FRANCHISE DISCLOSURE DOCUMENT

LOVELY BRIDE®

Lovely Franchising LLC
PO Box 5240
Westport CT 06881
Telephone: (855) 568-3592
Email: biz@lovelybride.com
Website: www.lovelybride.com

The franchise offered is for the operation of a business under the name Lovely Bride® engaged in the operation of a bridal shop selling wedding gowns, occasion dresses and accessories.

The total investment necessary to begin operation of a Lovely Bride franchise ranges from $250,000 to $600,000. This includes $25,000, which must be paid to the Franchisor.

This disclosure document summarizes certain provisions of your Franchise 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 Lanie List at (855) 568-3592, biz@lovelybride.com or at PO Box 5240, Westport CT 06881.

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 an 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. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 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: August 3, 2022.

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 D.
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 E 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 Amazing Athletes business 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 an Amazing Athletes franchisee?	Item 20 or Exhibit D 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 requires you to resolve disputes with the franchisor by mediation arbitration and/or litigation only in New York. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in New York than in your own state.
2. **Spousal Liability**. Your spouse may be required to 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.
3. **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.

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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ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, "we," "us" or "our" means Lovely Franchising LLC, the "Franchisor." "You" means the individual, corporation, limited liability company or partnership who buys the franchise, the "Franchisee." If Franchisee is a corporation, limited liability or partnership, then "you" also includes Franchisee's shareholders, members or partners.

The Franchisor:

We are a New York Limited Liability Company formed on May 30, 2012. We do business under the name "Lovely Bride®." Our principal business mailing address is PO Box 5240, Westport CT 06881. Our telephone number is (855) 568-3592 and our email address is biz@lovelybride.com. Our agents for service of process in the states whose franchise laws require us to name a state agency as agent for service of process are shown on Exhibit A.

We are offering franchises for a business engaged in operating a bridal shop selling wedding gowns, occasion dresses and accessories. Our designers are a combination of well-known brand names and up-and-coming designers discovered by our staff. Combined with a homey atmosphere and a hip team of stylists, a Lovely Bride® store is an aspirational environment that resembles a cool ready-to-wear boutique.

We have offered Lovely Bride® franchises since September, 2012. We have not offered franchises in any other line of business. We do not currently operate any business of the kind described in this disclosure document. We do not operate any other type of business.

Our Parents, Predecessor and Affiliates:

We do not have any predecessors or parents.

We currently have four (4) affiliates. Lovely Bride, LLC, formed in New York on November 26, 2009. Lovely Bride, LLC operates a bridal shop in New York, New York (since April 2010). Lovely Bride, LLC operated a bridal shop in California from February 2012 to September 2015. Lovely Bride, LLC owns the Lovely Bride trademark used in connection with the Lovely Bride® franchised system (the "System"). LFLB LLC, formed in Florida on September 12, 2016, operates a bridal shop in Miami, Florida since 2016. LWAB, LLC, formed in Washington on May 9, 2017, operates a bridal shop in Seattle, Washington since 2017. LDCB, LLC, formed in the District of Columbia on June 26, 2018, operates a bridal shop in Washington D.C., since 2018. The bridal shops operated by our affiliates are similar to the business being offered in this disclosure document.

Lovely Bride, LLC, LWAB, LLC, LFLB LLC, and LDCB, LLC do not offer Lovely Bride® franchises and have not offered franchises in any other line of business.

The Franchise Offered:

We offer franchises for the right to establish and operate Lovely Bride® stores using the Principal Trademarks (defined below) and System (the "Franchised Business"). The System includes brand standards, policies and procedures for trade dress, equipment, fixtures, furniture, signage, sales and marketing, guidelines, training, customer service, IT and our assistance with advertising, promotion, public relations and social media programs, all of which we may change, improve and further develop over time.

If you are interested in purchasing a Franchised Business, we will require you to sign a franchise agreement, a form of which is attached as Exhibit B ("Franchise Agreement"). We will offer single unit franchises to those who are interested in opening a single Lovely Bride® store to be operated within an area designated by us (the "Territory"). The Territory may be located within a specific radius, specific zip codes, counties or other natural boundaries. Your Territory may be based in part on population density, number of similar businesses within the Territory, current and projected market demand, potential customer base, access and visibility, traffic patterns and other

economic, demographic and geographic factors determined by us. We will assign you a Territory for your Franchised Business in the location you may have identified.

The market for bridal shop services offered by the Franchised Business is highly competitive and rapidly evolving. You may face competition from retail stores (national, regional and local), bridal shops, boutique shops and other stores. Notwithstanding our positive assessment of the market for our services, there are many risks and uncertainties associated with this or any new business.

Industry Regulations:

In addition to laws and regulations that apply to businesses generally, your Franchised Business may be subject to federal, state and local occupational health and safety regulations, as well as possible licensing requirements. Franchisee will be required to comply with all federal, state and local laws and regulations that apply. These include, but are not limited to, the Americans with Disabilities Act; the Fair Labor Standards Act; Equal Employment Opportunities Commission; Occupational Safety and Health Administration; Gramm-Leach-Bliley Act; The Patriot Act; Truth in Lending Act and other laws dealing with credit transactions and collections; Digital Millennium Copyright Act; regulations governing MMS, SMS, emails and telemarketing; the payment of license fees; general retail business rules and regulations; and, any advertising or content related rules and regulations, etc. You should also be aware of federal, state and local labor regulations including minimum age and minimum wage laws. These requirements may apply to your business. The details of these restrictions may vary from state to state and from locality to locality.

It is the sole responsibility of the franchisee to independently determine if there are any legal requirements that must be complied with or business issues that might impact their Franchised Business. We and our affiliates will not be responsible to ascertain the franchisee's initial and continuing legal responsibilities.

ITEM 2. BUSINESS EXPERIENCE

Lanie List: Chief Executive Officer:

Lanie List has served as our Chief Executive Officer since our formation. She has held the position of Chief Merchandising Officer at Iconix Brand Group, Inc. from May of 2004 to December of 2015, responsible for guiding a team of brand managers of a portfolio of woman's fashion brands. She has been the Chief Executive Officer of our affiliate Lovely Bride, LLC since its formation in 2009.

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

You must pay to us an initial franchise fee of $25,000 upon execution of your first Franchise Agreement. You will pay the initial fee in a lump sum payment. The initial franchise fee is fully earned at the time you make the payment to us and is not refundable. If you enter into a franchise agreement after your first franchise agreement, we will charge you a reduced initial franchise fee of $20,000 for each franchise agreement you enter into after your first franchise agreement. For Illinois franchisees, the Illinois Attorney General's Office imposed financial assurances on us based upon our financials. The franchise fee for an Illinois franchisee will be deferred until the opening of the franchisee's Franchised Business.

ITEM 6. OTHER FEES

Name of Fee[1]	Amount	Due Date	Remarks
Royalty	3% of Gross Revenues for the first year that the unit is open for business; 4% of Gross Revenues as of the first anniversary of the date the unit is open for business; then 5% of Gross Revenues after the second anniversary of the date the unit is open for business	Quarterly via ACH, unless we require payment monthly	Paid to Franchisor. Gross Revenues are defined in Note 2 below.
Brand Fund Contribution	1% of Gross Revenues	Quarterly via ACH, unless we require payment monthly	Brand Fund Contributions are paid directly to the Brand Fund.
Local Advertising Marketing and Promotional Expenditures[2]	1% of Gross Revenues	Monthly for the first year, then as incurred by you	Local Advertising, Marketing and Promotional expenditures are paid to third parties.
Interest	1.5% per month or highest rate allowed by law	As Incurred	Paid to Franchisor from the date of nonpayment or underpayment.
Late Fee	$10 per day	As Incurred	Paid to Franchisor.

Transfer Fee (a) All transfers except as provided in (b). (b) Transferee is an entity controlled and owned by current Franchisee or upon Franchisee's death or disability to a spouse, parent or child.	50% of the then-current franchise fee, with a minimum of $12,500 No charge	The transfer fee is paid upon application to transfer	Paid to Franchisor.
Relocation Fee[3]	Costs and expenses, which generally ranges from $1,000 to $5,000	As Incurred	Paid to Franchisor.
Audit Fee[4]	Costs and expenses	As Incurred	Paid to Franchisor.
Additional Training[5]	$250 per day per person if held at our headquarters or our affiliate's Lovely Bride® store; $500 per day per person if held at your location. $100 per person per hour for Order Management System training conducted over the phone.	As Incurred	Paid to Franchisor.
Legal Fees and Expenses	Costs and expenses, including but not limited to attorneys' fees for any failure to pay amounts when due or failure to comply in any way with the Franchise Agreement, which generally ranges from $5,000 to $20,000	As Incurred	Paid to Franchisor.
Successor Agreement Fee	25% of the then current franchise fee; subject to a $6,250 minimum	Upon signing a successor agreement	Paid to Franchisor.
Management Fee	10% of Gross Revenues in the event we must operate your Franchised Business due to death, disability, etc	Weekly with Royalty payment	Paid to Franchisor.
Indemnification[6]	The amount of any claim, liability or loss we incur from your Franchised Business	As Incurred	Paid to Franchisor.
Reimbursement of Costs and Expenses[7]	Costs and expenses	As Incurred	Paid to Franchisor.

Confidential Operating Manual Replacement Fee[8]	Our then-current fee, which is currently $100	As Incurred	Paid to Franchisor.
Post-Termination or Post-Expiration Expenses[9]	Costs and expenses, which generally ranges from $1,000 to $10,000	As Incurred	Paid to Franchisor.
Custom Advertising Fee[10]	$250 to $750	As Incurred	The fee for any custom advertising assistance is paid to the Brand Fund.
Order Management System Upgrade Fee[11]	$150 per hour	As Incurred	Paid to Franchisor.
Technology Support and Development Fee[12]	Currently $0	As Incurred	Paid to Franchisor or a third-party provider.
Site Evaluation Fee[13]	Our costs and expenses, which generally ranges from $1,000 to $2,000	As Incurred	Paid to Franchisor or a designee.

Notes:

1) The table above provides recurring or isolated fees or payments that you must pay to us or our affiliates or that we or our affiliates impose or collect in whole or in part on behalf of a third party or that you are required to spend by the Franchise Agreement. All fees and expenses described in this Item 6 are nonrefundable. Except as otherwise indicated in the chart above, we uniformly impose all fees and expenses listed and they are payable to us and are fully earned upon receipt by us.

2) We require that you spend a minimum of 1% of your Gross Revenues on local advertising, marketing and promotional programs ("Local Advertising"), to be paid to third parties. Required spending for the first year will be calculated on a monthly basis based on 1% of the monthly Gross Revenues for the prior month. Spending for the first month will be based upon an estimate. Any discrepancy between the amount spent for the first month and the amount equal to 1% of Gross Revenues for the first month will be credited against or added to the amount due for the second month. There are currently no advertising cooperatives in our System. We may create a regional advertising cooperative and to require you to contribute to this advertising cooperative. Any financial contributions made by you to the advertising cooperative may be credited against your required expenditures for Local Advertising. Company-owned units may be active members of any cooperative and may possess voting power in accordance with the rules of the cooperative as we may determine.

Gross Revenues means all income that you receive from the operation of the Franchised Business at any time after the signing of your Franchise Agreement. However, the definition of Gross Revenues does not include sales tax that is collected from customers and that is actually transmitted to the appropriate taxing authorities.

3) If you relocate your Franchised Business, you will be required to pay us any costs and expenses we incur in assisting you to relocate your Franchised Business including, but not limited to, expenses incurred for labor, salary and travel expenses, professional fees, demographic reports and other costs.

4) We have the right to conduct an audit of the books and records of the Franchised Business. If we do so and it is determined that you underestimated your Gross Revenues in any report by two percent (2%) or less, then you must pay within fifteen (15) days of written notice, the underreported amount plus interest. If it is determined that you underestimated your Gross Revenues in any report by more than two percent (2%), then you must pay within fifteen (15) days of written notice, the underreported amount along with the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses, accountant fees, attorneys' fees and interest. If you fail to provide any reports, supporting reports or other information as required and we conduct an audit of the books and records of the Franchised Business, you must pay within fifteen (15) days of written notice, the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses, accountant fees, attorneys' fees and interest.

