studio customers (including names, contact information and other data) are exclusively owned by us and/or Franchisee and constitute Confidential Information and Know-How for purposes of this Agreement. You are strictly prohibited from using any such data or information for any purpose other than to perform your duties on behalf (and for the exclusive benefit) of the Studio. You may not maintain a list of Studio customers or remove any such information from the Studio's premises. You acknowledge the customer list is a unique and valuable asset that constitutes a trade secret, and that we and Franchisee would be irreparably harmed if you were permitted to use the customer list for any purpose other than for the benefit of the Studio in accordance with the terms of your employment or engagement with Franchisee.

(d) Nonsolicitation of customers. If you are a waxer, you understand that the customers you service while working at the Salon are acquired through our, and Franchisee's, marketing efforts and expenditures, the goodwill associated with our name and the training provided to you. Any solicitation of Studio customers or use of their information in an unauthorized manner constitutes a deceptive and unfair trade practice and a violation of our (and Franchisee's) rights and ownership interest in the customer relationship and associated data. At such time that you no longer work at a Studio, you are permitted to compete with the Studio (and other Studios) in a fair and ethical manner. You may not, however, solicit Studio customers for any purpose at any time while you work, or after you cease to work, at a Studio. You are strictly prohibited from soliciting the customer or initiating any communications with the customer regarding: (i) the discontinuance of your relationship with the Studio; (ii) your contact information; or (iii) your future business activities or services.

**4. FAMILY MEMBERS**. You could circumvent the intent of this Agreement by disclosing Confidential Information to immediate family members (i.e., parent, sibling, child or grandchild) and it would be difficult for us to prove your breach. For that reason you are presumed to have breached this Agreement if an immediate family member uses or discloses Confidential Information or engages in any actions or activities prohibited by §3. However, you may rebut this presumption with evidence conclusively showing you did not disclose Confidential Information to the family member.

5. **BREACH**. You agree that: (a) your breach of this Agreement is likely to cause substantial and irreparable damage to us and Franchisee for which there is no adequate remedy at law; and (b) we are entitled to injunctive relief if you breach this Agreement together with any other relief available at equity or law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires us to post a bond despite our mutual agreement to the contrary, the bond amount may not exceed $1,000. No remedy available to us under this Agreement is exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance and recovery of monetary damages.

6. **THIRD-PARTY BENEFICIARY**. Franchisee is an express and intended third-party beneficiary of this Agreement with the right to directly enforce the terms of this Agreement against you.

7. **MISCELLANEOUS**.

   (a) If we hire an attorney or file suit against you for breach of this Agreement and we prevail, you must reimburse us for our reasonable attorneys' fees and costs.

   (b) This Agreement is governed by the laws of Florida. Any legal proceedings arising out of this Agreement must be brought exclusively in a court of competent jurisdiction in Florida.

   (c) Each section of this Agreement (and portion thereof) is severable. If any section (or portion thereof) is unenforceable, it shall not affect the enforceability of any other section (or portion thereof). A court may revise any provision of this Agreement to the extent necessary to make the provision enforceable.

This Agreement is executed as of the date set forth below.

By:_____

Name:_____

Date:_____

**EXHIBIT "D"**

**TO DISCLOSURE DOCUMENT**

**AREA DEVELOPMENT AGREEMENT**

*[See Attached]*




# AREA DEVELOPMENT AGREEMENT

AREA DEVELOPER: _____
DATE: _____

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ATTACHMENTS


ATTACHMENT "A" Deal Terms

**AREA DEVELOPMENT AGREEMENT**

This Area Development Agreement (this "Agreement") is entered into as of _____, 202__ (the "Effective Date") between Uni K Wax Franchising, LLC, a Delaware limited liability company ("we" or "us") and _____, a(n) _____ ("you").

**1. DEFINITIONS.** Capitalized terms used in this Agreement shall have the meanings given to them below, or if not defined below, the meanings given to them in the Initial Franchise Agreement.

"*Developer Entity*" means the Entity that: (a) signs this Agreement as the area developer (if this Agreement is signed by an Entity); or (b) assumes this Agreement subsequent to its execution by the original Owners.

"*Development Business*" means the franchised business you conduct pursuant to this Agreement consisting of developing and opening Studios within the Development Territory.

"*Development Fee*" means the development fee you pay in consideration of the development rights granted by this Agreement, the amount of which is listed in Part B of ATTACHMENT "A".

"*Development Schedule*" means the schedule described in §4.1 and Part C of ATTACHMENT "A" for the development of the Studios within the Development Territory.

"*Development Territory*" means the geographic area described in Part D of ATTACHMENT "A".

"*Dispute*" means any Claim, dispute or disagreement between the parties, including any matter pertaining to: (a) the interpretation or enforcement of this Agreement; (b) the offer or sale of the area development rights; or (c) the relationship between the parties.

"*Franchise Agreement*" means a UNI K WAX® Franchise Agreement executed by us and you (or your affiliate) for the development and operation of a Studio pursuant to this Agreement.

"*General Release*" means our then-current form of Waiver and Release of Claims that you and your Owners must sign pursuant to §7.2 in connection with a Transfer.

"*Initial Franchise Agreement*" means the Franchise Agreement you execute for the first Studio to be developed pursuant to this Agreement.

"*Initial Franchise Fee*" means the initial franchise fee you must pay for each Studio you commit to develop under this Agreement, the amount of which is listed in Part B of ATTACHMENT "A".

"*Owner*" means a Person who meets any of the following criteria: (a) the Person directly signs this Agreement as the area developer, either alone or in conjunction with one or more other Persons; (b) the Person directly or indirectly through one or more intermediaries owns an Equity Interest in the Development Business or Developer Entity; (c) the Person directly signs a Franchise Agreement as the franchisee, either alone or in conjunction with one or more other Persons; and/or (d) the Person directly or indirectly through one or more intermediaries owns an Equity Interest in any affiliate of yours that executes a Franchise Agreement as authorized by §6.

"*Permitted Transfer*" means a Transfer: (a) between existing Owners; or (b) by the Owners to a new Developer Entity for which such Owners collectively own and control 100% of the Equity Interests; *provided, however*, that a Permitted Transfer does not include any Transfer that results in the Managing Operator no longer holding a material Equity Interest in the Development Business or Developer Entity.

"*Studio*" means any waxing studio that we authorize to operate under our Marks and use our System.

"*Term*" means the period of time beginning on the Effective Date of this Agreement and expiring on the earlier to occur of: (a) the opening date listed in the Development Schedule for the last Studio you are required to open; or (b) the date this Agreement is effectively terminated.

"*Transfer*" means any direct or indirect, voluntary or involuntary, assignment, sale, conveyance, subdivision, sublicense or other transfer or disposition of:

(a) this Agreement (or any interest therein);

(b) the area development rights granted by this Agreement (or any interest therein);

(c) the Development Business you conduct pursuant to this Agreement (or any interest therein);

(d) the right to manage a Studio or occupy its premises; or

(e) an Equity Interest in the Development Business or Developer Entity;

including by: merger or consolidation; judicial award, order or decree; issuance of additional Equity Interests (including public and private offerings); foreclosure of a security interest by a lender; or operation of Law, will or a trust upon an Owner's death (including via the Laws of intestate succession).

**2. GRANT OF DEVELOPMENT RIGHTS**. Subject to the terms of this Agreement, we hereby grant you the right and obligation to develop, open and operate each of the Studios listed in the Development Schedule. This Agreement does not grant you any right or license to use our Intellectual Property.

**3. TERRITORIAL PROTECTIONS AND LIMITATIONS.** During the Term we will not develop or operate, or license a third party to develop or operate, a Studio that is located in the Development Territory. We reserve the right to sell, and license third parties to sell, UKW Products (including under the Marks) in the Development Territory through Alternative Channels of Distribution.

**4. DEVELOPMENT OBLIGATIONS**

**4.1.** **Development Schedule**. You must develop, open and operate all Studios listed in the Development Schedule. You must develop and open the Studios in strict compliance with the opening dates set forth in the Development Schedule. We may, in our sole discretion, extend one or more opening dates listed in the Development Schedule if you demonstrate to our satisfaction that you used best efforts to comply with the opening date and the need for the extension is due to unforeseeable delays rather than your lack of diligence or funding. The opening date listed in the Development Schedule for a given Studio may be earlier than the opening date required under the terms of the associated Franchise Agreement. In order to comply with the Development Schedule you must open each Studio by the opening date listed in the Development Schedule even if such date is earlier than the opening date required by the associated Franchise Agreement.

**4.2.** **Reasonableness of Development Schedule**. You represent that you: (a) have conducted your own independent investigation and analysis of the prospects for development of the Studios in the Development Territory; (b) approve the Development Schedule as being reasonable and viable; and (c) recognize that any breach of the Development Schedule is a material breach of this Agreement.

**4.3.** **Site Selection**. All Studios you develop pursuant to this Agreement must be located in the Development Territory. You must select a specific site for each Studio in compliance with our then-current site selection criteria. We must approve the site for each Studio in accordance with the applicable Franchise Agreement.

**4.4.** **Franchise Agreements**. You must sign a separate Franchise Agreement for each Studio. You must sign the Initial Franchise Agreement for your first (1st) Studio at the time you sign this Agreement. We will not review proposed sites for a Studio until you sign the associated Franchise Agreement. Each Franchise Agreement shall be our then-current form of Franchise Agreement (provided you will be deemed to have paid the Initial Franchise Fee in full by virtue of your payment of the Development Fee), the terms of which may vary materially and substantially from the terms of the Initial Franchise Agreement. You have no right to construct or operate a Studio until the parties have signed a Franchise Agreement and all ancillary agreements for that Studio. You must develop, open and operate each Studio in compliance with the Franchise Agreement and the Manual

**4.5.** **Additional Studios**. You may not develop any Studio other than the Studios listed in the Development Schedule unless we, in our sole discretion, permit you to enter into a new area development agreement, which will be upon such terms that we specify, after you develop all Studios listed in the Development Schedule in accordance with this Agreement.

**5. DEVELOPMENT FEE.** At the time you sign this Agreement you must pay us a Development Fee in the amount set forth in Part B of ATTACHMENT "A". The Development Fee is calculated as the sum of the

total aggregate Initial Franchise Fees you must pay for all Studios you commit to develop pursuant to this Agreement. The Development Fee is deemed to satisfy the Initial Franchise Fee imposed under each Franchise Agreement you execute pursuant to this Agreement. The Development Fee is fully earned and nonrefundable upon execution of this Agreement.

**6. DEVELOPER ENTITY.** You represent that Part A of ATTACHMENT "A" includes a complete and accurate list of your Owners. Upon request, you must send us a resolution of the Developer Entity authorizing the execution of this Agreement, a copy of its organizational documents and a current Certificate of Good Standing. You may form a separate Entity to enter into each Franchise Agreement provided that: (a) the Person or Persons owning the Equity Interests (and the percentage of the Equity Interests owned) in each such Entity must be the same Person or Persons owning the Equity Interests (with the same percentage of the Equity Interests owned) in the Developer Entity; and (b) each such Entity guarantees the performance of all other Entities formed under the authority of this §6. Each Owner, and the spouse of each Owner who is a natural Person, must sign a Franchise Owner Agreement.

**7. TRANSFERS**

**7.1. By Us**. This Agreement is fully assignable by us, without prior notice to you, and shall inure to the benefit of any assignee(s) or other legal successor(s) to our interest in this Agreement, provided that we shall, subsequent to any such assignment, remain liable for the performance of our obligations under this Agreement up to the effective date of the assignment.

**7.2. By You**. The rights and duties created by this Agreement are personal to you and the Owners and are non-transferable except for Permitted Transfers. You and your Owners may engage in Permitted Transfers in accordance with §7.3. Any Transfer, other than a Permitted Transfer, is prohibited and shall be void and constitute a breach of this Agreement.

**7.3. Permitted Transfers.** You may engage in a Permitted Transfer without our prior approval, but you must: (a) give us at least 10 days' prior notice; and (b) upon our request, cause the former Developer Entity to sign a corporate guarantee in the format we require to secure performance of the new Developer Entity's financial obligations under all Definitive Agreements (if the Permitted Transfer results in a new Developer Entity). You and the Owners (and the transferee) agree to sign all documents we reasonably request to effectuate and document the Permitted Transfer.

**7.4. Owner Death or Disability .** Within 180 days after an Owner's death or permanent disability, the Owner's Equity Interest in the Development Business or Developer Entity must be Transferred to another Person as part of a Permitted Transfer in compliance with §7.3. Any failure to transfer the interest in this manner constitutes a default under this Agreement.