5) We may require that you, your Operating Principal, manager and employees complete additional training, as we may determine, in such frequency, as we may determine. You may also request additional training for you, your Operating Principal, manager and employees, which we are not obligated to provide. If you develop more than one Franchised Business, we will provide training to one manager for each Franchised Business at no additional charge. If we provide you with additional training, we may charge you for additional training, at our then-current rate, which as of the date of this disclosure document is $250 per person per day if held at our headquarters or our affiliate's Lovely Bride® store or $500 per person per day if held at your Lovely Bride® store. Additional training may also be provided via webinars, online or other methods, in our discretion. We may require you or your employees to conduct additional Order Management System training, which may be held in person or over the phone. If additional Order Management System training is provided in person, we will charge $250 per person per day if training is provided at our headquarters or our affiliate's Lovely Bride® store or $500 if training is held at your Lovely Bride® store. If we provide this additional training over the phone, then we will charge $100 per person per hour. Additional Order Management System training may also be provided via webinars, online or other methods, in our discretion. For all training, you will also be required to reimburse us for all travel expenses if additional training is held at your location. You are also responsible, at your own expense, to pay for all travel, room and board and wages for you and your employees during this training.

6) In addition to the requirement that you reimburse us for amounts of all other claims, liabilities or losses we incur from your Franchised Business, if we elect to enforce the terms of any Confidentiality, Non-Use and Non-Competition Agreement or the Franchise Agreement against any individual required to execute such agreement, you must reimburse us for our attorneys' fees, expert fees, court costs and all other expenses of litigation in connection with that enforcement.

7) If after notice, you fail to cure any deficiency in the Franchised Business and/or your operation of the Franchised Business, we may correct the deficiency. If we elect to correct the deficiency, you will reimburse us for our costs and expenses incurred in correcting the deficiency.

8) If your copy of the Confidential Operating Manual is lost, destroyed or significantly damaged, you will be required to obtain a replacement copy and pay us our then-current fee for a replacement copy.

9) Upon expiration or termination of your Franchise Agreement, we may elect to take steps to modify, alter or de-identify the Franchised Business. If we do so, you must reimburse us for our costs and expenses.

10) If you request that we assist you with custom advertising, online banner, email blasts or event invites, you will be charged a fee by the Brand Fund. See Item 11 for more information on these optional services.

11) We will provide you with our proprietary Order Management System, which is our proprietary point of sale system and any upgrades that we develop without charge. You may not upgrade the Order Management System. You may request an upgrade to the Order Management System. If we approve the upgrade, we will develop the upgrade for a fee of $150 per hour of work. This charge is inclusive of any special reporting requests. We will provide you with an estimate of the cost to upgrade the Order Management System before we begin any work.

12) We currently do not charge a technology support and development fee to maintain the Lovely Bride® website and to incorporate information relating to your Franchised Business to the website, but we may do so in the future to incorporate technological advances. If we charge a technology support and development fee, we will charge $200 per month, which may increase up to 10% each year. We provide each franchisee with three (3) email boxes, each with a maximum of 1 GB. For each additional email box, we will charge you $20 per month, if you require it. We will also charge you $20 per month for each additional GB of memory per email box, if you require it. While we currently do not use an information technology specialist, if our information technology needs require it, we may charge you an additional fee to offset the cost, which will not exceed $50 per month.

13) If we or a designee conducts an on-site evaluation of your proposed site, we may charge you a site evaluation fee to reimburse us for our costs and expenses including the cost of travel, lodging, meals and wages.

ITEM 7. ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Estimated Amount Low – High	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee[1]	$25,000	Lump sum	At signing of Franchise Agreement	The Initial Franchise Fee is paid to us
Office Development, Construction and Leasehold Improvements[2]	$25,000 to $165,000	As incurred	Before opening	Contractor/Third-party providers
Furniture, Fixtures and Equipment[3]	$40,000 to $140,000	Lump sum	Before opening	Third-party providers
Signage (Interior and Exterior)[4]	$5,000 to $10,000	As incurred	Before opening	Third-party providers
Computer and Software System[5]	$3,500 to $8,000	Lump sum	Before opening	Third-party providers
Opening Inventory[6]	$115,000 to $150,000	As incurred	Before opening	Third-party providers or us
Rent Deposits[7]	$5,000 to $30,000	As incurred	Before opening	Landlord
Utility Deposits[8]	$500 to $1,000	As incurred	Before opening	Utility providers
Insurance Deposits and Premiums[9]	$2,000 to $4,500	As arranged	Before opening	Insurance company
Pre-opening Travel Expense[10]	$2,000 to $4,000	As incurred	Before opening	Airline, hotel, restaurants
Grand Opening Advertising	$5,000 to $15,000	As incurred	Prior to opening	Third parties
Professional Fees[11]	$5,000 to $7,500	As arranged	Before opening	Attorneys, accountants
Business Permits and Licenses[12]	$500 to $3,000	As incurred	Before opening	Licensing Authorities
Printing, Stationery and Office Supplies[13]	$1,500 to $7,000	As incurred	Before opening	Third-party providers
Additional Funds – 3 Months[14]	$15,000 to $30,000	As incurred	After opening	Various
Total[15]	**$250,000 - $600,000**			

Notes:

1) The initial franchise fee is not refundable and it is uniformly imposed for all similarly situated franchisees. If you enter into a franchise agreement after your first franchise agreement, we will charge you a reduced initial franchise fee of $20,000 for each franchise agreement you enter into after your first franchise agreement. Neither we nor an affiliate finances any part of the initial investment. See Item 10 for more information.

2) This estimate is for the costs to develop a Franchised Business with between 1,000 and 3,000 square feet of space. We have not built a prototype using this precise configuration but have based our estimates on the historical experience of our affiliate Lovely Bride, LLC in developing affiliated stores. The difference in the low and the high improvement cost estimates is due to the difference in size of the location. These estimates are applicable to a site which has been obtained in the "vanilla box" stage, which refers to the interior condition of either a new or existing building in which the improvements generally consist of heating/cooling with delivery systems, essential lighting, electrical switches and outlets, lavatories, a finished ceiling, walls that are prepped for painting and a concrete slab floor. These numbers are not inclusive of any architect fees or other fees charged by licensed professionals (other than general contractors and licensed tradesmen), to perform subsequent installation of electrical, plumbing, and HVAC (heating, ventilation, air conditioning) suitable to the requirements of this concept and do not include any financial contributions by a landlord. The figures listed here are indicative of standard commercial pricing within New York City, Miami and Houston. As in development of any retail location, there are many variables that may impact your overall costs including landlord contribution, the size of your location, rates for construction, personnel, freight, vendor pricing and taxes, overall costs and efficiencies in your market. Your cost for developing your location may be higher or lower than the estimates provided. Third-party financing may be available for qualified candidates for some of the leasehold improvement costs, however with such financing comes associated costs and fees which will cause the cost to exceed what is indicated in this chart.

3) These figures represent the purchase of the necessary furniture, fixtures and equipment. The lower cost is indicative of the selection of standardized and value-priced furniture, fixtures and equipment and certain pre-owned furniture, fixtures and equipment that can be utilized with minimum or no special modifications made. The higher cost is for a selection of standard furniture, fixtures and equipment of a more prestigious brand as well as some furniture, fixtures and custom manufactured equipment. The costs listed here do not include any transportation or set up costs. Third-party financing may be available for qualified candidates, however, with such financing comes associated costs and fees which will cause the cost to exceed what is indicated in this chart.

4) This estimate is for the cost to produce wall signage to be mounted to the outside of the building as well as all interior signage such as logo graphics for the windows. Additionally, these figures include various other elements of brand identification within the location such as wall graphics. The low estimate is for standard construction and installation of signage and image materials at a smaller location, while the high estimate applies to some custom fabrication of signage for a larger 3,000 square foot location, such as individually crafted dimensional lettering of the brand logo. An insert on any pylon sign will additionally raise the cost.

5) The computer and software describe desktop computers, our proprietary Order Management System, Microsoft Access and accounting software (preferably Quick Books) necessary to operate the Franchised Business.

6) This estimate is for the cost of the initial inventory of wedding gowns, occasion dresses and accessories, based upon a typical sales week, plus allocations for training, as well as allowing for the potential to achieve a higher level of sales.

7) This estimate represents a three (3) month deposit of rent. The low estimate indicates a 1,000 square foot facility which the high estimate indicates a location with 3,000 square feet. Pre-paid rent is generally non-refundable while security or other deposits may be refundable either in full or in part depending upon your lease or rental contract.

8) A credit check may be required by the issuing company prior to the initiation of services, or a higher deposit required for first-time customers. These costs will vary depending on the type of services required for the facility and the municipality from which they are being contracted.

9) This estimate is for the cost of deposit in order to obtain the minimum required insurance. You should check with your local carrier for actual premium quotes and costs, the actual cost of the deposit and about any additional

insurance you may want to carry. The cost of coverage will vary based upon the area in which your Franchised Business will be located, your experience with the insurance carrier, the loss experience of the carrier and other factors beyond our control.

10) This estimate is for the cost for you or your Operating Principal (defined as the managing shareholder, member or partner of Franchisee if Franchisee is an entity), plus a manager to attend the initial training program held in New York City. We do not charge tuition for training up to two (2) people, but you will be responsible for all costs associated with attending the initial training program for you and your staff. Your costs will depend on the number of people attending training, their point of origin, method of travel, class of accommodation and living expenses (food, transportation, etc.). The duration of the training program is five (5) days. This estimate does not include the cost of labor.

11) These fees are representative of the costs for engagement of professionals such as attorneys and accountants for the initial review and advisories consistent with the start-up of a Franchised Business. We strongly recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this disclosure document and the Franchise Agreement. It is also advisable to consult these professionals to review any lease or other contracts that you will enter into as part of starting your Franchised Business. The estimated rates in this chart are based upon professional fees in the area of New York City.

12) You are responsible for applying for, obtaining and maintaining all required permits and licenses necessary to operate your Franchised Business. The figures represented here reflect the range of expenditures for licenses and permits to open a retail apparel establishment in the New York City area.

13) This figure is primarily for printing a start-up order of stationery and business cards bearing the Principal Trademarks and a supply of office materials.

14) This is an estimate of the amount of additional operating capital that you may need to operate your Franchised Business during the first three (3) months after commencing operations. We cannot guarantee that you will not incur additional expenses in starting the business that may exceed this estimate. This estimate also includes such items as initial payroll and payroll taxes, additional advertising, marketing and/or promotional activities, repairs and maintenance, bank charges, miscellaneous supplies and equipment, initial staff recruiting expenses, state tax and license fees, deposits and prepaid expenses (if applicable) and other miscellaneous items as offset by the revenue you take into the Franchised Business. This estimate is based upon our historical experience in opening and owning Lovely Bride® stores in New York, California, Miami and Houston.

15) This total amount is based upon our historical experience in opening and owning Lovely Bride® stores and information we have obtained relating to the construction of similar retail stores between 1,000 and 3,000 square feet. We strongly recommend that you use these categories and estimates as a guide to develop your own business plan and budget and investigate specific costs in your area. Unless otherwise stated above, the costs indicated above are not refundable. We do not provide direct or indirect financing.

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

To ensure that you maintain the highest degree of consistency, quality and service, you must obtain all designs, wedding gowns, occasion dresses, accessories, goods, services, supplies, materials, fixtures, furnishings, lighting, equipment (including computer hardware and software) and other products from designers, suppliers, vendors, manufacturers, printers, contractors, and distributors that we designate or approve ("Suppliers"). We or an affiliate may be a Supplier. We currently have multiple Suppliers for wedding gowns, occasion dresses, accessories, hang tags, certain fixtures and hangers. Suppliers are selected based on the quality of their products, availability of products, their location and prices. We will disclose to you in writing in the Confidential Operating Manual or otherwise the identity of our Suppliers, specifications on products and equipment and

approved brands, types, compositions and performance qualities.

We may provide site criteria that may define the desired physical, demographic and geographic characteristics of any site proposed for the location of your Franchised Business. We will provide you with written specifications as to the layout and design for your Franchised Business. We will also review for approval your plans for compliance with our layout and design specifications only. You may obtain layout, design and architectural services from any licensed architect. We do not maintain any specifications for approving architects.

You must sell and offer for sale all products and services required by us in the manner and style we require. You may only sell and offer for sale products and services authorized by us. You must not deviate from our standards and specifications without obtaining our written consent first. We may direct you in writing at any time to discontinue repairing, selling or trading any items, products and services. We can and expect to modify our standards and specifications, as we deem necessary. We will provide you with notice of any changes as they occur. We may also require you from time to time to participate in the test marketing of products and services at your expense.

Suppliers:

You are required to obtain wedding gowns, occasion dresses, accessories, hang tags, and certain fixtures, furniture, furnishings, lighting, decor and hangers exclusively from our Suppliers in order to achieve uniformity or better pricing, simplify inventory and purchasing or for other legitimate business reasons. We may have other items sourced exclusively from our Suppliers. Currently, we and our affiliate are not exclusive suppliers of any goods or services. Neither Lovely Franchising LLC nor any of the individuals listed in Item 2 owns an interest in any supplier. You may not enter into product supply or product sourcing agreements without our prior written approval. You may not purchase or lease from any Supplier under a Lovely Bride program products or services to be used for any business other than the Franchised Business.

If you want to independently source any items from someone other than one of our Suppliers, you must obtain our prior approval. We do not promise to evaluate or approve proposed suppliers, designers, vendors, manufacturers, printers, contractors and/or distributors ("Proposed Suppliers") on your request and we may decline to do so. However, if we elect to evaluate a Proposed Supplier at your request, you must provide us with adequate information and product samples to evaluate the Proposed Supplier. We will consider the following factors in our evaluation: (1) whether the products and customer service provided by the supplier, designers, vendor, manufacturer, printer, contractor and/or distributor meet our specifications and standards; (2) the reputation of the supplier, designers, vendor, manufacturer, printer, contractor and/or distributor for quality and reliability; (3) the frequency and method of delivery; (4) competitiveness of pricing offered; and (5) whether the products add anything to the range of products offered or are redundant of existing approved products. There are currently no other criteria for approval of suppliers, designers, vendors, manufacturers, printers, contractors and/or distributors. We may impose a fee to evaluate suppliers, designers, vendors, manufacturers, printers, contractors and/or distributors, which may include reimbursement of our actual or estimated costs of evaluating the proposed suppliers, designers, vendors, manufacturers, printers, contractors and/or distributors. If we agree to evaluate a proposed supplier, designers, vendor, manufacturer, printer, contractor

and/or distributor, we will provide you with notification of the approval or disapproval within thirty (30) days after we receive notice and all information and samples necessary to process your request. We may revoke approval of any Supplier for reasonable cause upon written notice to you. We will not charge a fee to review a Proposed Supplier.

We estimate that your leases or purchases from Suppliers or in accordance with our specifications will represent approximately 95% of your total purchases in establishing the Franchised Business and approximately 95% in the continuing operation of the Franchised Business (exclusive of your expenditures for rent and overhead).

We currently do not derive revenue or other material consideration from required purchases or leases made by franchisees; however we may do so. We currently do not receive rebates, overrides or other consideration from Suppliers as a result of purchases by our franchisees; however we may do so in the future. We may pass through to you any rebate we receive on account of your purchases from a Supplier.

We may offer 'Private Brands' to our stores that may be fully exclusive, or partially exclusive by territory. Neither Lovely Franchising LLC nor any of the individuals listed in Item 2 own any of the brands we offer. Any negotiated terms with the suppliers pass through to the franchisees. The suppliers of an exclusive brand may require you to commit to a minimum purchase requirement for you to retain exclusivity. We may require you to meet the minimums of one or all of our exclusive brands, at our sole discretion. Failure to meet the required minimums may result in loss of exclusivity of that Private Brand, in full or partially.

We have not negotiated purchasing terms for franchisees from certain Suppliers. But we may do so in the future. If we negotiate purchasing terms for franchisees from Suppliers, we cannot guarantee that any Supplier will offer or continue any particular pricing, warranty or other terms of sale. We will attempt to negotiate a continued supply of products from various Suppliers, but we cannot guarantee a continuing supply from any particular Supplier. We are not under any obligation to you with respect to the terms negotiated or the terms of any Supplier. We cannot guarantee that Suppliers will offer or continue to offer you any trade credit terms as that is solely up to the Supplier and their credit standards.

We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchases of particular products or services or use of particular Suppliers.

There are currently no purchasing, advertising or distribution cooperatives.

Computer Hardware and Software:

We may require you to purchase specific computer hardware, software and information or communications systems which meet our criteria for design, function and capabilities and to require you to utilize specific Internet service providers or communications software and other information technology, including back office administrative programs and Microsoft Access. We

will require you to use our proprietary Order Management System. We do not require you to obtain a separate computerized point of sale register system.

Website:

The location and telephone number of your Franchised Business will be posted on our website, which is maintained by us or our supplier. You may not establish or maintain any other website for your Franchised Business or use the Principal Trademarks or other proprietary information in any way other than as provided in the Franchise Agreement, including on the Internet. You will have no rights to market any products or services on the Internet without our permission and it is unlikely at this time that such permission will be granted. You will be required to participate in and provide assistance with our website, Blog, Facebook page, Twitter account and other Social Media activities, including but not limited to providing us with photographs, images, text and other materials, as we may require, for use with the System.

Insurance Coverage:

Before you open your Franchised Business, you must obtain insurance coverage for your Franchised Business in the amounts specified in the Franchise Agreement. This insurance coverage must be maintained during the term of the Franchise Agreement and must be obtained from a responsible carrier or carriers rated "A" or better by A.M. Best & Company, Inc. and be approved by us. We require: (i) commercial general liability; (ii) "all risk" insurance covering fire and extended coverage, vandalism and malicious mischief, sprinkler leakage and all other perils of direct physical loss or damage; (iii) an "umbrella" policy providing per occurrence coverage; (iv) workers' compensation insurance or similar insurance as required by the law of the state or jurisdiction in which your Franchised Business is located; (v) crime (inside/outside money and securities) and employee dishonesty insurance; (vi) business interruption insurance; (vii) automobile liability coverage; (viii) employment practices liability insurance; (ix) cybersecurity insurance; (x) any insurance required by law in the state or locality in which your Franchised Business will operate; and (xi) builder's risk insurance for any construction, renovation, remodeling or build-out of your Franchised Business.

You may with our prior written consent, elect to have reasonable deductibles under the coverage required above. All of the policies must name us, our affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of each of them, as additional insureds and must include a waiver of subrogation in favor of all parties.

You must provide us with written proof of your purchase of the above required insurance policies no later than the business day before you open your Franchised Business. You must provide us with written proof of your continued insurance coverage no later than thirty (30) days before the expiration of your insurance policies. In the event that you fail to purchase or maintain the required insurance policies, we may pay for the required insurance policies for you and charge you for reimbursement of our expenditures. The insurance purchased by you will in no way be limited by any insurance policy or policies we may maintain.

We may revise our insurance requirements for franchisees, including increasing the amount

of insurance coverage limits and changing the type of insurance coverage that is required. We may require you to obtain insurance policies with increased coverage limits and/or additional or different insurance policies in accordance with our then-current insurance requirements for franchisees.

You may not reduce any insurance limit, restrict any insurance coverage or cancel any insurance policy without our written consent. You may alter, amend or upgrade any insurance policy without our written consent provided that you maintain the minimum insurance required and you provide us with notice of such alteration, amendment or upgrade to the insurance coverage upon the issuance of such insurance. We encourage you to discuss insurance coverage limits with your own insurance representative or risk management advisor.

Our insurance requirements do not constitute a representation that the insurance types and amounts required are sufficient for the operation of the Franchised Business. Our requirements are solely for our benefit and are only provided to ensure that your insurance coverage meets our minimum standards.

ITEM 9. FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	**Article in Agreement or Agreement Location**	**Item in FDD**
a. Site selection and acquisition/lease	Articles V and VI of the Franchise Agreement	Items 11 and 17
b. Pre-opening purchases/leases	Articles V and VI of the Franchise Agreement	Items 5, 6, 7 and 8
c. Site development and other pre-opening requirements	Article V of the Franchise Agreement	Items 11 and 17
d. Initial and ongoing training	Article VI of the Franchise Agreement	Items 11 and 17
e. Opening	Article VII of the Franchise Agreement	Items 11 and 17
f. Fees	Article IV of the Franchise Agreement	Items 5, 6, 7 and 17
g. Compliance with standards and	Articles VI, VII and VIII of the Franchise Agreement	Items 11 and 17

policies/Confidential Operating Manual		
h. Principal Trademarks and proprietary information	Articles I and XII of the Franchise Agreement	Items 1, 13 and 14
i. Restrictions on products/services offered	Article VII of the Franchise Agreement	Items 8 and 17
j. Warranty and customer service requirements	Not applicable	Not applicable
k. Territorial development and sales quota	Article II of the Franchise Agreement	Items 1 and 12
l. Ongoing product/service purchases	Article VI of the Franchise Agreement	Items 8, 16 and 17
m. Maintenance, appearance and remodeling requirements	Article VII of the Franchise Agreement	Items 11 and 17
n. Insurance	Article VII of the Franchise Agreement	Items 7, 8 and 17
o. Advertising	Articles VI and VII of the Franchise Agreement	Items 6, 7, 8, 11, 12, 13 and 17
p. Indemnification	Articles VII and XXIII of the Franchise Agreement	Items 6, 8, 13 and 14
q. Owner's participation/ management/staffing	Article VII of the Franchise Agreement	Item 15
r. Records and reports	Article VII of the Franchise Agreement	Items 6, 11 and 17
s. Inspections and audits	Article VII of the Franchise Agreement	Items 11 and 17
t. Transfer	Article X of the Franchise Agreement	Items 6 and 17
u. Renewal	Article III of the Franchise Agreement	Items 6 and 17
v. Post termination obligations	Article IX of the Franchise Agreement	Item 17
w. Non-competition covenants	Articles VIII and IX of the Franchise Agreement	Item 17
x. Dispute resolution	Article XXIII of the Franchise Agreement	Item 17
y. Other - Licensing and Legal Compliance	Articles V and VII of the Franchise Agreement	Item 9
z. Other - Guarantee	Articles XXIV of the Franchise Agreement; Exhibit B to the Franchise Agreement	Item 9

ITEM 10 FINANCING

Neither we nor any agent or affiliate offers direct or indirect financing to you, guarantees any note, lease or obligation of yours, or has any practice or intent to sell, assign or discount to a third-party all or any part of any financing arrangement of yours.

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

Except as listed below, the Franchisor is not required to provide you with any assistance.

Pre-Opening Obligations:

Before you open your Franchised Business, we will:

1. Review for approval your plans for compliance with our layout and design specifications only. (Franchise Agreement Sections 5.7 and 6.4.)

2. Review for approval your lease or contract of sale for the location of your Franchised Business. (Franchise Agreement Sections 5.4 and 6.4.)

3. Provide an initial training program as described below, for you or your Operating Principal and a manager at no additional charge to you. (Franchise Agreement Sections 6.2 and 6.4.)

4. Review all Advertising Materials (defined below) and Social media Materials (defined below) developed by you and all requests to use Social Media Platforms. (Franchise Agreement Sections 6.4 and 7.7.)

5. Assist you in developing a Market Introduction Program. You are responsible for all funding relating to the Market Introduction Program. The Market Introduction Program will include specific responsibilities for you and us. The Market Introduction Program will be developed prior to your opening of the Franchised Business and may be tailored to your Territory. (Franchise Agreement Sections 6.4 and 7.7.)

6. Establish standards and specifications for the System and we may enforce such standards and specifications. (Franchise Agreement Section 6.4.)

7. Provide you with an initial list of Suppliers which may be revised from time to time. (Franchise Agreement Sections 6.4 and 6.5 and Exhibit 8 to the Franchise Agreement.)

8. Provide you with a list of approved products and services, as revised from time to time. (Franchise Agreement Sections 6.4 and 6.5.)

9. Specify minimum policy limits for certain types of insurance coverage required to meet our minimum standards. (Franchise Agreement Sections 6.4 and 7.12.)

10. Provide you with our proprietary Order Management System. (Franchise Agreement Section 7.11).

Pre-Opening Optional Assistance:

Before you open your Franchised Business, we may:

1. Designate a Territory for your Franchised Business. If not, you must identify and we will approve a Territory for the operation of your Franchised Business. (Franchise Agreement Sections 1.1, 2.1 and 6.4 and Exhibit 2 to the Franchise Agreement.)