**8. TERMINATION**

**8.1. By Us**. We We may terminate this Agreement, effective upon delivery of a notice of termination, for any of the following reasons, all of which constitute material events of default and "good cause" for termination, and without opportunity to cure except for any cure period expressly set forth below:

(a) if we terminate any Definitive Agreement due to a default committed by you or one of your Owners or affiliates; or

(b) if you (or an Owner) breach any provision of this Agreement and fail to cure within 30 days after receipt of a default notice.

**8.2. By Mutual Agreement**. If you and we mutually agree in writing to terminate this Agreement, any notice or cure period that might otherwise apply shall be deemed waived.

**9. EFFECT OF TERMINATION.** Termination of this Agreement ends all your rights and development obligations under this Agreement, including your interests in the Development Territory and right to sign new Franchise Agreements or open new Studios. We will not refund any portion of the Development Fee.

**10. DISPUTE RESOLUTION.** Any Dispute between the parties relating to this Agreement shall be resolved pursuant to the dispute resolution provisions in the Initial Franchise Agreement. All such dispute resolution provisions are incorporated herein by reference as if fully set forth in this Agreement.

**11. REPRESENTATIONS.**

**11.1. Corporate Representations.** You and your Owners jointly and severally represent and warrant to us that the execution and delivery of this Agreement, and the performance of your obligations hereunder, does not: (a) conflict with, breach or constitute a default under any agreement to which you are (or any affiliate of yours is) a party or by which your (or your affiliate's) assets are bound; (b) violate any order, injunction, decree, judgment or ruling of a Governmental Authority; or (c) violate any applicable Law. If the developer is an Entity, then you and your Owners also jointly and severally represent and warrant to us that: (a) the Developer Entity is duly organized, validly existing and in good standing under the Laws of the state of its formation and has the requisite power and authority to enter into this Agreement and to perform its obligations hereunder; and (b) the execution and delivery of this Agreement have been duly authorized by all requisite corporate action and this Agreement constitutes the legal, valid and binding obligation of, and is enforceable against, the Developer Entity in accordance with its terms.

**11.2. General Representations.** You and your Owners jointly and severally represent and warrant to us that: (a) other area developers may operate under different forms of agreement and our obligations and rights with respect to area developers differs materially in certain circumstances; and (b) we may negotiate terms or offer concessions to other area developers and we have no obligation to offer you the same or similar negotiated terms or concessions.

**11.3. Anti-Terrorism Compliance.** You and your Owners jointly and severally represent and warrant to us that, to the best of your knowledge: (a) no property or interest owned by you or any Owner is subject to being "blocked" under any Anti-Terrorism Law; (b) neither you nor any Owner, nor any of their respective funding sources (including any legal or beneficial owner of an Equity Interest in the Development Business or Developer Entity) or related parties is, or has ever been: (i) a terrorist or suspected terrorist within the meaning of the Anti-Terrorism Law; or (ii) identified by name, alias, pseudonym, nickname or address on any Terrorist List, including the list of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts currently available at www.home.treasury.gov); and (c) you and the Owners are in compliance, and will continue to comply, with the Anti-Terrorism Law and all other U.S. Laws currently in effect, or enacted in the future, that prohibit corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government. The foregoing representations and warranties are 'continuing' representations and warranties for the duration of the franchise relationship. Accordingly, you must immediately notify us of the occurrence of an event or development of a circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

**12. GENERAL PROVISIONS**

**12.1. Governing Law.** This Agreement and the franchise relationship shall be governed by the Laws of Florida without reference to its principles of conflicts of law, but any Florida Law that regulates the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

**12.2. Severability**. Each section of this Agreement (and portion thereof) is severable.

**12.3. Waivers.** Each party may waive any obligation imposed on the other party in writing. Neither party shall be deemed to have waived or impaired any of its contractual rights under this Agreement, including the right to require strict compliance with all terms of this Agreement or terminate this Agreement due to the other party's failure to comply with such terms, by virtue of: (a) any custom or

practice of the parties at variance with the terms of this Agreement; (b) any failure, refusal or neglect by a party to exercise any right under this Agreement or require the other party to strictly comply with its obligations under this Agreement; (c) our waiver, failure or refusal to exercise any of our rights with respect to other developers; or (d) our acceptance of payment from you after your breach.

**12.4.** **Approvals**. Whenever this Agreement requires our approval, you must make a timely written request for approval. Our approval must be in writing in order to bind us. Except as otherwise expressly provided in this Agreement, if we fail to approve any request for approval within the required period of time, we shall be deemed to have disapproved your request.

**12.5.** **Force Majeure.** Neither party shall be liable for loss or damage or deemed in breach of this Agreement if such party's failure to perform its obligations results from an event of Force Majeure; *provided, however*, that an event of Force Majeure shall not excuse or permit any failure to perform for more than 120 days. If the period of non-performance exceeds 120 days from receipt of notice of the Force Majeure event, the party whose ability to perform has not been affected may immediately terminate this Agreement by giving notice of termination to the other party.

**12.6.** **Binding Effect.** This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any Person not a party to this Agreement.

**12.7.** **Integration.** THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CHANGED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY BOTH PARTIES. Any email or informal electronic communication shall not be deemed to modify this Agreement unless it is signed by both parties and specifically states it is intended to modify this Agreement. The attachment(s) are part of this Agreement, which together with any Amendments or Addenda executed on or after the Effective Date constitutes the entire understanding and agreement of the parties. There are no other oral or written understandings or agreements between the parties about the subject matter of this Agreement. Any representations not specifically contained in this Agreement made before entering into this Agreement do not survive after the signing of this Agreement. Nothing in this Agreement is intended to disclaim any of the representations we made in the Franchise Disclosure Document. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**12.8.** **Good Faith Covenant**. If applicable Law implies into this Agreement a covenant of good faith and fair dealing, the covenant shall not imply any rights or obligations inconsistent with the express terms hereof. This Agreement, and the relationship of the parties inherent in this Agreement, grants us discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests. We will use our judgment in exercising the discretion based on our assessment of our own interests and balancing those interests against the interests of our franchisees, but without considering the individual interests of you or any other franchisee.

**12.9.** **Rights of Parties are Cumulative**. The rights of the parties under this Agreement are cumulative and no exercise or enforcement by either party of any right or remedy under this Agreement will preclude any other right or remedy available under this Agreement or by Law.

**12.10.** **Survival**. All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Agreement, or the Transfer of an Equity Interest in the Development Business or Developer Entity, shall continue in full force and effect subsequent to and notwithstanding its termination, expiration or Transfer and until they are satisfied in full or by their nature expire.

**12.11. Construction.** The headings in this Agreement are for convenience only and do not define, limit or construe the contents of the sections or subsections. All references to Sections refer to the Sections contained in this Agreement unless otherwise specified. All references to days in this Agreement refer to calendar days unless otherwise specified. All references to "including" shall be construed as references to "including, but not limited to".

**12.12. Time of Essence.** Time is of the essence in this Agreement and every term thereof.

**12.13. Notices**. All notices and notifications given under this Agreement must be in writing and must be provided in accordance with the Notice Provision of the Initial Franchise Agreement.

**12.14. Counterparts.** This Agreement may be signed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

The parties below have executed this Agreement effective as of the Effective Date first above written.

**FRANCHISOR:**

Uni K Wax Franchising, LLC, a Delaware limited liability company

By:_____
Name:_____
Title:_____

**YOU (If you are an Entity):**

_____,
a(n)_____
By:_____
Name:_____
Title:_____

**YOU (If you are not an Entity):**

_____
Name:_____
_____
Name: _____
_____
Name: _____
_____
Name: _____

**ATTACHMENT "A"**

**TO AREA DEVELOPMENT AGREEMENT**

**DEAL TERMS**

**A. Area Developer Details.**

Name of area developer: [_____]

Is the area developer one or more natural Persons signing in their individual capacity? **Yes**: _____ **No**: _____

Type of Entity and State of Formation* (if applicable): [_____]

* *If the area developer is a business Entity, each Person holding a direct or indirect Equity Interest in the Developer Entity, and spouse of each such Person who is a natural Person, must sign a Franchise Owner Agreement concurrently with the execution of this Agreement.*

The following table includes the full name of each Person holding a direct or indirect Equity Interest in the Development Business or Developer Entity, as applicable, along with a description of their Equity Interest.

| Owner's Name | % Equity Interest | Direct or Indirect (if indirect, describe nature of interest) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |

Notice Address: _____
_____
_____
Attention: _____
Email: _____

**B. Fees.**

- The amount of the Development Fee is $[_____].
- The amount of the Initial Franchise Fee for each Studio varies depending on the total number of Studios you commit to develop under this Agreement in accordance with the following table:

| Number of Studios Purchased | Initial Franchise Fee |
|---|---|
| 3 to 5 Studios | $39,500 per Studio |
| 6 or more Studios | $35,000 per Studio |

**C. Development Schedule**.

You must comply with the following minimum development obligations as specified in §4 of the Agreement:

| DEVELOPMENT PERIOD ENDING* | NUMBER OF STUDIOS OPENED DURING DEVELOPMENT PERIOD | CUMULATIVE NUMBER OF STUDIOS OPENED AND IN OPERATION |
|---|---|---|
| 9 months after Effective Date | | |
| 15 months after Effective Date | | |
| 21 months after Effective Date | | |
| 27 months after Effective Date | | |
| 33 months after Effective Date | | |
| 39 months after Effective Date | | |
| 45 months after Effective Date | | |
| 51 months after Effective Date | | |
| Total Number of Studios to be Developed: [_____] | | |

* The required opening date for a given Studio is the last day of the Development Period in which the Studio must open.

**D. Development Territory**.

The Development Territory consists of, and shall be limited to, the following geographic area, as may be further depicted on a map attached below or on the following page:

[_____]

but the Development Territory shall exclude the following geographic areas which comprise the territory or territories of Studios that are operating, under development, or for which a franchise agreement has been executed as of the Effective Date of this Agreement:

Excluded territory 1: [_____]

Excluded territory 2: [_____]

Excluded territory 3: [_____]

If the boundaries that define the Development Territory change during the Term, the boundaries of your Development Territory will remain unaffected and will continue to be defined by the boundaries that were in effect as of the Effective Date (as may be depicted on a map attached below or on the following page).

*[Insert Map (if applicable)]*

**EXHIBIT "E"**

**TO DISCLOSURE DOCUMENT**

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*[See Attached]*

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**EXHIBIT "F"**

**TO DISCLOSURE DOCUMENT**

**LIST OF FRANCHISEES**

**Part A (Current Franchisees)**

The following table lists franchisees that were open as of December 31, 2025.

| FRANCHISEES OPEN AS OF DECEMBER 31, 2025 | | | | | |
|---|---|---|---|---|---|
| **State** | **City** | **Address** | **Studio Location Name** | **Phone Number** | **Owner Name(s)** |
| Florida | Coral Gables | 165 Aragon Ave<br>Coral Gables, Florida 33134 | Coral Gables | (305) 403-3223 | Hector I. Morales<br>Claudia Morales |
| Florida | Cutler Bay | 18435 South Dixie Highway<br>Cutler Bay, Florida 33157 | Cutler Bay | (786) 706-6131 | Nathalie Kanzki<br>Oliver Kanzki |
| Florida | Doral | Doral Shoppes #106<br>3655 NW 107th Ave<br>Doral, Florida 33178 | Doral | (786) 331-7577 | Claudia Morales<br>Hector Morales |
| Florida | Fort Lauderdale | 672 N. Federal Highway<br>Fort Lauderdale, Florida 33304 | Fort Lauderdale | (954) 563-1683 | Maria Ponce<br>Frank Ponce |
| Florida | Kendall | The Palms Town & Country<br>8354 Mills Drive<br>Kendall, Florida 33183 | Kendall | (305) 279-3448 | Nathalie Kanzki<br>Olivier Kanzki |
| Florida | Kissimmee | 3056 Dyer Blvd<br>Kissimmee, Florida 34741 | Kissimmee | (407) 508-3102 | Flavia Morrone<br>Cesar Dos Santos |
| Florida | Miami | Mary Brickell Village<br>2nd Floor (Ste 242)<br>900 South Miami Ave<br>Miami, Florida 33130 | Brickell | (305) 329-3155 | Maria E. Poceiro<br>Antonela Torresi<br>Martin Poceiro |
| Florida | Miami | 13550 SW 120th St<br>Miami, Florida 33186 | London Square | (305) 235-3433 | Richelly Perez<br>Brenda Nelson<br>Edwin Miranda |
| Florida | Miami | 2420 Biscayne Blvd<br>Miami, Florida 33137 | Midtown Miami | (305) 912-3008 | Agostina Navarro<br>Barbara Navarro |
| Florida | Miami | 14246 SW 8th St<br>Miami, Florida 33184 | West Miami | (305) 226-3909 | Esmeralda Calafell |
| Florida | Miami Beach | 739 5th Street<br>Miami Beach, Florida 33139 | South Beach | (305) 531-7777 | Hector I. Morales<br>Claudia Morales |
| Florida | Miami Lakes | Royal Oaks Shopping Plaza<br>15466 NW 77th Court<br>Miami Lakes, Florida 33016 | Miami Lakes | (305) 824-5547 | Claudia Morales<br>Hector Morales |
| Florida | Miramar | 3141 SW 160th Ave<br>Miramar, Florida 33027 | Miramar | (954) 437-6906 | Maria Ponce<br>Frank Ponce |
| Florida | Orlando | 5178 Dr Phillips Blvd<br>Orlando, Florida 32819 | Dr. Phillips | (407) 214-2471 | Reshma Sharma<br>Milan Sharma |
| Florida | Pinecrest | 9485 South Dixie Highway<br>Pinecrest, Florida 33156 | Pinecrest | (305) 663-1246 | Richelly Perez<br>Brenda Nelson<br>Edwin Miranda |