2. Provide site criteria that may define the desired physical, demographic and geographic characteristics of any site proposed for the location of your Franchised Business. If provided, this information is gathered from third parties and we do not guarantee the accuracy of any such information. (Franchise Agreement Sections 5.1 and 6.4.)

3. Have one (1) on-site evaluation for each of the proposed sites for your Franchised Business conducted by us or our designee provided that you have submitted to us in advance, all necessary information in the format we require. Evaluations, if conducted, will only be done for your first Franchised Business location. (Franchise Agreement Sections 5.2 and 6.4.)

4. Conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications, use Social Media Platforms and develop and use Advertising Materials and Social Media Materials. We may design all Advertising Materials and Social Media Materials used in the System. We may provide you with standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. We may make available to you approved Advertising Materials and Social Media Materials for use by franchisees. (Franchise Agreement Section 6.4.)

Advertising Materials are defined as all business stationery, business cards, advertising plans and materials, marketing plans and materials, public relations programs, sales materials, signs and decorations, whether these materials are created by us, you or any third party. Social Media Platforms mean web-based platforms such as Facebook, Twitter, LinkedIn, Instagram, Snapchat, blogs and other networking and sharing sites. Social Media Materials mean any material on any Social Media Platform that makes use of our Principal Trademarks, name, brand, products or your Franchised Business whether created by us, you or a third party.

5. Assist you in establishing the location of your Franchised Business and obtaining equipment including directing you in the purchase of the required computer equipment and software. (Franchise Agreement Section 6.4.)

6. Loan you a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions at our option. (Franchise Agreement Sections 6.1 and 6.4.)

7. Assist you in establishing the location of your Franchised Business and providing approved vendors and Suppliers from which you can purchase or lease equipment including: (i)

kitchen equipment; (ii) computer equipment and software; and (iii) a fax machine/printer/copier. (Franchise Agreement Section 6.4.)

Lease Requirements:

You must submit any proposed site for your Franchised Business for our evaluation and respond to any objections raised by our evaluation before you acquire the site. You must submit for our review any lease or contract of sale for the Franchised Business location before you sign the lease or contract. You may not enter into a lease or contract of sale without our prior written consent. The lease must have an initial term of no less duration than the initial term of your Franchise Agreement. Your lease or lease amendment must include the following terms and conditions, unless we agree otherwise in writing:

1. That the premises will be used exclusively for the operation of the Franchised Business;

2. That the lessor consents to the use of the Principal Trademarks, signs, décor, color scheme and related components of the System as we may prescribe for the System;

3. That the lessor agrees to furnish us with copies of all notices under the lease when those notices are made;

4. That we will have the right to enter the premises to make any modification necessary to protect our Principal Trademarks or to cure any default under the lease or under any agreement;

5. That you may not sublease or assign all or any part of your rights or extend the term of or renew the lease without our prior written consent, which will not be unreasonably withheld;

6. That you have entered into a collateral assignment of lease with us and the lessor, a copy is attached to the Franchise Agreement as Exhibit 5. That if prior to the expiration of the lease, you default under your lease or the Franchise Agreement expires or the Franchise Agreement is otherwise terminated, we will have the option to assume your occupancy rights and the right to sublease for all or any part of the term of the lease without lessor having any right to impose conditions on such assignment or assumption or to obtain a payment from you or us, including any payment for past due rent or additional rent, replenishment of the security deposit or any other payment;

7. That you and lessor will not amend or otherwise modify the lease in any manner that would materially affect any of these requirements without our prior written consent; and

8. That lessor acknowledges and agrees that any furniture, fixtures, equipment or personal property maintained by you on the leased premises, whether leased or owned by you, are not the property of lessor and will be subject to our security interest and a purchase option provided for in the Franchise Agreement in the event of your default under the lease or Franchise Agreement and may be removed upon expiration or termination of the lease so long as such removal is accomplished without damage to the leased facility.

We may require that the lease have a rider attached to it in a form to be provided by us which will reflect our requirements.

Our review of the lease is not an endorsement of the lease or the terms of the lease, including but not limited to any legal, economic or rental terms. Our approval is solely for our benefit and is only provided to ensure that your location meets our minimum standards. We recommend that you work with your own independent advisors in determining if the location of your Franchised Business meets your standards as well as ours. We will require you to hold us harmless from any claim arising from the lease.

Post-Opening Assistance:

After you open your Franchised Business, we will:

1. Invite you to attend any meetings with our personnel and other Lovely Bride® owners. If and when these meetings occur will be determined at our discretion. (Franchise Agreement Section 6.5.)

2. Conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications, use Social Media Platforms and develop and use Advertising Materials and Social Media Materials in a manner determined by us, in our sole discretion. We may design all Advertising Materials and Social Media Materials used in the System. We may provide you with standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. We may make available to you approved Advertising Materials and Social Media Materials for use by franchisees. (Franchise Agreement Section 6.5.)

3. Review all Advertising Materials and Social Media Materials developed by you and all requests to use Social Media Platforms. (Franchise Agreement Sections 6.5 and 7.7.)

4. Establish standards and specifications for the System and we may enforce such standards and specifications. (Franchise Agreement Section 6.5.)

5. Provide periodic counseling to you in the operation of your Franchised Business, as we may determine in our sole discretion. This periodic counseling may be provided individually or in a group setting. This periodic counseling may be provided in person, via telephone, seminar, newsletter, bulletins, through an intranet or any other method selected by us. Our periodic counseling may be limited to one conference call per week. (Franchise Agreement Section 6.5.)

6. Loan you a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions at our option. (Franchise Agreement Sections 6.1 and 6.5.)

7. Provide you with an ongoing list of approved Suppliers as revised from time to time. (Franchise Agreement Sections 6.3 and 6.5)

8. Provide you with a list of approved products and services as revised from time to time. (Franchise Agreement Sections 6.5 and 7.16.)

9. Provide you with upgrades to our proprietary Order Management System. (Franchise Agreement Section 7.11).

After you open your Franchised Business, we may:

1. We may provide you with field support services subject to the availability of our training personnel. (Franchise Agreement Section 6.5.)

2. Provide you with additional training. We may require that you, your Operating Principal, manager and employees complete additional training, as we may determine, in such frequency, as we may determine. (Franchise Agreement Section 6.2.)

3. Provide you with additional guidance as to the operation of your Franchised Business regarding but not limited to: (a) new products, services and/or methods developed for the System; (b) the purchase and use of supplies, uniforms, equipment and products; (c) the formation and implementation of marketing, advertising and promotional programs; (d) maintenance of your financial and accounting records; and (e) other general operating issues you may encounter. (Franchise Agreement Section 6.5.)

Brand Fund:

We maintain and administer a separate fund for advertising, marketing, promotional or public relations programs and for using Social Media Platforms as we may deem necessary or appropriate to enhance, promote and protect the goodwill and public image of the System ("Brand Fund"). We may contribute or loan additional funds to the Brand Fund on any terms we deem reasonable. We will direct all such programs with sole discretion over all operational and advertising decisions, including:

1. the creative concepts, materials, endorsements and media used in connection with such programs (which may include television, radio, print and Internet advertising, maintenance of a website as well as the use of Social Media Platforms, as funds permit);

2. the source of the advertising, marketing, promotional or public relations efforts (which may be in-house or through an outside agency located locally, regionally or nationally);

3. the placement and allocation of such programs (which will be local, regional or national); and

4. the composition of all geographic territories and market areas for the development and implementation of such programs.

Generally, the Brand Fund may be used in any of the following ways:

1. to create and implement Advertising Materials and Social Media Materials, in any form that we may determine;

2. to assist franchisees in developing Advertising Materials and Social Media Materials and using Social Media Platforms;

3. in connection with radio, television, print, Internet advertising, sports and cable programs, other forms of production and media as well as Social Media Platforms;

4. to review any and all locally produced Advertising Materials and Social Media Materials;

5. for website design and maintenance and to conduct search engine optimization;

6. to use Social Media Platforms and develop Social Media Materials;

7. to conduct market research;

8. to undertake sponsorships;

9. to pay related retainers;

10. to conduct customer surveys, customer interviews and to retain mystery shoppers to conduct inspections of the System as well as competitors;

11. to retain celebrities for endorsement purposes;

12. to pay for membership dues to associations;

13. to establish a third-party facility to customize Advertising Materials and Social Media Materials;

14. to reimburse us and/or our affiliates for salaries, overhead and administrative expenses relating to administration of the Brand Fund.

The Brand Fund is typically used to accomplish the following: (1) advertising campaign production; (2) running digital advertising each month on social media platforms and search engines; (3) updating website; (4) distributing advertising campaign images to be used for in-store signage and point-of-sale materials; (5) updating seo tools on a frequent basis to continue high readership and traffic; (6) updating Tiktok and Instagram regularly with product images and brand call outs; (7) email blast franchisee trunk show and event invites (maximum twice per month with only one blast per event); and (8) creating, distributing and updating a regular brand style guide to be used for franchisee graphic design needs.

The Brand Fund will not be used for: (1) local advertising; (2) local public relations efforts, including distributing invites to local market connections; and (3) trunk show promotions for individual stores other than on our website and email blasts.

As part of the Brand Fund program, we perform the following functions for you for a fee: (1) create email blasts and event invites for a fee of $500 per invite; (2) layout online banner ads for a fee of $250 per banner; (3) layout and conduct advertising preparation for local advertisements for a fee of $750 per advertisement preparation; (4) offer graphic training sessions to you for a fee of $750 per day to be conducted in our headquarters or at an affiliate-owned store; and (5) provide other custom graphic design or advertising assistance at a fee to be mutually agreed

upon by you and us in advance of any work. You will be responsible for providing us with all specifications for your advertisements and event invites.

All franchisees are required contribute one percent (1%) of Gross Revenues to the Brand Fund. Some franchisees may pay the Brand Fund additional amounts for the custom advertising functions, as indicated above. Advertising Materials and Social Media Materials, if developed, may be sold to franchisees at a reasonable cost. We may receive payment for providing goods or services to the Brand Fund. We are not required to spend any amount on advertising, marketing or promotional programs or Social Media Platforms directly in the Territory or to spend pro rata with your individual Brand Fund Contribution. Any unused portion of the Brand Fund in any calendar year or earnings on sales of Advertising Materials and Social Media Materials will be applied to the following year's Brand Fund. There is no requirement for the Brand Fund to be independently audited. We make an unaudited annual account available to you once a year upon request within one hundred twenty (120) days after our fiscal year ends.

Any company and/or affiliate-owned units opened in the future may contribute to the Brand Fund at a rate equal to that Brand Fund Contribution rate required for franchised businesses opened within the same calendar year. If the Brand Fund Contribution percentage for the System is reduced at any time, we may reduce Brand Fund Contributions from company and/or affiliate-owned units to the rate contributed by franchised businesses. We may discontinue the Brand Fund but we will not do so until all the monies in the Brand Fund have been expended. We have no fiduciary duty with respect to Brand Fund proceeds. We are administering the Brand Fund as an accommodation to franchisees and the System only.

In our fiscal year ending December 31, 2021, we spent thirty-two percent (12%) on website maintenance, forty-eight percent (40%) on digital advertising, thirteen percent (13%) on tech and software, and twenty percent (35%) on public relations, advertisement production and other uses. All Brand Fund Contributions collected during our fiscal year ending December 31, 2021 were spent during the fiscal year.

We do not use any monies from the Brand Fund to principally solicit new franchise sales. However, we may include language in all advertising, including on our website, that indicates that franchises are available, with our contact information.

We will not establish a franchisee advisory council or subcommittee to participate in the management of the Brand Fund. We will maintain sole discretion over the operation of the Brand Fund.

Local Marketing and Advertising:

We require you to spend a minimum of one percent (1%) of your annual Gross Revenues. See Item 6 for more information. This requirement of local advertising expenditures will not necessarily have a mandated expenditure per each month of the year. Upon request, you must submit an itemized report documenting proof of expenditures to us, in a form we may require. Upon discovery of your non-compliance with your Local Advertising requirements, we may require you to spend the amount required but not spent by you on Local Advertising programs as we require, which may include contributing to the Brand Fund. All marketing will be conducted

as set forth in an approved annual marketing plan. We may increase the minimum Local Advertising requirement if we determine that to be in the best interests of the System. Costs and expenditures you incur for any of the following do not count towards your required Local Advertising expenditures:

1. Salaries and expenses of your employees, including salaries or expenses for attendance at advertising meetings or activities;

2. In-store materials consisting of fixtures or equipment;

3. Expenditures relating to the use of Social Media Platforms and/or the development and/or use of Social Media Materials; and

4. Seminar and educational costs and expenses of your employees.

You are required at your expense, to obtain and maintain at the location of your Franchised Business, Advertising Materials of the kind and size as we may, from time to time, require for comparable Lovely Bride® stores.

All Advertising Materials, Social Media Materials, use of Social Medial Platforms and other items we designate must: (i) bear the Principal Trademarks in the form, color, location and manner we prescribe; (ii) must be conducted in a dignified manner; and (iii) must conform to the standards and requirements that we state in the Confidential Operating Manual or otherwise approved by us in writing.

You must obtain our prior approval before: (i) you use any Advertising materials or Social Media Materials if we have not prepared or approved such Advertising Materials or Social Media Materials within the previous twelve (12) months; and (ii) you initially use any Social Media Platform. You must submit all unapproved Advertising Materials, Social Media Materials and requests to use Social Media Platforms to us via certified or electronic mail. We will approve or disapprove your request within ten (10) days after submission. If you do not receive written approval within ten (10) days after submission of your request for approval, your request is deemed denied. We may withhold our approval of your use of any Advertising Materials, Social Media Materials or Social Media Platform for any reason or no reason at all. We may revoke our prior approval of your use of any Advertising Material, Social Media Material or Social Media Platform. You must promptly discontinue use of any Advertising Material, Social Media Material and/or Social Media Platform, whether or not previously approved, on notice from us. We may require you to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us including any previously approved Social Media Material. We may access your Social Media Platform accounts to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us, including any previously approved Social Media Material. You are required to give us your usernames, passwords, account information and all other information we may require to access your Social Media Platforms accounts upon your initial use of a Social Media Platform and immediately upon our request.

You may request permission to use a Social Media Platform on an ongoing basis on a

specified theme or topic related to the Franchised Business. In the event we grant such consent, individual entries of Social Media Material on that pre-approved topic would not require our pre-approval unless we withdraw our consent.

All Advertising Materials, Social Media Materials and use of Social Media Platforms must indicate that you operate the Franchised Business as an independent franchisee of us. You will not employ any person to act as your representative in connection with local promotion of the Franchised Business in any public media without our prior written approval.

There are currently no advertising cooperatives in our System. There is currently no franchisee advertising council in our System. Currently, we do not intend on forming advertising councils at this time.

We currently operate a Lovely Bride® website, Blog, Facebook page and Twitter account. We do not permit any franchisees to operate any such accounts independently. You will be required to participate in and provide assistance with our website, Blog, Facebook page, Twitter account and other Social Media activities, including but not limited to providing us with photographs, images, text and other materials, as we may require, for use with the System.

Opening and Site Selection:

We will assign to you a Territory for your Franchised Business. You must select the site for the Franchised Business subject to our consent within the Territory. You must obtain our approval for an acceptable site within ninety (90) days of executing the Franchise Agreement. Before leasing or purchasing the site for your Franchised Business, you must submit to us in the form we specify, a description of the site together with other evidence that confirms your favorable prospects for obtaining the site. You must submit the information and materials for the proposed site to us no later than thirty (30) days of executing the Franchise Agreement. We will have thirty (30) days after we receive this information and materials to evaluate the proposed site. If the proposed site is not approved by us in writing within thirty (30) days of our receipt of all required information, the proposed site is disapproved. If approved, you must lease or purchase at your expense, the site for the Franchised Business within thirty (30) days after our approval. You must submit for review any sale or lease contract before you sign it. Generally, we do not own premises for lease premises to our franchisees.

We will consult with you on our current site selection guidelines and provide other site selection counseling as we deem advisable. When reviewing a potential site, we generally consider the following factors: market demographics, traffic patterns, size of the store, physical condition of the store, ease of ingress and egress and other factors. Once we have received all necessary information about your proposed site(s) as described above, we or a designee may conduct one (1) on-site evaluation for each proposed site for your first Franchised Business. If we elect not to conduct an on-site evaluation, you may request that we or our designee conduct an on-site evaluation. If you request an on-site evaluation and we or our designee conducts an on-site evaluation, we may charge you a site evaluation fee to reimburse us or our designee for expenses incurred, including the cost of travel, lodging, meals and wages. Additionally, if we or our designee conducts an initial on-site evaluation and we determine that further on-site evaluation is still necessary or if you request further on-site evaluations, we or our designee may conduct an

additional on-site evaluation. For each additional on-site evaluation that we or our designee conducts, we may charge you a site evaluation fee to reimburse us or our designee for expenses incurred, including the cost of travel, lodging, meals and wages. We will review and approve your architectural drawings, prior to their submission to the local government for the purpose of layout and design compliance only. If we do not approve of your architectural drawings within thirty (30) days of our receipt, your architectural drawings are deemed disapproved. Our review and approval is not a guarantee that your architectural drawings comply with any codes, laws or regulations including for example, zoning codes and the Americans with Disabilities Act or that they are competently drafted. You are responsible for such compliance.

You have the ultimate responsibility in choosing, obtaining and developing the site for your Franchised Business. We recommend that you seek the advice of your own independent advisors in determining if the site meets our standards and your standards.

We estimate that the time from the signing of the Franchise Agreement to the opening of the Franchised Business will be approximately sixty (60) to one hundred twenty (120) days from signing the Franchise Agreement, or thirty (30) days after lease signing. This time may be significantly shorter or longer depending upon the time necessary to obtain a site, to obtain financing and to obtain the permits and licenses necessary for the construction and operation of the Franchised Business. Additional time may be needed to complete construction or remodeling as it may be affected by adverse weather conditions, shortages, delivery schedules and other similar factors, to complete the interior and exterior of the Franchised Business including decorating, purchasing and installing fixtures, equipment and signs and to complete preparation for operating the Franchised Business including purchasing inventory and supplies. The Franchise Agreement requires you to open the Franchised Business and begin business no later than one hundred eighty (180) days after signing the Franchise Agreement, unless you obtain a written extension of this time period from us. If you do not obtain a site or open within the time period required, we may terminate the Franchise Agreement.

Computer Hardware and Software:

We require you to use our proprietary Order Management System. The Order Management System is used to generate sales reports, manage expected product deliveries, customer order confirmations and vendor confirmations as well track inventory levels. We may direct the source from which you will obtain your computer hardware and software, including administrative software, Microsoft Access and accounting software for your computer and systems. We may change that requirement at any time. You are currently not required to obtain a separate computerized point of sale register system.

The cost of purchasing the required computer systems and software is between $1,700 and $5,000. We will provide you with upgrades to the Order Management System without charge. You may request an upgrade to the Order Management System. If we approve the upgrade, we will develop the upgrade for a fee of $150 per hour of work. We will provide you with an estimate of the cost of the upgrade before we begin any work. We do not require you to enter into any other maintenance, updating, upgrading or support contracts.

The hardware and software you obtain must accommodate an online system that permits us access to your records via the Internet at all times. You must allow us to establish and maintain communication with your system and electronic computer system via a dedicated data transmission line such as DSL or Cable, or similar telecommunications means to retrieve information including, but not limited to, sales data and financial data. We must have independent access to this information and data.

You must obtain and maintain computer equipment and software that meets our specifications for your Franchised Business. We do not require you to use any particular brand of hardware, but the hardware you select must be approved by us. Currently we are approving computer systems with the following specifications for new installation and use: 2.4 GHZ Pentium IV processor, 1 GH Ram, 20 GB hard drive, write/read CD Rom drive. You will be required to obtain accounting software (preferably Quickbooks). We require you to obtain and use Microsoft Excel, Microsoft Word, Adobe Acrobat Reader. A high-speed connection to the Internet is mandatory for all franchise businesses.

You must maintain, upgrade and update hardware, software and Internet service providers or other communications systems during the term of the Franchise Agreement, as we determine without limitation, at your expense. We may reasonably specify computer, information and communications systems and to require you to utilize specified Internet service providers or communications software. You are solely responsible for protecting yourself from viruses, computer hackers and other computer-related problems and you may not sue us for any harm caused by such computer-related problems. You may not add any software to your computer system without our written approval and you must provide us with all access codes necessary for full access to your information.

Additionally, you are required to comply with the most current version of the Payment Card Industry Data Security Standards and validate compliance with those standards as may be periodically required by us or third parties.

Confidential Operating Manual:

Attached to this disclosure document as Exhibit C, is the Table of Contents for our Confidential Operating Manual. The Table of Contents states the number of pages devoted to each subject contained in the Confidential Operating Manual. There are 75 total pages in the Confidential Operating Manual.

Initial Training Program:

We will provide initial training at no cost for tuition or materials to two (2) people for your first Franchised Business only. The duration of the initial training program is five (5) days. You or your Operating Principal and a manager (where applicable) are required to attend and complete to our satisfaction, our initial training program. If you develop more than one Franchised Business, we will provide training to one (1) manager for each such Franchised Business at no additional charge. However, we may require that you, your Operating Principal, manager and employees complete additional training at times and locations that we designate.

Initial training will be held at one of our affiliate-owned stores, your location or another facility designated by us. We may hold a portion of the initial training on-site at your Franchised Business. You or your Operating Principal is required to attend the initial training program. The initial training program will generally be conducted twice pear year; either before or after the New York market week. You or your Operating Principal and your manager (where applicable) will complete the initial training program not sooner than one hundred twenty (120) days prior to opening and not less than thirty (30) days prior to opening of your Franchised Business. You will be responsible for all costs associated with attending the initial training program for you and your staff. If the training program is not completed to our satisfaction, we may terminate the Franchise Agreement.

TRAINING PROGRAM:

Subject	Hours of Classroom Training	Hours of On the Job Training	Location
Introduction/ Orientation	2		Franchisee location and/or affiliate owned store
Store Setup	2		Franchisee location and/or affiliate owned store
Design and Décor	2		Franchisee location and/or affiliate owned store
Organization and Back Office	4		Franchisee location and/or affiliate owned store
Vendor Introduction	4		Franchisee location and/or affiliate owned store
Product Knowledge	4	4	Franchisee location and/or affiliate owned store
Buying & Attending Market	2	16	Franchisee location and/or affiliate owned store
Sales Training	2	8	Franchisee location and/or affiliate owned store
Computer Systems	4		Franchisee location and/or affiliate owned store
Marketing & Public Relations	2		Franchisee location and/or affiliate owned store
Hiring & Human Resources	2		Franchisee location and/or affiliate owned store
Q & A	2		Franchisee location and/or affiliate owned store
Totals	32	28	

We may amend, modify, supplement, vary and/or delete any portion of the contents of the initial training program.

Training will be under the supervision of Lanie List and Anna Mathias. Ms. List has operated a business similar to the franchise offered in this disclosure document since 2009. She is fully familiar with every aspect of the operations of the franchised business and the subjects taught in our training program. See Item 2 for more information concerning Ms. List. Ms. Mathias is our Marketing Manager. She has spent the past two years at Lovely Franchising, successfully growing our social media program. Prior to that, Ms. Mathias spent four (4) years in public relations. She is instrumental in training our staff on local marketing and social media use and offering ongoing assistance and direction. The initial training program may also be conducted by other qualified personnel including managers, supervisors and consultants whose services we may retain for specific training courses. No other formal training staff is maintained at present.

We intend to conduct the initial training program periodically as determined by us. The materials used for this training program may include the Confidential Operating Manual, checklists, quizzes, other handouts, software applications, product samples and/or hands-on materials.

We may require that you, your Operating Principal, manager and employees complete additional training, as we may determine, in such frequency as we may determine. You may also request additional training for you, your Operating Principal, manager and employees, which we are not obligated to provide. We may charge a fee of $250 per person per day if additional training is held at our headquarters or our affiliate's Lovely Bride® store or $500 per person per day plus reimbursement of all travel expenses if held at your location. See Item 6 for more information on additional training.

We are not required to provide any other service or assistance to you for the continuing operation of your Franchised Business.