| FRANCHISEES OPEN AS OF DECEMBER 31, 2025 | | | | | |
|---|---|---|---|---|---|
| **State** | **City** | **Address** | **Studio Location Name** | **Phone Number** | **Owner Name(s)** |
| Florida | South Miami | 5875 Sunset Drive<br>South Miami, Florida 33143 | South Miami | (305) 663-8383 | Antonela Toressi<br>Maria Eugenia Poceiro<br>Martin Poceiro |
| Florida | Surfside | 9567 Harding Ave<br>Surfside, Florida 33154 | Bal Harbour | (305) 865-3535 | Richelly Perez<br>Edwin Miranda |
| Florida | Weston | 1114 Weston Road<br>Weston, Florida 33326 | Weston | (954) 888-4590 | Maria Ponce<br>Frank Ponce |
| New Jersey | Hoboken | 606 Washington St<br>Hoboken, New Jersey 07030 | Hoboken | (201) 430-7695 | Jigar Patel<br>Raj Patel |
| New Jersey | Jersey City | 332 Marin Blvd<br>Jersey City, New Jersey 07302 | Jersey City | (201) 268-3878 | Jigar Patel<br>Keyur Patel |
| New York | Brooklyn | 8522 5th Ave<br>Brooklyn, New York 11209 | Bay Ridge | (917) 775-1205 | Rakhi Kakoli |
| New York | Brooklyn | 326 Livingston St<br>Brooklyn, New York 11217 | Brooklyn Heights | (718) 285-7353 | Ronak Patel<br>Keyur Patel<br>Dhara Patel |
| New York | Brooklyn | 94 N 3rd St<br>Brooklyn, New York 11249 | Williamsburg | (718) 204-7028 | Ronak Patel<br>Jignesh Patel<br>Padmesh Patel |
| New York | Manhattan | 405 Third Ave<br>Manhattan, New York 10016 | Kips Bay | (646) 703-4908 | Serden Dagalti<br>Kaan Dagalti |
| New York | Long Island City | 22-22 Jackson Ave<br>Queens, New York 11101 | Long Island City | (718) 310-3299 | Reema Butala<br>Ankit Butala<br>Preksha Sheth<br>Kurien Varghese |
| New York | New York | 333 West 57th St<br>New York, New York 10019 | Columbus Circle | (212) 765-0701 | Roshan Maharjan<br>Sanjiv KC |
| New York | New York | 120 2nd Ave<br>New York, New York 10003 | East Village | (212) 335-0742 | Aliya Rahman<br>Lovepreet Kaur |
| New York | New York | 13 West 18th St<br>New York, New York 10011 | Flatiron | (212) 255-5561 | Keyur Patel<br>Jigar Patel<br>Parimal Patel |
| New York | New York | 1312 First Ave<br>New York, New York 10021 | Lenox Hill | (212) 739-9273 | Nirmal Pradhan |
| New York | New York | 199 Orchard St<br>New York, New York 10002 | Lower East Side | (212) 481-2770 | Sundar Maharjan<br>Buddha Maharjan |
| New York | New York | 665 Lexington Ave<br>New York, New York 10022 | Midtown East | (212) 321-0272 | Ronak Patel<br>Kalpesh Patel<br>Bhavna Patel<br>Divya Patel |
| New York | New York | 1486 3rd Ave<br>Suite 103 B02<br>New York, New York 10028 | Upper East Side | (646) 703-4908 | Serden Dagalti<br>Kaan Dagalti<br>Zerdhan Serpil Ozenc |

| FRANCHISEES OPEN AS OF DECEMBER 31, 2025 | | | | | |
|---|---|---|---|---|---|
| **State** | **City** | **Address** | **Studio Location Name** | **Phone Number** | **Owner Name(s)** |
| New York | New York | 375 Sixth Ave<br>Store 4-5<br>New York, New York 10014 | West Village | (212) 369-3016 | John Quinan<br>Pratima Rana<br>Sangeeta Tuladhar<br>Sunil Tuladhar<br>Moises Briceno |
| Texas | Frisco | 5355 Dallas Parkway<br>Suite 625<br>Frisco, Texas 75034 | Frisco | (972) 777-5949 | Lucia Freire |

* These franchisees are also area developers that committed to open multiple franchised businesses under the terms of an area development agreement.

The following table lists franchisees with signed franchise agreements that were not open as of December 31, 2025.

| FRANCHISEES NOT OPEN AS OF DECEMBER 31, 2025 | | | | | |
|---|---|---|---|---|---|
| **State** | **City** | **Address** | **Studio Name** | **Phone** | **Owner Name(s)** |
| Arizona* | Scottsdale | 6590 N Scottsdale Rd # 140<br>Scottsdale, AZ 85253 | Lincoln Marketplace | (480) 716-5288 | Kami Ebner |
| Arizona* | Scottsdale | 8740 E Shea Blvd<br>Scottsdale, AZ 85260 | Pima Crossing | (480) 463-1193 | Kami Ebner |
| Colorado* | Denver | 2730 S. Colorado Blvd, Unit 40<br>Denver, CO 80222 | To Be Determined | To Be Determined | Cassandra Jones |
| Connecticut* | Westport | 275 Post Rd E<br>Westport, Connecticut 6880 | Westport | (203) 293-4980 | Karen Frank |
| Florida* | Boca Raton | To Be Determined | To Be Determined | To Be Determined | Kevin Matuszak |
| Michigan* | Rochester Hills | 1426 N Rochester Road<br>Rochester. Hills, MI 48307 | City Walk | To Be Determined | Keith McAtamney |
| Texas* | San Juan | To Be Determined | To Be Determined | To Be Determined | Najib Haidar and Hicham Al Makkary |

* These franchisees are also area developers that have committed to open multiple franchised businesses under the terms of an area development agreement.

**Part B (Former Franchisees Who Left System During Prior Fiscal Year)**

| State | City | Current Business Phone or Last Known Home Phone | Owner Name(s) |
|---|---|---|---|
| Florida | Doral | (786) 331-7577 | Maria Bermudez |
| Florida | Miami Lakes | (305) 824-5547 | Ubaldo Perez |

**If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

**EXHIBIT "G"**

**TO DISCLOSURE DOCUMENT**

**FINANCIAL STATEMENTS**

[See Attached]

# UNI K WAX FRANCHISING, LLC

**Audited Financial Statements**

**December 31, 2025 and 2024**

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**NOTIFICATION TO THIRD PARTY USERS OF THIS REPORT**

This report was prepared subject to the terms and conditions set forth in an engagement letter. By relying upon this report, all users shall be deemed to agree to the terms and conditions of that engagement letter. Users intending to rely upon this report should contact the issuer to obtain a copy of its applicable terms and conditions. This report is intended for the exclusive use of the clients of the issuer and others to whom the issuer has expressly granted consent.

**UNI K WAX FRANCHISING, LLC**

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**INDEPENDENT AUDITOR'S REPORT**

Board of Directors and Members
**Uni K Wax Franchising, LLC**

**Opinion**

We have audited the accompanying financial statements of **Uni K Wax Franchising, LLC** (a Delaware limited liability company), which comprise the balance sheets as of December 31, 2025 and 2024, and the related statements of operations, changes in member's capital, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Uni K Wax Franchising, LLC** as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Uni K Wax Franchising, LLC** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Uni K Wax Franchising, LLC**'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Uni K Wax Franchising, LLC**'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Uni K Wax Franchising, LLC**'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

GRAY, GRAY & GRAY, LLP

Gray, Gray & Gray, LLP

Canton, MA
February 26, 2026

**UNI K WAX FRANCHISING, LLC**
**BALANCE SHEETS**
**December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS** | | |
| Cash | $ 1,564,214 | $ 861,367 |
| Accounts receivable | 190,001 | 44,216 |
| Prepaid expenses and other current assets | 71,741 | 56,310 |
| **TOTAL CURRENT ASSETS** | 1,825,956 | 961,893 |
| **PROPERTY AND EQUIPMENT, NET** | 38,811 | 32,759 |
| **OTHER ASSETS** | | |
| Deposits | 32,524 | 32,524 |
| Goodwill, net | 1,769,249 | 2,007,800 |
| **TOTAL OTHER ASSETS** | 1,801,773 | 2,040,324 |
| **TOTAL ASSETS** | $ 3,666,540 | $ 3,034,976 |

The accompanying notes are an integral part of these financial statements.

**UNI K WAX FRANCHISING, LLC**
**BALANCE SHEETS**
**December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| **LIABILITIES AND MEMBER'S EQUITY** | | |
| **CURRENT LIABILITIES** | | |
| Accounts payable | $ 100,121 | $ 221,504 |
| Accrued expenses | 132,769 | 51,924 |
| Accrued interest due to related party | 40,927 | 43,116 |
| Due to related party | 705,000 | 10,938 |
| Brand fund liability | 44,811 | 63,882 |
| Payroll liabilities | 60,040 | 82,003 |
| Series liability | 414,635 | 432,913 |
| Deferred franchise fee revenue, current portion | 159,500 | 89,123 |
| Gift card liability | 39,124 | 33,729 |
| **TOTAL CURRENT LIABILITIES** | 1,696,927 | 1,029,132 |
| **LONG-TERM LIABILITIES** | | |
| Deferred franchise fee revenue, net of current portion | 981,318 | 503,864 |
| **TOTAL LONG-TERM LIABILITIES** | 981,318 | 503,864 |
| **MEMBER'S CAPITAL** | | |
| Capital contributions | 2,214,454 | 2,214,454 |
| Accumulated deficit | (1,226,159) | (712,474) |
| **TOTAL MEMBER'S CAPITAL** | 988,295 | 1,501,980 |
| **TOTAL LIABILITIES AND MEMBER'S CAPITAL** | $ 3,666,540 | $ 3,034,976 |

The accompanying notes are an integral part of these financial statements.

**UNI K WAX FRANCHISING, LLC**
**STATEMENTS OF OPERATIONS**
**Years Ended December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| **REVENUES** | $ 3,532,442 | $ 3,324,460 |
| **COST OF REVENUES** | 778,556 | 736,644 |
| **GROSS PROFIT** | 2,753,886 | 2,587,816 |
| **OPERATING EXPENSES** | | |
| Selling, general and administrative expenses | 2,987,066 | 2,748,907 |
| Depreciation | 9,722 | 10,163 |
| Amortization | 238,551 | 238,551 |
| **TOTAL OPERATING EXPENSES** | 3,235,339 | 2,997,621 |
| **OPERATING LOSS** | (481,453) | (409,805) |
| **OTHER (INCOME) EXPENSES** | | |
| Interest expense | 15,262 | 21,278 |
| Other income | (89,290) | (81,146) |
| Other expenses | 106,260 | 249,392 |
| **TOTAL OTHER (INCOME) EXPENSES** | 32,232 | 189,524 |
| **NET LOSS** | $ (513,685) | $ (599,329) |

The accompanying notes are an integral part of these financial statements.

**UNI K WAX FRANCHISING, LLC**
**STATEMENTS OF CHANGES IN MEMBER'S CAPITAL**
**Years Ended December 31, 2025 and 2024**

| | Capital Contributions | Member's Deficit | Total Member's Capital |
|---|---|---|---|
| **BALANCE AT DECEMBER 31, 2023** | $ 2,129,018 | (113,145) | $ 2,015,873 |
| CONTRIBUTIONS | 85,436 | - | 85,436 |
| NET LOSS | - | (599,329) | (599,329) |
| **BALANCE AT DECEMBER 31, 2024** | 2,214,454 | (712,474) | 1,501,980 |
| NET LOSS | - | (513,685) | (513,685) |
| **BALANCE AT DECEMBER 31, 2025** | $ 2,214,454 | $ (1,226,159) | $ 988,295 |

The accompanying notes are an integral part of these financial statements.

**UNI K WAX FRANCHISING, LLC**
**STATEMENTS OF CASH FLOWS**
**Years Ended December 31, 2025 and 2024**

| | 2025 | 2024 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net loss | $ (513,685) | $ (599,329) |
| Adjustments to reconcile net loss to net cash provided (used) by operating activities: | | |
| Depreciation expense | 9,722 | 10,163 |
| Amortization expense | 238,551 | 238,551 |
| (Increase) decrease in operating assets: | | |
| Accounts receivable | (145,785) | (580) |
| Prepaid expenses and other current assets | (15,431) | 28,914 |
| Deposits | - | 2,597 |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable | (121,383) | 87,684 |
| Accrued expenses | 80,845 | 46,924 |
| Accrued interest | (2,189) | (415) |
| Due to related party | 694,062 | - |
| Brand fund liability | (19,071) | (24,559) |
| Payroll liabilities | (21,963) | 20,948 |
| Series liability | (18,278) | (283,779) |
| Gift card liability | 5,395 | 10,711 |
| Deferred franchise fee revenue | 547,831 | 233,586 |
| **NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** | 718,621 | (228,584) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchases of property and equipment | (15,774) | (31,467) |
| **NET CASH (USED) BY INVESTING ACTIVITIES** | (15,774) | (31,467) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Contributions | - | 85,436 |
| **NET CASH PROVIDED BY INVESTING ACTIVITIES** | - | 85,436 |
| **INCREASE (DECREASE) IN CASH** | 702,847 | (174,615) |
| **CASH AT BEGINNING OF YEAR** | 861,367 | 1,035,982 |
| **CASH AT END OF YEAR** | $ 1,564,214 | $ 861,367 |

The accompanying notes are an integral part of these financial statements.

## NOTE 1: BUSINESS

**Principal Business Activity:** Uni K Wax Franchising, LLC (the "Company") was formed on March 15, 2023, and is the wholly owned subsidiary of Uni K Wax Group, Inc. ("Group"). Group also owns the following entities:

Uni K Wax Distribution, LLC ("Distribution")
Uni K Wax R-D, LLC ("R-D")
Uni K Wax International, LLC ("International")
Uni K Wax Just Natural, LLC ("Just Natural")
Uni K Wax Aventura, LLC ("Aventura")

The Company commenced operations on June 5, 2023, after an asset purchase. The Company is in the business of selling and managing franchises of Uni K Wax Natural Wax Studio, a service mark of the Company. Uni K Wax Natural Wax Studios offer customers face and body waxing products and hair removal services. The studios use a proprietary natural wax. As of December 31, 2024, there were 33 franchised studios in operation and 1 corporate owned studio, Aventura. As of December 31, 2025, there were 34 franchised studios in operation and 1 corporate owned studio, Aventura.

## NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

**Use of Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Revenue Recognition:** In accordance with *"Revenue from Contracts with Customers"* Accounting Standards Codification ("ASC") 606, revenues are recognized when control of promised goods or services is transferred to a customer in an amount that reflects the consideration expected to be received for those goods or services.

The Company determines revenue recognition by:

1. Identifying the contract, or contracts, with a customer;
2. Identifying the performance obligations in the contract;
3. Determining the transaction price;
4. Allocating the transaction price to performance obligations in the contract;
5. Recognizing revenue when, or as, the Company satisfies performance obligations by transferring the promised goods or services.

## NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The following table presents the Company's revenues disaggregated into categories based on the nature of such revenues for the years ended December 31:

| | 2025 | 2024 |
|---|---|---|
| Royalties | $ 1,541,796 | $ 1,487,754 |
| Franchise fees | 142,169 | 72,664 |
| Management and advertising fees | 1,848,477 | 1,764,042 |
| | $ 3,532,442 | $ 3,324,460 |

Included in the table above is $384,000 charged to related parties during the years ended December 31, 2025 and 2024.

The Company generates revenue from franchising through individual franchise agreements, royalties collected from studios, advertising funds, management fees, sales of equipment and training services. When an individual franchise is sold, the Company agrees to provide certain services to the franchisee including assistance in site selection and development, industry training and opening assistance which are considered one performance obligation with the franchise purchase. The franchise agreements require the franchisee to pay an initial, non-refundable fee and continuing royalty fees based upon a percentage of sales. The initial fee paid by the franchisee is recognized as revenue over the life of the contract which is typically ten years. Subject to the Company's approval, renewals and multiple packages of franchises are offered at a discounted fee.

A summary of deferred franchise fee revenue is below:

| | |
|---|---|
| **Balance at December 31, 2023** | $ 359,401 |
| Franchise fee received | 306,250 |
| Amortization of deferred franchise fees | (72,664) |
| **Balance at December 31, 2024** | 592,987 |
| Franchise fee received | 690,000 |
| Amortization of deferred franchise fees | (142,169) |
| **Balance at December 31, 2025** | $ 1,140,818 |

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Future amortization of deferred franchise fee revenue as of December 31, 2025, is as follows:

| Years Ending December 31, | |
|---|---|
| 2026 | $ 159,500 |
| 2027 | 152,688 |
| 2028 | 146,900 |
| 2029 | 132,542 |
| 2030 | 125,833 |
| Thereafter | 423,355 |
| | $ 1,140,818 |

Continuing royalty fees are generally provided for in the franchise agreements as a percent of franchise net sales. The Company applied the sales-based royalty exception within ASC 606. Royalty revenues are recognized as income in the same period in which the sales occur.

The Company runs a cooperative advertising fund and receives a marketing fee of 2% of sales. The marketing fee is collected from franchised stores to be used to maximize the general public recognition of the brand. Examples include the development of brand assets, general marketing, advertising, and publicity administered by the Company on behalf of the brand. In accordance with ASC 606, the Company acts as the principal in the advertising transactions. The advertising services are not considered a separate performance obligation because the they are not considered distinct as the services are highly integrated with the franchise right. The fund is administered by the Company. Franchisees remit a percentage of sales as consideration for providing the advertising services. Based on the application of the sales-based royalty exception within ASC 606, the revenue is recognized when the sales occur. The Company is obligated to spend excess advertising funds in the future. When advertising revenues exceed the related advertising expense, the Company accrues advertising costs up to the amount of revenue on an annual basis. The expense is included in marketing and promotion and the revenue is recorded in management and advertising fees revenue.

Amounts accrued related to funds collected and not expended were $44,811 and $63,882 as of December 31, 2025 and 2024, respectively. The Company recorded revenue and expenses of $465,090 and $460,151 related to the advertising fund ("Brand Fund") for the years ended December 31, 2025 and 2024, respectively.

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The Company offers customers the opportunity to purchase multiple waxing services in a series, typically at a discount. The Company records a liability for monies collected for gift cards and series sales to be redeemed at franchisee studios, the liability for which is reduced at the time of redemption. Gift cards do not have an expiration date, while series generally expire two years from the date of issue. Gift card breakage, the amount of gift cards which will not be redeemed, is recognized using estimates based on historical redemption patterns. If the actual redemptions vary from the estimated breakage, gift card breakage income may differ from the amount recorded. Income from series and gift card breakage combined amounted to $55,445 and $81,146 for the years ended December 31, 2025 and 2024, respectively.

The timing of revenue recognition, billings and cash collections results in accounts receivable (contract asset), and brand fund liabilities, series liability, gift card liabilities and deferred franchise fee revenue (contract liabilities) on the balance sheets. Below is a summary of the contract assets and contract liabilities at the beginning and end of each period:

| | December 31, 2025 | December 31, 2024 | December 31, 2023 |
|---|---|---|---|
| Accounts receivable | **$ 190,001** | $ 44,216 | $ 43,636 |
| Brand fund liability | **$ (44,811)** | $ (63,882) | $ (88,441) |
| Series liability | **$ (414,635)** | $ (432,913) | $ (716,692) |
| Gift card liability | **$ (39,124)** | $ (33,729) | $ (23,018) |
| Deferred franchise fee revenue | **$ (1,140,818)** | $ (592,987) | $ (359,401) |

**Cash:** The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits.

**Accounts Receivable:** Accounts receivable are primarily derived from franchise fees, royalties, transfer and other fees and are carried at the original invoice amount. The Company recognizes an expected allowance for credit losses in accordance with Accounting Standard Update ("ASU") 2016-13 Financial Instruments – Credit Losses Financial Accounting Standards Board ("FASB") ASC 326 which is updated each period to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist. The allowance estimate is derived from a review of the company's historical losses based on the aging of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Company. Management believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Company's portfolio segment have remained constant since the Company's inception. The Company has determined no reserve for credit losses was necessary as of December 31, 2025 and 2024.

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The Company writes off receivables when there is information that indicates the customer is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery. The total amount of write-offs was immaterial to the financial statements as a whole for the years ending December 31, 2025 and 2024.

**Property and Equipment:** Property and equipment are stated at cost, net of accumulated depreciation. Property and equipment are depreciated when placed into service using the straight-line method over the estimated useful lives of the assets. The useful lives are as follows:

| | Estimated Useful Lives |
|---|---|
| Computer and office equipment | 3 to 10 Years |
| Furniture and fixtures | 3 to 5 Years |

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are expensed as incurred.

**Goodwill:** The Company accounts for goodwill in conformity with the requirements of ASC 350, "*Intangibles - Goodwill and Other Intangible Assets*". Goodwill arising from business combinations represents the excess of the purchase price over the fair value of the net assets acquired and is amortized on a straight-line basis over a period of ten (10) years. Goodwill is tested for impairment only when a triggering event occurs. Impairment is the condition that exists when the carrying amount of goodwill exceeds its implied fair value. The Company has determined no triggering event has occurred.

**Impairment of Long-Lived Assets:** The Company continually reviews its long-lived assets for events or changes in circumstances that indicate the book value of the asset may not be recoverable. As of December 31, 2025 and 2024, Company management believes no impairment is warranted.

**Advertising and Marketing Costs:** Advertising and marketing costs are expensed as incurred. Advertising and marketing expense was $733,076 and $630,621 for the years ended December 31, 2025 and 2024, respectively.

**Other Expenses:** The Company classifies expenses that are infrequent or unusual in nature and/or unrelated to the operations of the Company as other expenses in the accompanying statements of operations. A majority of the expense recorded during the years ended December 31, 2025 and 2024, was for severance to now former employees.

**Business Combinations:** Business combinations are accounted for using the purchase method of accounting, whereby the purchase price of the acquisition, including the fair value of contingent consideration, is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date. The results of operations of all business acquisitions are included in the accompanying financial statements from the date of acquisition.

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Goodwill, as of the acquisition date, is measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed. While the Company uses its best estimates and assumptions as part of the purchase price allocation process to accurately value assets acquired and liabilities assumed at the acquisition date, the Company's estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date to the extent the Company identifies adjustments to the purchase price or the purchase price allocation, the Company records adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded in the statements of income.

The Company applies an accounting alternative allowed for private companies which simplifies the accounting for certain identifiable intangible assets in a business combination. The value of these assets, such as customer relationships, is not separately identified, but is instead effectively subsumed into goodwill.

All acquisition related expenses incurred in connection with a business combination are expensed as incurred and are reflected as transaction expenses in the accompanying statements of operations.

**Income Taxes:** The Company is a limited liability company. There is no federal and state tax provision, as all of the income and loss is reported on the member's income tax returns. However, in certain circumstances, the Company may be required to pay entity level state income taxes.

**Accounting for Uncertain Tax Positions:** These financial statements are in accordance with FASB ASC 740, "*Income Taxes*", which provides detailed guidance for the financial statement recognition, measurement, and disclosure of uncertain tax positions. The Company is required to recognize the financial statement impact of a tax position unless it is more likely than not that the position will be sustained upon examination. The Company will account for interest and penalties related to uncertain tax positions, if any, as part of income tax expense. As of December 31, 2025 and 2024, the Company has not incurred interest or penalties. Based on the evaluation of the Company's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the years ended December 31, 2025 and 2024.

The Company's tax returns are subject to examination by the Internal Revenue Service and certain state agencies. However, the Company is not currently under audit, nor has the Company been contacted by any of these jurisdictions.

**Accounting for Leases:** The Company records leases in accordance with ASC 842, "*Leases*". The Company has elected to use a risk-free rate as the discount rate for its operating leases. The Company has elected the short-term lease recognition exemption for all applicable classes of underlying assets. Leases with an initial term of 12 months or less, that do not include an option to purchase the underlying asset that the Company is reasonably certain to exercise, are not recorded on the balance sheets.