ITEM 12. TERRITORY

Your Franchise Agreement will grant you certain limited rights with respect to a specific protected Territory, but not an exclusive territory. We will agree not to grant another franchise, open a company and/or affiliate-owned Lovely Bride® store or permit any Lovely Bride® store, whether owned by a franchisee, us or an affiliate to solicit sales within your Territory during the term of your Franchise Agreement, except to the extent that an advertisement, marketing promotion or web promotion may include publication within your Territory.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

The Territory may be located within any natural boundaries that we determine. Generally speaking, the Territory will be based upon a location within a select urban setting, with a radius of 45 miles around it (based on GPS databases). Your Territory will be identified on a map attached to the Franchise Agreement. Your Territory may be based in part on population density, number of similar operations within the Territory, current and projected market demand, potential customer base, access and visibility, traffic patterns and other economic, demographic and geographic factors determined by us. We will assign you a Territory for your Franchised Business.

If the Territory has not been designated when you sign the Franchise Agreement, we will designate a Territory shortly thereafter and a Territory Attachment will be attached at that time.

The availability of certain services and products, including wedding gowns, occasion dresses and accessories may be limited depending upon your location and the Territory's proximity to other outlets or service providers, which are factors outside of our control.

We, our company-owned stores, our affiliates and our franchisees may:

(a) Accept in any Lovely Bride® store located outside the Territory, orders made from within the Territory for products or services, including wedding gowns, occasion dresses and accessories sold under any trade name, trademark or service mark (including the Principal Trademarks); and

(b) Accept orders for products or services, including wedding gowns, occasion dresses and accessories sold under any trade name, trademark or service mark (including the Principal Trademarks) from within the Territory generated through the Internet.

We, our company-owned stores, our affiliates may:

(a) Sell products and services, including but not limited to wedding gowns, occasion dresses and accessories, and enfranchise others to sell products and services, including wedding gowns, occasion dresses and accessories. sold under any trade name, trademark or service mark (including the Principal Trademarks) in the Territory through any alternative channel of distribution, including but not limited to e-commerce;

(b) Develop, implement and participate in a co-branding program located within or outside of your Territory regardless of whether any co-branded business is franchised or company-owned and regardless of which trade names, trademarks, or service marks are used in connection with the co-branded business, including, but not limited to, the Principal Trademarks;

(c) Sell products and services, including but not limited to wedding gowns, occasion dresses and accessories, and enfranchise others to sell products and services, including wedding gowns, occasion dresses and accessories, sold under any trade name, trademark or service mark (including the Principal Trademarks) in non-traditional locations, including any non-traditional locations situated in the Territory, through the establishment of Lovely Bride kiosks, mobile units, concessions or "shop in shops." Non-traditional locations" may also include venues for mass gathering such as airports, sports arenas, theatres, resorts, malls, schools, universities, healthcare facilities, guest lodging facilities, day care facilities of any type, government facilities, as well as the premises of any third-party retailer and any other location or venue to which access to the general public is restricted such as military bases and installations; and

(d) Sell products and services, including but not limited to wedding gowns, occasion dresses and accessories, and enfranchise others to sell products and services, including wedding gowns, occasion dresses and accessories, sold under any trade name, trademark or service mark (including the Principal Trademarks) to retail stores located anywhere, including within and

outside of the Territory.

We are not required to pay you for our solicitation of or acceptance of orders from inside your Territory. We are not obligated to compensate you if we or our affiliates sell any products or services in your Territory. We also reserve for ourselves and our affiliates all rights not exclusively granted to you.

Other franchisees are permitted to solicit business and advertise outside of their territories with our advanced written approval but not within your Territory. You may solicit business and advertise outside of your Territory in areas that are not subject to another franchise agreement, with our advanced written approval. You will be permitted to accept business from another franchisee's Territory if it is unsolicited or comes in response to advertising, promotion, marketing or web promotion that is not specific to that other franchisee's Territory (i.e., advertising in a newspaper with circulation encompassing your Territory.) When advertising in a medium that has distribution in another franchisee's Territory and where that franchisee has chosen to participate, you must include in the written advertising, marketing, promotion or web promotion or oral script utilized, the locations of that franchisee. If a franchisee chooses not to participate in the promotion, the advertisement must include only the locations of the franchisee(s) participating in the promotion and the disclaimer "at participating locations only." If there is a difference in pricing between franchisee owned locations or between your pricing and that of corporate or affiliate owned locations, the advertisement must not include any references to pricing.

You may not relocate your Franchised Business without our approval. We consider the following factors in approving your relocation: if you are in compliance with Franchise Agreement, you have paid all monies to us and our affiliates, the proposed location meets our site selection criteria and you comply with our lease requirements. If you relocate your Franchised Business without our approval, the Franchise Agreement may be terminated.

To maintain your Territory you must continue to meet the requirements of the Franchise Agreement. We do not impose any financial performance requirements, sales volume requirements, market penetration requirements or other similar requirements on you in order to maintain the Territory. We may only modify your territorial rights by terminating your franchise agreement or electing not to include your territorial rights in a renewal agreement.

We and/or our affiliates may establish any business within your Territory that does not utilize the Principal Trademarks. Neither we nor our affiliate currently operate, franchise or have plans to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those that you will offer.

We may acquire a competing bridal shop system, whether franchised or not. Please review Section 2.3 of the Franchise Agreement for more information concerning the acquisition of a competing bridal shop system, whether franchised or not.

You will have no right of first refusal, option or other similar right to acquire additional franchises.

ITEM 13. TRADEMARKS

We grant you the right to operate your Franchised Business under the name "Lovely Bride®" and to use all of the Principal Trademarks identified below in the operation of your Franchised Business. The term "Principal Trademarks" as used in this disclosure document means the symbols, trademarks, service marks, logos, emblems, trade names and indicia of origin that we will license to you. Lovely Bride, LLC currently owns the Principal Trademarks and licenses to us the rights to use the Principal Trademarks and to sublicense the Principal Trademarks to our franchisees. The license is dated as of August 14, 2012, is of a perpetual duration and there are no limitations as to our use of the Principal Trademarks. The existing Principal Trademarks are registered on the principal register and consist of what is indicated below.

PRINCIPAL TRADEMARKS	REGISTRATION NUMBER	REGISTRATION DATE
Lovely Bride word mark	4,189,727	August 14, 2012
Lovely logo mark	5,748,046	May 14, 2019
Lovely word mark	5,802,963	July 16, 2019

The following is a description of the pending Principal Trademarks:

All required affidavits for the Principal Trademarks have been filed. We intend to file renewal applications for the Principal Trademarks.

There are no existing or pending material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrators of any state court, any pending interference, opposition or cancellation proceeding involving the Principal Trademarks. There are no pending material federal or state court litigations regarding the ownership or use of the Principal Trademarks. There are no agreements that significantly limit our right to use or license the use of the Principal Trademarks.

The Franchise Agreement will require you to notify us of the use of or claims of rights to a Principal Trademark or a confusingly similar trademark. The Franchise Agreement will also require you to assist us with protecting our claims of right to the Principal Trademarks by (i) providing us with support, as we determine, and (ii) signing documents, as we require. We will take action concerning the use or claims of rights we think is appropriate. We will control any administrative proceeding or litigation involving a Principal Trademark. We will indemnify and hold you harmless for any expense associated with a claim (including any claim of infringement or unfair competition) made against you relating to the use of the Principal Trademarks by you, unless the claim is based upon your misuse of the Principal Trademarks.

We know of no superior prior rights or infringing uses that materially affect your use of the Principal Trademarks in any jurisdiction.

We may modify or change the Principal Trademarks and compel you to accept and adopt such modifications or changes at your expense. We will not reimburse you for any of your expenses in modifying or changing your use of the Principal Trademarks.

You will include, where required by us, any intellectual property notices required by us.

ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents (or pending patent applications) material to the operation of your Franchised Business.

We claim copyright protection covering various materials used in our business and the development and operation of the Franchised Business including the Confidential Operating Manual, Advertising Materials, Social Media Materials and similar materials. We have not registered these materials with the U.S. Registrar of Copyrights but we are not required to do so. There are no currently effective determinations of the U.S. Copyright Office or any court or any pending litigation or other proceedings, regarding any copyrighted materials. No agreement limits our rights to use or allow franchisees to use the copyrighted materials. We know of no superior rights or infringing uses that could materially affect your use of the copyrighted materials.

The Franchise Agreement will require you to notify us of the use of or claims of rights to the copyrighted materials. The Franchise Agreement will also require you to assist us with protecting our claims of right to the copyrighted materials by (i) providing us with support, as we determine, and (ii) signing documents, as we require. We will take affirmative action as we deem necessary when notified of these uses or claims. We will remain in control of any such proceeding. We will indemnify and hold you harmless for any expense associated with a claim made against you relating to the use of the copyrighted materials by you, unless the claim is based upon your misuse of the copyrighted materials in a manner not permitted under the Franchise Agreement. We may modify or change the copyrighted materials and compel you to accept and adopt such modifications or changes at your expense. You will include, where required by us, any intellectual property notices required by us.

If you or your Owners (as defined in the Franchise Agreement) develop any new concept, process, product or improvement in operating or promoting the Franchised Business, you must promptly notify us and provide us with any information, samples or instructions we request without charge. Such new material, concept, process, product or improvement will become our exclusive property if we approve it for use in the System. We may then freely distribute such material, concept, process, product or improvement to other franchisees without compensation to you. You will not affix a copyright notice on any material in any other name without our prior written approval.

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

We may require that you, the Franchisee, or your Operating Principal personally supervise the day-to-day activities of the Franchised Business. If we permit you to not personally supervise

the operations of the Franchised Business and you elect to do so, you will be required to employ a full-time manager who must be responsible on an exclusive basis for the on-premises supervision of the daily operations of the Franchised Business. Any person serving in the role of manager must successfully complete our training program and undergo any required supplemental training. The manager must be reasonably qualified to run an operation of this nature, as determined by us, but need not be an equity Owner in the Franchisee.

We require that you appoint an Operating Principal who will serve as principal contact with us. The Operating Principal will be the only individual that we will deal directly with and whose instructions and/or directions we will address. You may not replace the Operating Principal without our prior written consent.

If you are a legal entity, each shareholder, partner or member and their respective spouses must personally guarantee your obligations under the Franchise Agreement and also agree to be personally bound by, and personally liable for any breach of the Franchise Agreement. This guarantee is included as Exhibit 10 to the Franchise Agreement.

You, your Owners, your officers, directors, executives, partners, shareholders, the Operating Principal and your managers must each sign a confidentiality agreement (Exhibit 7 to the Franchise Agreement) before you grant access to the Confidential Operating Manual or any other confidential information, in which he/she agrees to the confidentiality of the information, agrees not to use any information for his/her own benefit and agrees not to compete. We will be a third-party beneficiary with the independent right to enforce those agreements.

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must choose products for sale from Suppliers, although none of these will be mandatory except for our private label. You must offer and sell all products and services that we periodically require as described herein, in the Franchise Agreement and as may be supplemented.

You may not offer and sell any products and/or services that we have not specifically authorized. You will, within a commercially reasonable period of time, discontinue offering for sale any product or service upon notification from us. You will not participate in any Grey marketing activities concerning any products or services. From time to time, we may choose to test new products or services, sales strategies, equipment, programs or other elements of Lovely Bride intellectual property. Upon such an occurrence, you will be required to participate in any testing at our request and may also be required to make capital expenditures and incur operating and other costs as part of your participation in the test. We are not obligated to reimburse you for those expenditures. You may be required to maintain records and submit reports to us, as part of the test, in a timely manner.

You will not engage in any activities that divert any business or customers to non-Lovely Bride businesses, including those owned by you. You may refer customers to others for affiliate services with our advanced written approval. We may periodically eliminate certain products and/or services, or add additional products and/or services without further notice to you.

You will not use the premises for the sale or displaying of any items that promote illegal activity or any other product or service that we decide may offend an appreciable segment of the public or may adversely affect the public's acceptance, favorable reputation or extensive goodwill associated with the Lovely Bride® name, brands and Principal Trademarks. There are no limits on our right to make changes to the types of authorized goods and services.

ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision	Article in Franchise Agreement	Summary
a. Length of the franchise term	Article III	Ten (10) years from the date you execute the Franchise Agreement.
b. Renewal or extension of the term	Article III	The franchise may be renewed at your option for two additional successive five (5) year terms.
c. Requirements for Franchisee to renew or extend	Article III	Requirements include: (i) we must be offering franchises in the area in which the Franchised Business is located; (ii) during the entire term of your Franchise Agreement you must have substantially complied with its terms; (iii) you must bring your Franchised Business in full compliance with our then-current standards, including, but not limited to, refurbishing your Lovely Bride® store and installing new equipment packages; (iv) you must execute a general release which includes us, our affiliates and all of their respective owners, officers, directors, agents and employees; (v) you must give us not more than nine (9) months and not less than six (6) months written notice; (vi) you must enter into a lease for the location of the Franchised Business for the duration of the successor term; and (vii) you must pay the successor agreement fee. Renewal of the Franchise Agreement means signing the then-current franchise agreement which may contain materially different terms and conditions than those contained in the Franchise Agreement.

d. Termination by Franchisee	Article XIV	You may terminate your Franchise Agreement only with our written consent; when terminated you will be required to pay all outstanding obligations which may include payment of liquidated damages. You may terminate the Franchise Agreement on any grounds available at law.
e. Termination by Franchisor without cause	Not applicable	We will not terminate without cause.
f. Termination by Franchisor with cause	Article XIV	We may terminate for cause.
g. "Cause" defined –curable defaults	Article XIV	Curable defaults include: (i) failure to maintain required insurance; (ii) failure to maintain licenses or certificates; (iii) non-payment within time period required; (iv) failure to provide reports and information when required; (v) violation of transfer requirements; (vi) failure to develop, open and operate the location within time period required; (vii) failure to complete training; (viii) abandonment of business; (ix) failure to remodel the Franchised Business location; (x) failure to comply with laws; (xi) loss of right to operate at the Franchised Business location; (xii) failure to meet any other obligation of the Franchise Agreement, the Confidential Operating Manual or otherwise established in writing by us; and (xiii) you or your guarantors default in any other agreement with us, our affiliates or any Supplier and such default is not cured with the time period permitted.
h. "Cause" defined – non-curable defaults	Article XIV	Non-curable defaults include: (i) material false statements or reports; (ii) underreporting of Gross Revenues as provided in the Franchise Agreement; (iii) unauthorized business activity; (iv) conviction or no contest plea to a felony or certain other crimes; (v) engaging in dishonest or unethical conduct which adversely affects our reputation or goodwill; (vi) failure to pay when due federal or state income, service, sales or other taxes; (vii) repeated events of default; (viii) insolvency or bankruptcy; (ix) operating at a risk to public safety or health; (x) breach of requirements relating to proprietary information or the Principal Trademarks; (xi) an unauthorized transfer of the Franchise Agreement or an ownership interest in the Franchisee or of the Franchised Business; (xii) an unauthorized relocation or attempt to relocate the Franchised Business; (xiii) failure to comply with the Confidentiality, Non-Use and Non-Competition Agreement or refrain from copying, duplicating, recording or otherwise reproducing the Confidential Operating Manual; and (xiv) failure to obtain goods from Suppliers as required.

i. Franchisee's obligations on termination/ nonrenewal	Article XIV	Obligations include: (i) you must pay all sums owed including any Royalty, Brand Fund Contributions or other fees, all outstanding obligations, liquidated damages, expenses, attorneys' fees incurred as a result of your default; (ii) cease to be a franchisee of Lovely Franchising LLC; (iii) cease operating the business or any other business under the Principal Trademarks or confusingly similar marks; (iv) refrain from using in advertising marketing, promotion or in any manner, any methods, procedures or techniques associated with the System; (v) de-identify the Franchised Business by making all physical changes to the location including trade dress, décor, physical characteristics, color combination, signage, uniforms, etc. necessary to assure that customers do not believe the business is part of the System including returning any signs to us. (At our request we are permitted, as provided by the Franchise Agreement, to enter the premises at any time to make required changes at your risk and expense without liability of trespass.); (vi) cease using and return to us the following: the Confidential Operating Manual, training materials, proprietary software, database material, customer lists, records, files, instructions, forms, Advertising Materials, Social Media Materials and related items which bear the Principal Trademarks, all trade secrets and confidential materials, and any copies, equipment and other property owned by us or our affiliates; (vii) allow us to utilize the Assignment of Telephone and Internet Listings and Advertisements attached to the Franchise Agreement as Exhibit 9; (viii) transfer to us all customer lists and any customer data in whatever form, maintained by you; and (ix) comply with the Confidentiality, Non-Use and Non-Competition Agreement and all other post-term covenants.
j. Assignment of contract by Franchisor	Article X	We may transfer or assign the Franchise Agreement to any person or entity including a competitor, without restriction. However, no assignment will be made except to an assignee who in good faith and judgment of the Franchisor, is willing and financially able to assume the Franchisor's obligations under the Franchise Agreement.
k. "Transfer" by Franchisee defined	Article X	Includes the sale, assignment, gift, conveyance, pledge, mortgage or other encumbrance of any interest in the Franchise Agreement, the Franchised Business or you (if the Franchisee is a business entity).
l. Franchisor approval of transfer by Franchisee	Article X	You must obtain our prior written consent before transferring any interest in the assets of the Franchised Business or you (if the Franchisee is a business entity).

m. Conditions for Franchisor approval of transfer	Article X	Conditions include: (i) notifying us of the proposed transfer and providing us with the terms of the proposed transfer; (ii) transferee must possess sufficient business experience and financial resources to operate the Franchised Business; (iii) you must have satisfied all obligations under the Franchise Agreement or any other agreement between you and us, our affiliates, any Supplier and any lenders who provide you with financing pursuant to an arrangement with us, our affiliates or our Suppliers; (iv) transferee must attend a training course at the then-current training rate, which as of the date of this document is $250 per person per day if held at our headquarters or our affiliate's Lovely Bride® store or $500 per person per day plus reimbursement of all travel expenses if held at your location; (v) transferee must enter then-current franchise agreement and comply in all respects with all of our requirements; (vi) transferee must upgrade the Franchised Business location to our then-current standards for a Lovely Bride® store; (vii) you must pay the transfer fees indicated in Item 6; (viii) execution of a general release including us, our affiliates and all of our respective owners, officers, directors, agents and employees; (ix) you must comply with all other applicable transfer requirements designated in the Confidential Operating Manual or otherwise in writing; and (x) transferee must sign any personal guarantees required.
n. Franchisor's right of first refusal to acquire Franchisee's business	Article XI	Within thirty (30) days after notice, we have the option to purchase the transferred interest on the same terms and conditions offered by a third-party except for transfers among current owners of franchisee or to a legal entity wholly owned by you.
o. Franchisor's option to purchase Franchisee's business	Article XIV	Other than assets on termination, nonrenewal or right of first refusal, we have no right or obligation to purchase your business.
p. Death or disability of Franchisee	Article X	Upon death or permanent disability of Franchisee (or its Operating Principal) distributee must be approved by us or interests must be transferred to someone approved by us within six (6) months after death or notice of permanent disability.
q. Non-competition covenants during the term of the franchise	Article IX and Exhibit 6	You and your Owners are prohibited from operating or having an interest a competing business wherever located and operating.

r. Non-competition covenants after the franchise is terminated or expires	Article IX and Exhibit 6	Covenants include that you and your Owners are prohibited for two (2) years from the latter of the termination or expiration of the Franchise Agreement; transfer of the Franchised Business; or the date of any final, non-appealable order enforcing these covenants from operating or having an interest in a competing business located or operating: (i) within the Territory and within ten (10) miles of the Territory; (ii) within the territory and within three (3) miles of the location and/or territory of any other Lovely Bride® store owned, in operation, under development or to be developed as of the date of your Franchise Agreement; (iii) within the territory and within ten (10) miles of the location and/or territory of any other Lovely Bride® store owned, in operation, under development or to be developed as of the date of termination or expiration of the Franchise Agreement or the transfer of your Franchised Business; or (iv) within the territory and within ten (10) miles of the location and/or territory of any other Lovely Bride® store owned, in operation, under development or to be developed as of the date of any final non-appealable judgment or order of any court, arbitrator, panel or arbitrator or tribunal that enforces the non-competition, non-use and confidentiality provisions of your Franchise Agreement.
s. Modification of the Franchise Agreement	Articles VII and XX	You must comply with the Confidential Operating Manual as amended from time to time. The Franchise Agreement may not be modified unless mutually agreed to in writing, except to the extent that we may reduce the scope of covenants as provided by the Franchise Agreement.
t. Integration/ merger clause	Article XX	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law and FTC regulations). No other representations or promises will be binding unless mutually agreed to. However, nothing in the Franchise Agreement or in any related agreement is intended to disclaim the Franchisor's representations made in this disclosure document.
u. Dispute resolution by arbitration or mediation	Not applicable	Not applicable.
v. Choice of forum	Article XXIII	All disputes between the parties are to be brought exclusively in either a New York state court in New York, New York or in the United States District Court for the Southern District of New York, unless otherwise brought by us, subject to state law.

w. Choice of law	Article XXIII	The laws of the State of New York govern the Franchise Agreement, subject to state law. However, if the Franchised Business is located outside of New York and a provision of the Franchise Agreement is not enforceable under the laws of New York but is enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of the state where the Franchised Business is located.

ITEM 18. PUBLIC FIGURES

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

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.

We do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make 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 our management at PO Box 5240, Westport CT 06881 or email at biz@lovelybride.com or telephone at (855) 568-3592, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20. OUTLETS AND FRANCHISEE INFORMATION

The tables presume a December 31 fiscal year end. The tables appear as follows:

Table 1 – Systemwide Outlet Summary for Years 2019 to 2021:

Outlet Type	Year	Outlets at the Start of Year	Outlets at the End of Year	Net Change
Franchised	2019	12	14	+2
	2020	14	14	0
	2021	14	15	+1
Company Owned	2019	5	4	-1
	2020	4	4	0
	2021	4	4*	0

Total Outlets	2019	17	18	+1
	2020	18	18	0
	2021	18	19	+1

*Company Owned locations are located in District of Columbia, Miami, FL, New York, NY and Seattle, WA

Table 2 – Transfers of Outlets From Franchisees to New Owners (Other than Franchisor) for Years 2019 to 2021:

	Year	Number of Transfers
Total	2019	0
	2020	0
	2021	0

Table 3 – Status of Franchise Outlets for Years 2019 to 2021:

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
Arizona	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
California	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Colorado	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Georgia	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Illinois	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
North Carolina	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
New York	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Ohio	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Pennsyl-	2019	1	0	0	0	0	0	1

vania	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
South Carolina	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Texas	2019	1	1	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
London, UK	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Total	2019	14	1	0	0	0	0	15
	2020	15	0	0	0	0	0	15
	2021	15	0	0	0	0	0	15

Table 4 – Status of Company-Owned Outlets for Years 2019 to 2021:

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Re-acquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
District of Columbia	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Florida	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
New York	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Washington	2019	1	0	0	0	0	1
	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
Total	2019	4	0	0	0	0	4
	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4

Table 5 - Projected Openings for next Fiscal Year as of December 31, 2021:

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company Owned Outlet in the Next Fiscal Year
Georgia	0	1	0

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlet in the Next Fiscal Year	Projected New Company Owned Outlet in the Next Fiscal Year
Ohio	0	1	0
TOTAL	0	2	0

A list of all the names of all franchisees and the addresses and telephone numbers of their Franchised Businesses are attached to this disclosure document as Exhibit D. If you buy this Franchised Business, your contact information may be disclosed to other buyers when you leave this System.

In some instances, during the last three years, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Lovely Bride. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

We do not know of a trademark-specific franchisee organization associated with the System that is required or has been asked to be disclosed in this disclosure document.

ITEM 21. FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit F are our audited financial statements for our fiscal years ending December 31, 2019, December 31, 2020 and December 31, 2021. The Franchisor has adopted the provisions of FASB ASC Topic 606 on the modified retrospective method in determining the revenue recognition under the current standards.

ITEM 22. CONTRACTS

The following agreements are attached to this disclosure document: (1) Franchise Agreement; (2) Territory Attachment; (3) General Release; (4) ACH Authorization; (5) Collateral Assignment of Lease; (6) Confidentiality, Non-Use and Non-Competition Agreement; (7) Confidentiality, Non-Use and Non-Competition Agreement Form; (8) Assignment of Telephone and Internet Listings and Advertisements; (9) Guarantee; (10) Spousal Consent and Waiver; (11) Franchise Compliance Certification; and (12) State Amendments.