## NOTE 3: RELATED PARTY TRANSACTIONS

**Note Payable:** Group has a note payable dated June 5, 2023, in the original amount of $4,375,000 with interest at 12%, which is recorded on R-D. The note requires monthly interest payments and quarterly principal payments of approximately $10,940 until June 5, 2028, at which time all unpaid principal and interest is due. The note has a provision which may require accelerated principal payments categorized as excess cash flow payments under the terms of the agreement. The excess cash flow payment, which is due subsequent to year end, amounted to $157,736 and $75,265 as of December 31, 2025 and 2024, respectively. The note is collateralized by substantially all assets of Group and its subsidiaries and is subject to certain financial covenants. The balances recorded as accrued interest due to related party and due to related party represent principal and interest related to this note payable. Interest expense recorded in the accompanying statement of operations represents the Company's allocated share of interest expense related to this note for the years ended December 31, 2025 and 2024.

Scheduled principal payments on this note payable, which is recorded on R-D, as of December 31, 2025, are as follows:

| Years Ending December 31, | Maturities |
|---|---|
| 2026 | $ 201,486 |
| 2027 | 43,750 |
| 2028 | 3,847,391 |
| | $ 4,092,627 |

## NOTE 4: GOODWILL

Goodwill and the related accumulated amortization consisted of the following as of December 31:

| | 2025 | 2024 |
|---|---|---|
| Goodwill | $ 2,385,504 | $ 2,385,505 |
| Less: accumulated amortization | 616,255 | 377,705 |
| Goodwill, net | $ 1,769,249 | $ 2,007,800 |

Amortization expense for the years ended December 31, 2025 and 2024 was $238,551. Future amortization expense for each of the next five years is estimated to be $238,551.

## NOTE 5: PROPERTY AND EQUIPMENT

Property and equipment as of December 31, consisted of the following:

| | 2025 | 2024 |
|---|---|---|
| Computer and office equipment | $ 60,169 | $ 44,395 |
| Furniture and fixtures | 821 | 821 |
| | 60,990 | 45,216 |
| Less: accumulated depreciation | 22,179 | 12,457 |
| | $ 38,811 | $ 32,759 |

Depreciation expense for the years ended December 31, 2025 and 2024, was $9,722 and $10,163, respectively.

## NOTE 6: LEASING ACTIVITIES

**Operating Lease:** The Company has various month-to-month operating leases. Lease expense for the years ended December 31, 2025 and 2024, was $18,455 and $59,195, respectively.

## NOTE 7: SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2025, the date of the most recent financial statements, have been evaluated for possible adjustment to the financial statements of disclosure is February 26, 2026, which is the date the financial statements were available to be issued.

# UNI K WAX FRANCHISING, LLC

**Audited Financial Statements**

**December 31, 2024 and 2023**

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**NOTIFICATION TO THIRD PARTY USERS OF THIS REPORT**

This report was prepared subject to the terms and conditions set forth in an engagement letter. By relying upon this report, all users shall be deemed to agree to the terms and conditions of that engagement letter. Users intending to rely upon this report should contact the issuer to obtain a copy of its applicable terms and conditions. This report is intended for the exclusive use of the clients of the issuer and others to whom the issuer has expressly granted consent.

**UNI K WAX FRANCHISING, LLC**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors and Members
**Uni K Wax Franchising, LLC**

### Opinion

We have audited the accompanying financial statements of **Uni K Wax Franchising, LLC** (a Delaware limited liability company), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations, changes in member's capital, and cash flows for the year ended December 31, 2024 and the period June 5, 2023 through December 31, 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Uni K Wax Franchising, LLC** as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the year ended December 31, 2024 and the period June 5, 2023 through December 31, 2023 in accordance with accounting principles generally accepted in the United States of America ("GAAP").

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Uni K Wax Franchising, LLC** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Uni K Wax Franchising, LLC**'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of **Uni K Wax Franchising, LLC**'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Uni K Wax Franchising, LLC**'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

GRAY, GRAY & GRAY, LLP

Gray, Gray & Gray, LLP

Canton, MA
February 7, 2025

**UNI K WAX FRANCHISING, LLC**
**BALANCE SHEETS**
**December 31, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **ASSETS** | | |
| **CURRENT ASSETS** | | |
| Cash | **$ 861,367** | $ 1,035,982 |
| Accounts receivable | **44,216** | 43,636 |
| Prepaid expenses and other current assets | **56,310** | 85,224 |
| **TOTAL CURRENT ASSETS** | **961,893** | 1,164,842 |
| **PROPERTY AND EQUIPMENT, NET** | **32,759** | 11,455 |
| **OTHER ASSETS** | | |
| Deposits | **32,524** | 35,121 |
| Goodwill, net | **2,007,800** | 2,246,351 |
| **TOTAL OTHER ASSETS** | **2,040,324** | 2,281,472 |
| **TOTAL ASSETS** | **$ 3,034,976** | $ 3,457,769 |

The accompanying notes are an integral part of these financial statements.

**UNI K WAX FRANCHISING, LLC**
**BALANCE SHEETS**
**December 31, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **LIABILITIES AND MEMBER'S EQUITY** | | |
| **CURRENT LIABILITIES** | | |
| Accounts payable | $ 221,504 | $ 133,820 |
| Accrued expenses | 51,924 | 5,000 |
| Accrued interest due to related party | 43,116 | 43,531 |
| Due to related party | 10,938 | 10,938 |
| Brand fund liability | 63,882 | 88,441 |
| Payroll liabilities | 82,003 | 61,055 |
| Series liability | 432,913 | 716,692 |
| Gift card liability | 33,729 | 23,018 |
| **TOTAL CURRENT LIABILITIES** | 940,009 | 1,082,495 |
| **LONG-TERM LIABILITIES** | | |
| Deferred franchise fee revenue | 592,987 | 359,401 |
| **TOTAL LONG-TERM LIABILITIES** | 592,987 | 359,401 |
| **MEMBER'S CAPITAL** | | |
| Capital contributions | 2,214,454 | 2,129,018 |
| Accumulated deficit | (712,474) | (113,145) |
| **TOTAL MEMBER'S CAPITAL** | 1,501,980 | 2,015,873 |
| **TOTAL LIABILITIES AND MEMBER'S CAPITAL** | $ 3,034,976 | $ 3,457,769 |

The accompanying notes are an integral part of these financial statements.

**UNI K WAX FRANCHISING, LLC**
**STATEMENTS OF OPERATIONS**
**Year Ended December 31, 2024 and for the Period June 5, 2023 through December 31, 2023**

| | 2024 | 2023 |
|---|---|---|
| **REVENUES** | $ 3,324,460 | $ 1,718,556 |
| **COST OF REVENUES** | 736,644 | 277,305 |
| **GROSS PROFIT** | 2,587,816 | 1,441,251 |
| **OPERATING EXPENSES** | | |
| Selling, general and administrative expenses | 2,748,907 | 1,438,232 |
| Depreciation | 10,163 | 2,294 |
| Amortization | 238,551 | 139,154 |
| **TOTAL OPERATING EXPENSES** | 2,997,621 | 1,579,680 |
| **OPERATING LOSS** | (409,805) | (138,429) |
| **OTHER (INCOME) EXPENSES** | | |
| Interest expense | 21,278 | 28,672 |
| Other income | (81,146) | (68,653) |
| Other expenses | 249,392 | 14,697 |
| **TOTAL OTHER (INCOME) EXPENSES** | 189,524 | (25,284) |
| **NET LOSS** | $ (599,329) | $ (113,145) |

The accompanying notes are an integral part of these financial statements.

**UNI K WAX FRANCHISING, LLC**
**STATEMENTS OF CHANGES IN MEMBER'S CAPITAL**
**Year Ended December 31, 2024 and for the Period June 5, 2023 through December 31, 2023**

| | Capital Contributions | Member's Deficit | Total Member's Capital |
|---|---|---|---|
| **BALANCE AT JUNE 5, 2023** | $ 2,129,018 | $ - | $ 2,129,018 |
| **NET LOSS** | - | (113,145) | (113,145) |
| **BALANCE AT DECEMBER 31, 2023** | 2,129,018 | (113,145) | 2,015,873 |
| **CONTRIBUTIONS** | 85,436 | - | 85,436 |
| **NET LOSS** | - | (599,329) | (599,329) |
| **BALANCE AT DECEMBER 31, 2024** | $ 2,214,454 | $ (712,474) | $ 1,501,980 |

The accompanying notes are an integral part of these financial statements.

**UNI K WAX FRANCHISING, LLC**
**STATEMENTS OF CASH FLOWS**
**Year Ended December 31, 2024 and for the Period June 5, 2023 through December 31, 2023**

| | 2024 | 2023 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Net loss | $ (599,329) | $ (113,145) |
| Adjustments to reconcile net loss to net cash provided (used) by operating activities: | | |
| Depreciation expense | 10,163 | 2,294 |
| Amortization expense | 238,551 | 139,154 |
| (Increase) decrease in operating assets: | | |
| Accounts receivable | (580) | (6,509) |
| Prepaid expenses and other current assets | 28,914 | (48,659) |
| Deposits | 2,597 | - |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable | 87,684 | 69,665 |
| Accrued expenses | 46,924 | 5,000 |
| Accrued interest | (415) | 43,531 |
| Due to related party | - | 10,938 |
| Brand fund liability | (24,559) | (1,757) |
| Payroll liabilities | 20,948 | 61,055 |
| Series liability | (283,779) | 156,380 |
| Gift card liability | 10,711 | 1,762 |
| Deferred franchise fee revenue | 233,586 | (4,659) |
| **NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** | (228,584) | 315,050 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchases of property and equipment | (31,467) | (9,067) |
| **NET CASH (USED) BY INVESTING ACTIVITIES** | (31,467) | (9,067) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Contributions | 85,436 | - |
| **NET CASH PROVIDED BY INVESTING ACTIVITIES** | 85,436 | - |
| **INCREASE (DECREASE) IN CASH** | (174,615) | 305,983 |
| **CASH AT BEGINNING OF PERIOD** | 1,035,982 | 729,999 |
| **CASH AT END OF PERIOD** | $ 861,367 | $ 1,035,982 |

The accompanying notes are an integral part of these financial statements.

## NOTE 1: BUSINESS

**Principal Business Activity:** Uni K Wax Franchising, LLC (the "Company") was formed on March 15, 2023, and is the wholly owned subsidiary of Uni K Wax Group, Inc. ("Group"). Group also owns the following entities:

| | |
|---|---|
| Uni K Wax Distribution, LLC ("Distribution") | Uni K Wax Just Natural, LLC ("Just Natural") |
| Uni K Wax R-D, LLC ("R-D") | Uni K Wax Aventura, LLC ("Aventura") |
| Uni K Wax International, LLC ("International") | Uni K Wax South Beach, LLC ("South Beach") |

The Company commenced operations on June 5, 2023 after an asset purchase of UKW Franchising Company, LLC (see Note 3). The accompanying financial statements are for the year ended December 31, 2024, and the period June 5, 2023 through December 31, 2023.

During 2024, South Beach was sold to a third party and the related gain was recorded on Group.

The Company is in the business of selling and managing franchises of Uni K Wax Natural Wax Studio, a service mark of the Company. Uni K Wax Natural Wax Studios offer customers face and body waxing products and hair removal services. The studios use a proprietary natural wax. The studios use a proprietary natural wax. As of December 31, 2023, there were 32 franchised studios in operation and 2 corporate owned studios, South Beach and Aventura. As of December 31, 2024, there were 33 franchised studios in operation and 1 corporate owned studio, Aventura.

## NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

**Use of Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Revenue Recognition:** In accordance with *"Revenue from Contracts with Customers (Topic 606)"* ("ASC 606"), revenues are recognized when control of promised goods or services is transferred to a customer in an amount that reflects the consideration expected to be received for those goods or services.

The Company determines revenue recognition by:

1. Identifying the contract, or contracts, with a customer;
2. Identifying the performance obligations in the contract;
3. Determining the transaction price;
4. Allocating the transaction price to performance obligations in the contract;
5. Recognizing revenue when, or as, the Company satisfies performance obligations by transferring the promised goods or services.

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The following table presents the Company's revenues disaggregated into categories based on the nature of such revenues for the year ended December 31, 2024, and the period June 5, 2023 through December 31, 2023:

| | 2024 | 2023 |
|---|---|---|
| Royalties | $ 1,487,754 | $ 833,282 |
| Franchise fees | 72,664 | 34,659 |
| Management and advertising fees | 1,764,042 | 850,615 |
| | $ 3,324,460 | $ 1,718,556 |

Included in the table above is $384,000 and $224,000 charged to related parties during the year ended December 31, 2024, and the period June 5, 2023 through December 31, 2023, respectively.

The Company generates revenue from franchising through individual franchise agreements, royalties collected from studios, advertising funds, management fees, sales of equipment and training services. When an individual franchise is sold, the Company agrees to provide certain services to the franchisee including assistance in site selection and development, industry training and opening assistance which are all considered separate performance obligations under ASC 606. The franchise agreements require the franchisee to pay an initial, non-refundable fee not to exceed $50,000 ($45,000 initial franchise fee plus $5,000 initial training fee), and continuing royalty fees based upon a percentage of sales. Subject to the Company's approval, renewals and second franchises are offered at a discounted fee. The separate service obligations are accounted for over time as each performance obligation is satisfied. The Company used the cost method to determine the stand-alone selling price for each performance obligation. At studio opening, the remainder of the upfront franchise fee is recognized as revenue over the remaining term of the respective franchise agreement on a straight-line basis. The table below summarizes an example of this revenue recognition for one studio:

| | |
|---|---|
| Revenue recognized when performance obligation is complete | $ 10,000 |
| Revenue recognized over the term of the franchise agreement | 40,000 |
| | $ 50,000 |

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

A summary of deferred franchise fee revenue is below:

| | | |
|---|---|---|
| **Balance at June 5, 2023** | $ | 364,060 |
| Franchise fee received | | 30,000 |
| Amortization of deferred franchise fees | | (34,659) |
| **Balance at December 31, 2023** | | 359,401 |
| **Franchise fee received** | | **306,250** |
| **Amortization of deferred franchise fees** | | **(72,664)** |
| **Balance at December 31, 2024** | **$** | **592,987** |

Future amortization of deferred franchise fee revenue is as follows:

| Years Ending December 31, | | |
|---|---|---|
| 2025 | $ | 89,123 |
| 2026 | | 85,817 |
| 2027 | | 79,946 |
| 2028 | | 75,424 |
| 2029 | | 62,780 |
| Thereafter | | 199,897 |
| | $ | 592,987 |

Continuing royalty fees are generally provided for in the franchise agreements as a percent of franchise net sales. The Company applied the sales-based royalty exception within ASC 606. Royalty revenues are recognized as income in the same period in which the sales occur.

The Company accounts for each sale, training or service as a separate performance obligation. Revenue is recognized when the performance obligation is satisfied which typically occurs at the point in time when the control is transferred. Under most contracts, transfer of control occurs when the equipment is provided to the franchisee and the service or training is completed. Revenue is measured as the amount the Company expects to receive in exchange for transferring equipment, training or service.

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The Company runs a cooperative advertising fund and receives a marketing fee of 2% of sales. The marketing fee is collected from franchised stores to be used to maximize the general public recognition of the brand. Examples include the development of brand assets, general marketing, advertising, and publicity administered by the Company on behalf of the brand. In accordance with ASC 606, the Company acts as the principal in the advertising transactions. The advertising services are not considered a separate performance obligation because the services are not considered distinct as the services are highly integrated with the franchise right. The fund is administered by the Company. Franchisees remit a percentage of sales as consideration for providing the advertising services. Based on the application of the sales-based royalty exception within ASC 606, the revenue is recognized when the sales occur. The Company is obligated to spend excess advertising funds in the future. When advertising revenues exceed the related advertising expense, the Company accrues advertising cost up to the amount of revenue on an annual basis. The expense is including in marketing and promotion and the revenue is recorded in the franchise contributions for advertising.

Amounts accrued related to funds collected and not expended were $63,882 and $88,441 as of December 31, 2024 and 2023, respectively. The Company recorded revenue and expenses of $460,151 and $245,137 related to the advertising fund ("Brand Fund") for the year ended December 31, 2024 and the period June 5, 2023 through December 31, 2023, respectively.

The Company offers customers the opportunity to purchase multiple waxing services in a series, typically at a discount. The Company records a liability for monies collected for gift card and series sales to be redeemed at franchisee studios, the liability for which is reduced at the time of redemption. Gift cards do not have an expiration date, while series generally expire two years from the date of issue. Gift card breakage, the amount of gift cards which will not be redeemed, is recognized using estimates based on historical redemption patterns. If the actual redemptions vary from the estimated breakage, gift card breakage income may differ from the amount recorded. Income from series and gift card breakage combined amounted to $81,146 and $68,653 for the year ended December 31, 2024 and the period June 5, 2023 through December 31, 2023, respectively.

The timing of revenue recognition, billings and cash collections results in accounts receivable (contract asset), and brand fund liabilities, series liability, gift card liabilities and deferred franchise fee revenue (contract liabilities) on the balance sheet. Below is a summary of the contract assets and contract liabilities at the beginning and end of each period:

| | December 31, 2024 | December 31, 2023 | June 5, 2023 |
|---|---|---|---|
| Accounts receivable | **$ 44,216** | $ 43,636 | $ 37,127 |
| Brand fund liability | **$ (63,882)** | $ (88,441) | $ (90,198) |
| Series liability | **$ (432,913)** | $ (716,692) | $ (560,312) |
| Gift card liability | **$ (33,729)** | $ (23,018) | $ (21,256) |
| Deferred franchise fee revenue | **$ (592,987)** | $ (359,401) | $ (364,060) |

**NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash:** The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits.

**Accounts Receivable:** Accounts receivable are primarily derived from franchise fees, royalties, transfer and other fees and are carried at the original invoice amount. The Company recognizes an expected allowance for credit losses in accordance with Accounting Standard Update 2016-13 Financial Instruments – Credit Losses ("FASB ASC 326") which is updated each period to reflect any changes in credit risk since the receivable was initially recorded. This estimate is calculated on a pooled basis where similar risk characteristics exist. The allowance estimate is derived from a review of the company's historical losses based on the aging of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Company. Management believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Company's portfolio segment have remained constant since the Company's inception. The Company has determined no reserve for credit losses was necessary as of December 31, 2024 and 2023.

The Company writes off receivables when there is information that indicates the customer is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery. The total amount of write-offs was immaterial to the financial statements as a whole for the year ending December 31, 2024, and the period June 5, 2023 through December 31, 2023.

**Property and Equipment:** Property and equipment are stated at cost, net of accumulated depreciation. Property and equipment are depreciated when placed into service using the straight-line method over the estimated useful lives of the assets. The useful lives are as follows:

| | Estimated Useful Lives |
|---|---|
| Computer and office equipment | 3 to 10 Years |
| Furniture and fixtures | 3 to 5 Years |

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are expensed as incurred.

**Goodwill:** The Company accounts for goodwill in conformity with the requirements of Accounting Standards Codification ASC 350, "*Intangibles - Goodwill and Other Intangible Assets*". Goodwill arising from business combinations represents the excess of the purchase price over the fair value of the net assets acquired and is amortized on a straight-line basis over a period of ten (10) years. Goodwill is tested for impairment only when a triggering event occurs. Impairment is the condition that exists when the carrying amount of goodwill exceeds its implied fair value. The Company has determined no triggering event has occurred.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Impairment of Long-Lived Assets:** The Company continually reviews its long-lived assets for events or changes in circumstances that indicate the book value of the asset may not be recoverable. As of December 31, 2024 and 2023, Company management believes no impairment is warranted.

**Advertising and Marketing Costs:** Advertising and marketing costs are expensed as incurred. Advertising and marketing expense was $630,621 and $320,096 for the year ended December 31, 2024, and the period June 5, 2023 through December 31, 2023, respectively.

**Other Expenses:** The Company classifies expenses that are infrequent or unusual in nature and/or unrelated to the operations of the Company as other expenses in the accompanying statements of operations. A majority of the expense recorded during the year ended December 31, 2024, was for severance to now former employees and recruiting fees.

**Business Combinations:** Business combinations are accounted for using the purchase method of accounting, whereby the purchase price of the acquisition, including the fair value of contingent consideration, is allocated to the assets acquired and liabilities assumed using the fair values determined by management as of the acquisition date. The results of operations of all business acquisitions are included in the accompanying financial statements from the date of acquisition.

Goodwill, as of the acquisition date, is measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed. While the Company uses its best estimates and assumptions as part of the purchase price allocation process to accurately value assets acquired and liabilities assumed at the acquisition date, the Company's estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date to the extent the Company identifies adjustments to the purchase price or the purchase price allocation, the Company records adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the statements of income.

The Company applies an accounting alternative allowed for private companies which simplifies the accounting for certain identifiable intangible assets in a business combination. The value of these assets, such as customer relationships, is not separately identified, but is instead effectively subsumed into goodwill.

All acquisition related expenses incurred in connection with a business combination are expensed as incurred and are reflected as transaction expenses in the accompanying statement of operations.

## NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Income Taxes:** The Company is a limited liability company. There is no federal and state tax provision, as all of the income and loss is reported on the member's income tax returns. However, in certain circumstances, the Company may be required to pay entity level state income taxes.

**Accounting for Uncertain Tax Positions:** These financial statements are in accordance with FASB ASC 740, "*Income Taxes*", which provides detailed guidance for the financial statement recognition, measurement, and disclosure of uncertain tax positions. The Company is required to recognize the financial statement impact of a tax position unless it is more likely than not that the position will be sustained upon examination. The Company will account for interest and penalties related to uncertain tax positions, if any, as part of income tax expense. As of December 31, 2024 and 2023, the Company has not incurred interest or penalties. Based on the evaluation of the Company's tax positions, management believes all positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions has been recorded for the year ended December 31, 2024, and the period June 5, 2023 through December 31, 2023.

The Company's tax returns are subject to examination by the Internal Revenue Service and certain state agencies. However, the Company is not currently under audit nor has the Company been contacted by any of these jurisdictions.

**Accounting for Leases:** The Company records leases in accordance with ASC 842, "*Leases*". The Company has elected to use a risk-free rate as the discount rate for its operating leases. The Company has elected the short-term lease recognition exemption for all applicable classes of underlying assets. Leases with an initial term of 12 months or less, that do not include an option to purchase the underlying asset that the Company is reasonably certain to exercise, are not recorded on the balance sheets.

## NOTE 3: RELATED PARTY TRANSACTIONS

**Acquisition:** Effective June 5, 2023, Group acquired substantially all assets and assumed certain liabilities of UKW Franchising Company, LLC, UKW Holding Company, UKW Distribution Center, LLC, UKW International LLC, Aventura Waxing Inc., and South Beach Waxing LLC under an asset purchase and contribution agreement ("APCA") dated April 18, 2023. The APCA also included the purchase of substantially all assets of UKW Holding Company, UKW Distribution Center, LLC, UKW International LLC, Aventura Waxing Inc., and South Beach Waxing LLC. The APCA allocated $2,499,000 of the purchase price to the Company, of which $2,385,505 was recorded as goodwill, which management believes approximates fair value.

Under an intellectual property purchase and assignment agreement ("IPPAA") dated June 5, 2023, Uni K Wax Group, Inc. acquired the IP and inventory of Just Natural Trading, LLC.

## NOTE 3: RELATED PARTY TRANSACTIONS (CONTINUED)

**Note Payable:** Group has a note payable dated June 5, 2023, in the original amount of $4,375,000 with interest at 12%, which is recorded on R-D. The note requires monthly interest payments and quarterly principal payments of approximately $10,940 until June 5, 2028, at which time all unpaid principal and interest is due. The note has a provision which may require accelerated principal payments categorized as excess cash flow payments under the terms of the agreement. The excess cash flow payment, which is due subsequent to year end, amounted to $75,265 and $97,733 as of December 31, 2024 and 2023, respectively. The note is collateralized by substantially all assets of Group and its subsidiaries and is subject to certain financial covenants. The balances recorded as accrued interest due to related party and due to related party represent principal and interest related to this note payable. Interest expense recorded in the accompanying statement of operations represents the Company's allocated share of interest expense related to this note for the year ended December 31, 2024, and the period June 5, 2023 through December 31, 2023.

Scheduled principal payments on this note payable, which is recorded on R-D, as of December 31, 2024 are as follows:

| Years Ending December 31, | Maturities |
|---|---|
| 2025 | $ 119,016 |
| 2026 | 43,750 |
| 2027 | 43,750 |
| 2028 | 4,005,127 |
| | $ 4,211,643 |

## NOTE 4: GOODWILL

Goodwill and the related accumulated amortization consisted of the following as of December 31:

| | 2024 | 2023 |
|---|---|---|
| Goodwill | **$ 2,385,505** | $ 2,385,505 |
| Less: accumulated amortization | **377,705** | 139,154 |
| Goodwill, net | **$ 2,007,800** | $ 2,246,351 |

Amortization expense for the year ended December 31, 2024, and the period June 5, 2023 through December 31, 2023 was $238,551 and $139,154, respectively. Future amortization expense for each of the next five years is estimated to be $238,551.

## NOTE 5: PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31:

| | 2024 | 2023 |
|---|---|---|
| Computer and office equipment | $ 44,395 | $ 12,928 |
| Furniture and fixtures | 821 | 821 |
| | 45,216 | 13,749 |
| Less: accumulated depreciation | 12,457 | 2,294 |
| | $ 32,759 | $ 11,455 |

Depreciation expense for the year ended December 31, 2024, and the period June 5, 2023 through December 31, 2023 was $10,163 and $2,294, respectively.

## NOTE 6: LEASING ACTIVITIES

**Operating Lease:** The Company has various leases under a month-to-month operating lease. Lease expense for the year ended December 31, 2024, and the period June 5, 2023, through December 31, 2023 was $59,195 and $82,408, respectively.

## NOTE 7: SUBSEQUENT EVENTS

The date to which events occurring after December 31, 2024, the date of the most recent financial statements, have been evaluated for possible adjustment to the financial statements of disclosure is February 7, 2025, which is the date the financial statements were available to be issued.

**EXHIBIT "H"**

**TO DISCLOSURE DOCUMENT**

**OTHER AGREEMENTS**

# EXHIBIT "H"-1

## STATE ADDENDA

*[See Attached]*

**STATE ADDENDA AND AMENDMENTS TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES**

## BACKGROUND AND PURPOSE

The following modifications are made to the UNI K WAX® Franchise Disclosure Document ("FDD" or "Disclosure Document") issued by Uni K Wax Franchising, LLC ("we" or "us" or "franchisor") to franchisee ("you" or "franchisee") and may supersede, to the extent required by applicable state law, certain portions of the Franchise Agreement between you and us dated _____, 202__ (the "Franchise Agreement"). When the term "Supplemental Agreements" is used, it means any area development agreement, area representative agreement, master franchise agreement, or similar agreement entered into between us and you, if applicable.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement, Supplemental Agreements and other documents related to the sale of a franchise. This State-Specific Addendum ("State Addendum") will modify these agreements to comply with the applicable state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum (but only the State Addendum for the applicable State) will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements. If you sign this State Addendum, only the terms applicable to the state or states whose franchise laws apply to your transaction will govern. If you sign this State Addendum, but none of the state franchise laws listed above applies because their jurisdictional requirements have not been met, then this State Addendum will be void and inapplicable to you.

**CALIFORNIA ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT**

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the Disclosure Document.

2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

3. Neither the franchisor nor any person or franchise broker in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

4. The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees listed in the Disclosure Document may be one source of this information.

5. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a Franchise Agreement or Supplemental Agreement restricting venue to a forum outside the State of California.

6. The Franchise Agreement and Supplemental Agreements may provide for termination upon bankruptcy. Any such provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

7. The Franchise Agreement and Supplemental Agreements may contain a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

8. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Supplemental Agreements may not be enforceable.

9. California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement or Supplemental Agreements contain a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.

10. You must sign a general release of claims if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

11. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT https://dfpi.ca.gov/.

12. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any

statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

13. California's Franchise Investment Law (Corporations Code section 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

## HAWAII

1. The following is added to the Cover Page:

   **THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED IN THIS FRANCHISE DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.**

   **THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.**

   **THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.**

2. Our registered agent in the state authorized to receive service of process:

   Commissioner of Securities of the State of Hawaii
   Department of Commerce and Consumer Affairs
   Business Registration Division
   335 Merchant Street, Room 203
   Honolulu, Hawaii 96813

3. The states in which this filing is effective are listed on the Exhibit to the FDD titled "State Effective Dates".

4. The states in which this filing is or will be shortly on file include the following: _____

5. The states, if any, which have refused, by order or otherwise, to register these franchises include the following: _____

6. The states, if any, which have revoked or suspended the right to offer these franchises include the following: _____

7. The states, if any, in which the filing of these franchises has been withdrawn include the following: _____

## ILLINOIS

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705, the Disclosure Document and the Franchise Agreement and Supplemental Agreements are amended as follows:

1. Illinois law shall apply to and govern the Franchise Agreement and Supplemental Agreements.

2. In accordance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the Franchise Agreement and Supplemental Agreements that designated jurisdiction and venue in a forum outside of the State of Illinoi is void. However, the Franchise Agreement and Supplemental Agreements may provide for arbitration to take place outside of Illinois.

3. Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

5. The Franchise Agreement and Supplemental Agreements are amended to state the following:

To the extent that any provision in the Illinois State Addendum is inconsistent with any provision in this Agreement, the provision in the Illinois State Addendum shall control.

## INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement and Supplemental Agreements are amended as follows:

1. The laws of the State of Indiana supersede any provisions of the Disclosure Document, Franchise Agreement and Supplemental Agreements if such provisions are in conflict with Indiana law.

2. The Franchise Agreement and Supplemental Agreements are amended to provide that such agreements will be construed in accordance with the laws of the State of Indiana.

3. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement and Supplemental Agreement issued in the State of Indiana.

4. The prohibition by Indiana Code § 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as material breach of the Franchise Agreement or Supplemental Agreement (as applicable), shall supersede the provisions of the Franchise Agreement or Supplemental Agreement (as applicable) in the State of Indiana to the extent they may be inconsistent with such prohibition.

5. Termination penalties are prohibited by law in the State of Indiana. Therefore, the Disclosure Document, the Franchise Agreement and Supplemental Agreements are amended to delete all references to any fees or other financial obligations that constitute termination penalties under Indiana law.

6. No release language set forth in the Disclosure Document or Franchise Agreement or Supplemental Agreement shall relieve franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana. Any provision in the Franchise Agreement or Supplemental Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

## MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law (the "Maryland Franchise Law"), the Disclosure Document is amended as follows:

1. Item 17 of the Disclosure Document is amended to add the following:

    a. The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply any liability under the Maryland Franchise Registration and Disclosure Law.

    b. A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

    c. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

    d. In the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail.

    e. The Franchise Agreement and Supplemental Agreements provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

2. The Franchise Disclosure Questionnaire, which is attached as an Exhibit to the Disclosure Document, is amended as follows:

    All representations requiring prospective franchisees to assent to the release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

    In recognition of the requirements of the Maryland Franchise Law, the Franchise Agreement and Supplemental Agreements are amended to add the following:

3. Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.

4. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.

5. You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Law.

6. The Franchise Questionnaire that you completed in connection with your application for the franchise requires you, as a prospective franchisee, to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Law as a condition to your purchase of the franchise. Any such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Law.

7. Any acknowledgements or representations by you that disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Law are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Law.

8. Nothing in the Franchise Agreement, Supplemental Agreement or in any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document.

## MICHIGAN

**THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.**

Each of the following provisions is void and unenforceable if contained in any document relating to a franchise:

(j) A prohibition on the right of a franchisee to join an association of franchisees.

(k) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(l) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(m) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(n) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(o) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(p) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(v) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(vi) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(vii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(viii) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(q) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if

the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(r) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

**THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.**

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
CONSUMER PROTECTION DIVISION
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

## MINNESOTA

In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et. seq., the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a release that would relieve any person from liability imposed by Minnesota Statutes, Chapter 80C.

2. We will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement or Supplemental Agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

3. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of your rights as provided for in Minnesota Statues, chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. In addition, we will comply with the provisions of Minnesota Rule 2860.4400(J), which state that you cannot waive any rights, you cannot consent to our obtaining injunctive relief, we may seek injunctive relief, and a court will determine if a bond if required.

4. We will comply with Minnesota Statute Section 80C.12, Subd. 1(g), which requires that we protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

5. We will comply with Minnesota Statute Section 80C.17, Subd. 5 regarding limitation of claims.

6. NSF checks and related interest and attorneys' fees are governed by Minnesota Statute §604.113, which puts a cap of $30 on initial service charges and requires notice and opportunity to cure prior to assessing interest and attorneys' fees.

7. Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

8. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with this franchise.

## NEW YORK

In recognition of the requirements of the General Business Laws of the State of New York, Article 33, §§680 through 695, the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. The following information is added to the cover page of the Disclosure Document:

   **INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

2. The following is added at the end of Item 3 of the Disclosure Document:

   Except as provided above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

   A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

   B. No such party has pending actions other than routine litigation incidental to the business that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

   C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

   D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

   However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the non- waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by a franchisee": "You may terminate the agreement on any grounds available by law."

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum," and Item 17(w), titled "Choice of law":

   The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

## NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law (the "North Dakota Franchise Law"), the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Covenants not to compete are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Law. Item 17® of the Disclosure Document and certain provisions in the Franchise Agreement and Supplemental Agreements include certain covenants restricting competition to which you must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statue, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Law. The Disclosure Document, Franchise Agreement and Supplemental Agreements are amended accordingly to the extent required by law.

2. Provisions requiring arbitration or mediation to be held at a location that is remote from the site of the franchisee's business are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, the parties must agree on the site where arbitration or mediation will be held.

3. Provisions requiring jurisdiction in a state other than North Dakota are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.

4. Provisions requiring that agreements be governed by the laws of a state other than North Dakota are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.

5. Provisions requiring your consent to liquidated or termination damages are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.

6. Provisions requiring you to sign a general release upon renewal of the franchise agreement have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

7. Provisions requiring you to pay all costs and expenses incurred by us in enforcing the franchise agreement have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, any such provision is modified to read that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

8. Provisions requiring you to consent to a waiver of trial by jury have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

9. Provisions requiring you to consent to a limitation of claims within one year have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, any such provision is modified to read that the statute of limitations under North Dakota Law will apply.

10. Provisions requiring you to consent to a waiver of exemplary and punitive damages have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Invest Law.

## RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act (the "Rhode Island Franchise Law"), the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. We will not require that you prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Rhode Island Franchise Law. This provision does not apply to the settlement of disputes, claims, or civil lawsuits brought under the Rhode Island Franchise Law.

2. Section 19-28.1-14 of the Rhode Island Franchise Law provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." If a claim is enforceable under the Rhode Island Franchise Law, we will not restrict jurisdiction or venue to a forum outside the State of Rhode Island or require the application of the laws of another state.

3. We will not prohibit you from joining a trade association or association of franchisees. We will not retaliate against you for engaging in these activities.

4. Any provision in the Franchise Agreement that limits the time period in which you may assert a legal claim against us under the Rhode Island Franchise Law is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Rhode Island Franchise Law. Notwithstanding the foregoing, if a rescission offer has been approved by the Rhode Island director of business registration, then the statute of limitations is ninety (90) days after your receipt of the rescission offer.

## VIRGINIA

In recognition of the requirements of the Virginia Retail Franchising Act, the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Item 17 of the Disclosure Document is amended to add the following:

   Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or Supplemental Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

   Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee/area developer to surrender any right given to him under the applicable agreement.

2. If any provision of the Franchise Agreement or any Supplemental Agreement involves the use of undue influence by the franchisor to induce a franchisee/area developer to surrender any rights given to him under the applicable agreement, that provision may not be enforceable.

3. We will not require that you prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Virginia Retail Franchising Act. This provision does not prohibit you and us from entering into binding arbitration consistent with the Virginia Retail Franchising Act.

4. Any provision in the Franchise Agreement or Supplemental Agreement that limits the time period in which you may assert a legal claim against us under the Virginia Retail Franchising Act is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Virginia Retail Franchising Act.

5. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it shall be unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or Supplemental Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

6. Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.

7. Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act ("Act"), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

## WASHINGTON

In recognition of the requirements of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, will prevail.

2. RCW 19.100.180 may supersede the Franchise Agreement and Supplemental Agreements in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Franchise Agreement and Supplemental Agreements in your relationship with the franchisor including the areas of termination and renewal of your franchise.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

## WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement and Supplement Agreements (if applicable) if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

***(Signatures on following page)***

## APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("**Addenda**") is checked as an "Applicable Addenda" below, then that Applicable Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement, Supplemental Agreements (if applicable) and any other specified agreement(s) entered into by us and the undersigned franchisee. To the extent any terms of an applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement, Supplemental Agreement (if applicable) and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

| | | |
|---|---|---|
| ☐ California | ☐ Michigan | ☐ South Dakota |
| ☐ Hawaii | ☐ Minnesota | ☐ Virginia |
| ☐ Illinois | ☐ New York | ☐ Washington |
| ☐ Indiana | ☐ North Dakota | ☐ Wisconsin |
| ☐ Maryland | ☐ Rhode Island | |

Dated: _____, 202____

**FRANCHISOR:**

Uni K Wax Franchising, LLC

By: _____

Title: _____

**FRANCHISEE:**

_____

By: _____

Title: _____

# EXHIBIT "H"-2

## FRANCHISEE DISCLOSURE QUESTIONNAIRE

*[See Attached]*

**MAY NOT BE SIGNED OR USED IF FRANCHISEE RESIDES WITHIN, OR THE FRANCHISED BUSINESS WILL BE LOCATED WITHIN, CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON OR WISCONSIN.**

## FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know Uni K Wax Franchising, LLC ("we" or "us), and you are preparing to enter into a Franchise Agreement for the operation of a UNI K WAX® franchise. We require that you complete this Questionnaire (a) so that we can determine whether our franchise sales team followed proper sales procedures and (b) to provide us with reasonable assurance that, prior to signing the Franchise Agreement, you have had an adequate opportunity to review the Franchise Disclosure Document and its attachments, consult with legal and/or business advisors of your choosing, and ask us questions about any disclosures or terms that you do not understand. **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document but you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses to each question.

| | | | |
|---|---|---|---|
| Yes__ | No__ | l. | Have you received from us and personally reviewed the Franchise Agreement and, if applicable, Area Development Agreement ("ADA"), together with all attachments to those agreements?<br>*[If you answer "no," please explain in Explanation Section]* |
| Yes__ | No__ | 2. | Have you received from us and personally reviewed a Franchise Disclosure Document ("FDD")?<br>*[If you answer "no," please explain in Explanation Section]* |
| Yes__ | No__ | 3. | Did you sign a receipt for the FDD indicating the date you received it? |
| Yes__ | No__ | 4. | Do you understand all the information contained in the FDD, Franchise Agreement and ADA (if applicable)?<br>*[If you answer "no," please identify any information you don't understand in Explanation Section]* |
| Yes__ | No__ | 5. | Did you receive the FDD at least 14 calendar days before signing any agreement relating to the franchise (other than an NDA) or paying any money? |
| Yes__ | No__ | 6. | Did you receive a complete execution copy of the Franchise Agreement and ADA (if applicable), with all material terms filled in, at least seven (7) calendar days before you signed it? |
| Yes__ | No__ | 7. | Have you reviewed the FDD, Franchise Agreement and ADA (if applicable) with a lawyer, accountant or other professional advisor? |
| Yes__ | No__ | 8. | Have you discussed the benefits and risks of developing and operating a UNI K WAX® franchise with an existing UNI K WAX® franchisee? |
| Yes__ | No__ | 9. | Do you understand the risks of developing and operating a UNI K WAX® franchise? |
| Yes__ | No__ | 10. | Do you understand the success or failure of your franchise will depend in part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs and other relevant factors? |
| Yes__ | No__ | 11. | Do you understand that the Franchise Agreement, ADA (if applicable) and the attachments to those agreements contain the entire agreement between us and you concerning the franchise for the UNI K WAX® franchise, meaning any prior oral or written statements not set out in the Franchise Agreement, ADA or the attachments will not be binding? |

Yes__ No__ 12. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the costs involved in operating a UNI K WAX® franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

*[If you answer "yes," please describe the statement or promise in Explanation Section]*

Yes__ No__ 13. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the training, assistance or support that will be provided to you that is not contained in the FDD or that is contrary to, or different from, the information in the FDD?

*[If you answer "yes," please describe the statement or promise in Explanation Section]*

Yes__ No__ 14. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the actual, average, projected or hypothetical profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a UNI K WAX® business may generate, other than any information included in Item 19 of the FDD?

*[If you answer "yes," please describe the statement or promise in Explanation Section]*

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

| | |
|---|---|
| Signature of Franchise Applicant | Signature of Franchise Applicant |
| Name (please print) | Name (please print) |
| Dated _____ | Dated _____ |
| Signature of Franchise Applicant | Signature of Franchise Applicant |
| Name (please print) | Name (please print) |
| Dated _____ | Dated _____ |

EXPLANATION SECTION

Please include any explanations below and refer to the applicable question number.

# EXHIBIT "H"-3

**GENERAL RELEASE**

*[See Attached]*

**WAIVER AND RELEASE OF CLAIMS**

This Waiver and Release of Claims (this "Agreement") is made as of _____, 202__ (the "Effective Date") by _____, a(n) _____ ("you") and each individual holding a direct or indirect ownership interest in you (collectively "Owner") in favor of Uni K Wax Franchising, LLC, a Delaware limited liability company ("us," and together with you and Owner, the "Parties").

**Background**

A. We signed a Franchise Agreement with you, dated _____, 202__ (the "Franchise Agreement") pursuant to which we granted you the right to own and operate a UNI K WAX® studio.

B. You have notified us of your desire to *[transfer the Franchise Agreement and all rights related thereto, or an ownership interest in the franchisee entity, to a transferee,] [enter into a successor franchise agreement]* and we have *[consented to such transfer] [agreed to enter into a successor franchise agreement]*.

C. As a condition to *[our consent to the transfer] [your ability to enter into a successor franchise agreement]*, you and Owner have agreed to execute this Agreement upon the terms and conditions stated below.

D. In consideration of our *[consent to the transfer] [entering into a successor franchise agreement]*, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, you and Owner hereby agree as set forth below.

**Agreement**

1. Release. Owner, you, and each of your officers, directors, shareholders, members, owners, employees, agents, representatives, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them (the "Franchisee Parties"), hereby release, acquit and forever discharge us, any and all of our past and present affiliates, parents, subsidiaries and related companies, divisions and partnerships, consultants, advisors and franchise sellers and its and their respective past and present officers, directors, shareholders, members, owners, employees, agents, representatives, affiliates, parents, divisions, successors and assigns, and the spouses of such individuals (collectively, the "Franchisor Parties"), from any and all claims, liabilities, damages, expenses, actions or causes of action which any of the Franchisee Parties may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, directly or indirectly arising out of or relating to the execution and performance (or lack thereof) of the Franchise Agreement or the offer, sale or acceptance of the franchise related thereto (including, but not limited to any disclosures and representations made in connection therewith). The foregoing release shall not be construed to apply with respect to any obligations contained within this Agreement.

2. California Law. You and Owner hereby express your intention to release all existing claims, whether known or unknown, against the Franchisor Parties. Accordingly, you and Owner hereby waive §1542 of the California Civil Code, which provides the following:

   "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

   [Section 2 only applies for California franchisees; otherwise it is omitted]

3. Washington Franchise Law. The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

   [Section 3 only applies for Washington franchisees; otherwise it is omitted]

4. Nondisparagement. Each of the Franchisee Parties expressly covenant and agree not to make any false representation of facts, or to defame, disparage, discredit or deprecate any of the Franchisor Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Franchisor Parties, the business conducted by any of the Franchisor Parties or the reputation of any of the Franchisor

Parties. For purposes of clarity, the obligations in this Section apply to all methods of communications, including the making of statements or representations through direct verbal or written communication as well as the making of statements or representations on the Internet, through social media sites or through any other verbal, digital or electronic method of communication. The obligations in this Section also prohibit the Franchisee Parties from indirectly violating this Section by influencing or encouraging third parties to engage in activities that would constitute a violation of this Section if conducted directly by a Franchisee Party.

5. Representations and Warranties. You and Owner each represent and warrant that: (a) [Insert franchisee entity name] is duly authorized to execute this Agreement and perform its obligations hereunder; (b) neither you nor Owner has assigned, transferred or conveyed, either voluntarily or by operation of law, any of their rights or claims against any of the Franchisor Parties or any of the rights, claims or obligations being terminated or released hereunder; (c) you and Owner have not and shall not (i) institute or cause to be instituted against any of the Franchisor Parties any legal proceeding of any kind, including the filing of any claim or complaint with any state or federal court or regulatory agency, alleging any violation of common law, statute, regulation or public policy premised upon any legal theory or claim whatsoever relating to the matters released in this Agreement or (ii) make any verbal, written or other communication that could reasonably be expected to damage or adversely impact any Franchisor Party's reputation or goodwill; and (d) the individuals identified as Owners on the signature pages hereto together hold 100% of the legal and beneficial ownership interests in [Insert franchisee entity name].

6. Communications with Governmental Authorities. Nothing in this Agreement shall restrict or be deemed to preclude you from disclosing truthful information to governmental authorities in response to any request for information you receive from them.

7. Miscellaneous.

   (a) The Parties agree that each has read and fully understands this Agreement and that the opportunity has been afforded to each Party to discuss the terms and contents of said Agreement with legal counsel and/or that such a discussion with legal counsel has occurred.

   (b) This Agreement shall be construed and governed by the laws of the State of Florida.

   (c) In the event that it shall be necessary for any Party to institute legal action to enforce, or for the breach of, any of the terms and conditions or provisions of this Agreement, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

   (d) All of the provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective current and future directors, officers, partners, attorneys, agents, employees, shareholders and the spouses of such individuals, successors, affiliates, and assigns.

   (e) This Agreement contains the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes and is in lieu of all prior and contemporaneous agreements, understandings, inducements and conditions, expressed or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. This Agreement may not be modified except in a writing signed by each of the Parties.

   (f) If one or more of the provisions of this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

   (g) The Parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as any Party may reasonably require to consummate, evidence, or confirm the transactions contemplated hereby.

   (h) This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute but one document.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

**FRANCHISEE:**

_____

By: _____
Name: _____
Title: _____

**FRANCHISE OWNERS:**

_____
Name: _____

_____
Name: _____

_____
Name: _____

**EXHIBIT "I"**

**TO DISCLOSURE DOCUMENT**

**STATE EFFECTIVE DATES**

## State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

| State | Effective Date |
|---|---|
| California | |
| Hawaii | |
| Illinois | |
| Indiana | |
| Maryland | |
| Michigan | September 16, 2025 (amended April 20, 2026) |
| Minnesota | |
| New York | |
| North Dakota | |
| Rhode Island | |
| South Dakota | |
| Virginia | |
| Washington | |
| Wisconsin | |

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**EXHIBIT "J"**

**TO DISCLOSURE DOCUMENT**

**RECEIPTS**

*[See Attached]*

# RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Uni K Wax Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Uni K Wax Franchising, LLC does not deliver this Disclosure Document on time, or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency listed in EXHIBIT "A" to this Disclosure Document.

The franchise seller(s) involved with the sale of this franchise is/are:

____ Heather Harris; 117 NW 9th Terrace, Bay#1, Hallandale Beach, Florida 33009; (954) 246-0882

____ Herbert Zea; 117 NW 9th Terrace, Bay#1, Hallandale Beach, Florida 33009; (305) 949-9294

____ Aimee Kirvan; 3 Glen Burnie Ct., Sicklerville, New Jersey 08081; (856) 534-6727

____ Gary Occhiogrosso; 700-76 Broadway Suite 108, Westwood, New Jersey 07675; (917) 991-2465

_____ (other)

Issuance Date: April 20, 2026

Uni K Wax Franchising, LLC's agent to receive service of process is listed in EXHIBIT "A" to this Disclosure Document (for franchise registration states) or EXHIBIT "B" to this Disclosure Document (for all other states).

I received a Franchise Disclosure Document that included the following Exhibits:

| | |
|---|---|
| EXHIBIT "A" | List of State Administrators and Agents for Service of Process |
| EXHIBIT "B" | Agent for Service of Process |
| EXHIBIT "C" | Franchise Agreement |
| EXHIBIT "D" | Area Development Agreement |
| EXHIBIT "E" | Table of Contents of the confidential Brand Standards Manual |
| EXHIBIT "F" | List of Franchisees |
| EXHIBIT "G" | Financial Statements of Uni K Wax Franchising, LLC |
| EXHIBIT "H" | Other Agreements |
| EXHIBIT "H"-1 | State Addenda |
| EXHIBIT "H"-2 | Franchisee Disclosure Questionnaire |
| EXHIBIT "H"-3 | General Release |
| EXHIBIT "I" | State Effective Dates |
| EXHIBIT "J" | Receipts |

_____
Print Name

_____ _____
Date (Signature) Prospective Franchise Owner

_____

(This Receipt should be executed in duplicate. One Receipt must be signed and remains in the Franchise Disclosure Document as the prospective franchise owner's copy. The other Receipt must be signed and returned to Uni K Wax Franchising, LLC.)

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Uni K Wax Franchising, LLC offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale. New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

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_____ (other)

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| EXHIBIT "E" | Table of Contents of the confidential Brand Standards Manual |
| EXHIBIT "F" | List of Franchisees |
| EXHIBIT "G" | Financial Statements of Uni K Wax Franchising, LLC |
| EXHIBIT "H" | Other Agreements |
| EXHIBIT "H"-1 | State Addenda |
| EXHIBIT "H"-2 | Franchisee Disclosure Questionnaire |
| EXHIBIT "H"-3 | General Release |
| EXHIBIT "I" | State Effective Dates |
| EXHIBIT "J" | Receipts |

_____
Print Name

_____ _____
Date (Signature) Prospective Franchise Owner

_____

(This Receipt should be executed in duplicate. One Receipt must be signed and remains in the Franchise Disclosure Document as the prospective franchise owner's copy. The other Receipt must be signed and returned to Uni K Wax Franchising, LLC.)