ITEM 23. RECEIPTS

See Exhibit H attached.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

CALIFORNIA Department of Financial Protection and Innovation 2101 Arena Boulevard Sacramento, CA 95834 (866) 275-2677 Agent: Commissioner of Business Oversight	MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360 Agent: Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020
HAWAII Securities Examiner 1010 Richards Street Honolulu, Hawaii 96813 (808) 586-2744 Agent: Director of Hawaii Department of Commerce and Consumer Affairs	MICHIGAN Overnight mail: Attorney General's Office Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street Williams Building, 6th Fl Lansing, Michigan 48933 (517) 373-7117 Regular mail: Attorney General's Office Consumer Protection Division Attn: Franchise Section P.O. Box 30213 Lansing, Michigan 48909 Agent: Michigan Department of Commerce Corporations and Securities Bureau
ILLINOIS Franchise Division Office of Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465 Agent: Illinois Attorney General	MINNESOTA Minnesota Department of Commerce 85 7th Place East Suite 280 St. Paul, Minnesota 55101 (651) 539-1600 Agent: Minnesota Commissioner of Commerce

INDIANA Franchise Section Indiana Securities Division Secretary of State Room E-111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681 Agent: Indiana Secretary of State	NEBRASKA Nebraska Department of Banking and Finance 1200 N Street P.O. Box 95006 Lincoln, Nebraska 68509-5006 (402) 471-3445
NEW YORK NYS Department of Law Investor Protection Bureau 28 Liberty St., 21st Floor New York, NY 10005 (212) 416-8222 Phone Agent for Service: Attention: New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001 (518) 473-2492	SOUTH DAKOTA Division of Insurance Securities Regulation 124 S. Euclid Suite 104 Pierre, South Dakota 57501 (605) 773-3563 Agent: Director of South Dakota Division Securities
NORTH DAKOTA North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor, Dept 414 Bismarck, North Dakota 58505-0510 (701) 328-4712 Agent: Securities Commissioner	TEXAS Secretary of State P.O. Box 12887 Austin, Texas 78711

OREGON Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387 Agent: Director of Oregon Department of Insurance and Finance	VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051 Agent: Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733
RHODE ISLAND Division of Securities Suite 232 233 Richmond Street Providence, Rhode Island 02903 (401) 222-3048 Agent: Director of Rhode Island Department of Business Regulation	WASHINGTON Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760 Agent: Administrator of Securities Department of Financial Institutions 150 Israel Road SW Tumwater, Washington 98501
WISCONSIN Administrator Securities Division Department of Financial Institutions P.O. Box 1768 Madison, Wisconsin 53701 (608) 266-8559 Agent: Wisconsin Commissioner of Securities	CONNECTICUT State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, Connecticut 06103-1800 (860) 240-8230 Agent: Banking Commissioner

EXHIBIT B

FRANCHISE AGREEMENT

EXHIBIT B

FRANCHISE AGREEMENT AND RELATED MATERIALS

LOVELY FRANCHISING LLC

FRANCHISE AGREEMENT

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT ("AGREEMENT") IS MADE AND ENTERED INTO THIS _____DAY OF _____ ("EFFECTIVE DATE"), BETWEEN LOVELY FRANCHISING LLC, A NEW YORK LIMITED LIABILITY COMPANY WITH ITS PRINCIPAL OFFICE AT PO BOX 5240, WESTPORT CT 06881 ("FRANCHISOR"), AND _____A WHOSE PRINCIPAL ADDRESS IS_____("FRANCHISEE").

RECITALS

WHEREAS, Franchisor, as the result of the expenditure of time, skill, effort and money has developed a distinctive, proprietary System (as hereinafter defined) relating to the establishment and operation of a business under the name Lovely Bride® engaged in operating a bridal shop selling wedding gowns, occasion dresses and accessories.

WHEREAS, the distinguishing characteristics of the System include distinctive interior and exterior design, décor, color scheme and furnishings; uniform standards, specifications and procedures for operations; installation, construction design, general contracting, layout of equipment and maintenance techniques; quality and uniformity of products and services offered; standards, specifications and procedures for inventory, purchasing, management and financial control; training and assistance; advertising, marketing and promotional programs; all of which may be changed, improved and further developed by Franchisor from time to time at its sole option (the "System");

WHEREAS, the System is identified by means of certain trade names, service marks, trademarks, logos, symbols, emblems and indicia of origin as are now designated and may hereinafter be designated by Franchisor in writing (the "Principal Trademarks") which are owned by Franchisor's affiliate, Lovely Bride LLC, and with whom Franchisor has entered into a perpetual license to use and license others to use the Principal Trademarks; and

WHEREAS, Franchisee desires to obtain a franchise to operate and develop a business as a Lovely Bride® franchisee (the "Franchised Business");

WHEREAS, Franchisee understands and acknowledges the importance of Franchisor's high uniform standards of quality and service and the necessity of operating the Franchised Business in conformity with Franchisor's standards, specifications, operating procedures and rules (the "System Standards"); and

NOW THEREFORE, the parties, in consideration of the mutual undertakings and commitments set forth herein, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

I. GRANT OF FRANCHISE AND LICENSE

1.1 Grant

Subject to the terms and conditions of this Agreement, Franchisor grants to Franchisee the right and license, and Franchisee accepts the right and obligation, to operate a Franchised Business under the Principal Trademarks (identified on Exhibit 1), in accordance with the System and the provisions of this Agreement within the geographic area specified in the Territory Attachment in Exhibit 2 (the "Territory"). Franchisee shall have no right or license to operate the Franchised Business or to use the System or the Principal Trademarks to offer or sell any products or services through any channel of distribution except within the Territory and in accordance with this Agreement.

1.2 Limitation of Grant

Franchisee agrees and acknowledges that this Agreement does not grant Franchisee any area, market, territory, franchise or other rights except as provided herein and Franchisor shall retain and may convey to any other any right not expressly granted to Franchisee herein.

1.3 Grant of License to Principal Trademarks

Franchisor hereby grants to Franchisee a limited and non-exclusive license to use the Principal Trademarks during the term of this Agreement subject to the terms, limitations and conditions of this Agreement and all quality control standards and requirements of Franchisor.

1.4 Services Offered by the Franchisee

(a) General Requirements

Except to the extent otherwise provided in this Section, Franchisee agrees to offer, sell and furnish all current and future Services, Ancillary Services and Ancillary Products (as these terms are defined in subsections (b) and (c) below), and other programs and products which are part of the System and which Franchisor designates as mandatory in this Agreement and in the Confidential Operating Manual. Franchisee may not use the Lovely Bride® name or the Principal Trademarks for the benefit of any business other than the Franchised Business. Franchisee is prohibited from offering or selling any service, program or product which is not a part of the System or which Franchisor deletes from the System, without Franchisor's prior written approval, except that Franchisor shall not unreasonably withhold approval of the Franchisee's sale of bridal related services, products or programs. Franchisee may not conduct (or permit anyone else to conduct) any business other than the business contemplated by this Agreement at or from the Franchised Business location without first obtaining Franchisor's written consent, which Franchisor is under no obligation to grant and which Franchisor may in Franchisor's sole discretion subsequently withdraw. If Franchisor permits Franchisee to furnish, offer or sell any service, program or product which is not a part of the System, then Franchisor has the right to set conditions

for this approval, including without limitation: (i) requirements that Franchisee inform the public (in the manner that Franchisor requires) that such services, programs or products are not associated with the Principal Trademarks and/or are not endorsed or offered by Franchisor, its affiliates and/or Lovely Bride® franchisees; (ii) the right to withdraw consent to the services, programs or products, in which event Franchisee shall immediately cease and desist all activities with respect to these services, programs or products; (iii) that any such services, programs or products may, in Franchisor's sole discretion, be incorporated into the System and be used by Franchisor as Franchisor's property without restriction or compensation to Franchisee; and (iv) Franchisee's waiver and release of any proprietary rights Franchisee may have to the services, programs and products.

(b) The Services

This Agreement authorizes Franchisee to offer, sell and perform the Services which is defined as a business under the name Lovely Bride® operating a bridal shop selling wedding gowns, occasion dresses and accessories. Some states or localities may regulate and/or require the licensing of persons performing part or all of the Services. It is Franchisee's obligation to determine if Franchisee must be licensed in its Territory and to take whatever steps are necessary to meet the requirements of any regulations regarding the Services.

(c) Ancillary Services and Ancillary Products

Franchisor reserves the right to extend the System into other areas of business. Franchisor is under no obligation to offer to Franchisee those services or additional products if and when they are established ("Ancillary Services" and "Ancillary Products"). If Franchisor notifies Franchisee of new Ancillary Services or Ancillary Products to be included in the Franchised Business by separate notice or by a revised Confidential Operating Manual, Franchisee agrees to offer such Ancillary Services or Ancillary Products if Franchisor describes them as mandatory and Franchisee may choose to offer such Ancillary Services or Ancillary Products if Franchisor describes them as optional. If mandatory, Franchisee agrees at its expense to: (i) obtain all necessary products, services, promotional materials, training and if required, licensed personnel or equipment which Franchisor advises Franchisee is necessary to offer the Ancillary Services or Ancillary Products; and (ii) begin offering, selling, using and furnishing the Ancillary Services or Ancillary Products as soon as is possible in a commercially reasonable manner after receipt of notice to that effect.

II. TERRITORY

2.1 Territory

(a) Franchisee's Territory shall be as defined in Exhibit 2 attached hereto or as determined by the terms of this Agreement. Generally, the Territory will be based upon the site of the store, with a radius of 45 miles around it, unless indicated to the contrary in Exhibit 2. Franchisee may market, advertise and solicit customers for the Franchised

Business within the Territory in accordance with the terms of this Agreement. In the event the Territory has not been designated at the time of signing this Agreement, Franchisor shall designate a Territory within thirty (30) days of the Effective Date and Franchisee agrees to accept that Territory without condition.

(b) During the term of this Agreement, subject to full compliance by Franchisee and its Owners (defined herein) with this Agreement and any other agreement between Franchisee or any of its Owners and Franchisor, Franchisor shall not: (i) grant a franchise or open a company or affiliate-owned unit within the Territory; or (ii) permit any Lovely Bride® store to solicit sales within the Territory except to the extent that any advertisement, promotion or web promotion may include publication within any part of the Territory.

(c) Notwithstanding anything to the contrary herein, Franchisee shall be permitted to accept sales and business from outside of the Territory provided that such sales and business are unsolicited or come in response to advertising, marketing, promotions or web promotions that are not specific to any area outside of the Territory (i.e., advertising in a newspaper, magazine or on the radio with a circulation or listening area that extends past the Territory). Franchisee agrees and acknowledges that Franchisee shall not be permitted to complete the sale of any services, products or programs to any customer without having that customer first complete a scheduled appointment at Franchisee's Lovely Bride® store.

2.2 Limitations on Territory Rights

(a) Franchisor reserves for itself and its affiliates all rights within and outside of the Territory not exclusively granted to Franchisee. Franchisor may, at any time and in its sole discretion, designate any geographic area outside the Territory as the territory for a franchisee or licensee.

(b) Notwithstanding the territorial grant above and without limiting Franchisor's retention of all other rights not specifically granted to Franchisee, Franchisor reserves the right for itself, company-owned stores, its affiliates, its licensees (and/or licensees of Franchisor's affiliates) and other franchisees to:

(i) accept in any Lovely Bride® store located outside of Franchisee's Territory, orders made from within Franchisee's Territory for products or services sold under any trade name, trademark or service mark (including the Principal Trademarks) and to deliver such products or services within Franchisee's Territory; and

(ii) accept orders for products or services sold under any trade name, trademark, service mark (including the Principal Trademarks) from within Franchisee's Territory generated through the Internet and to deliver such products or services within Franchisee's Territory, excluding bridal gowns and bridal party dresses.

(c) Notwithstanding the territorial grant above and without limiting

Franchisor's retention of all other rights not specifically granted to Franchisee, Franchisor reserves the right for itself, company-owned stores, its affiliates and its licensees (and/or licensees of Franchisor's affiliates) to:

(i) sell products and services and enfranchise others to sell products and services sold under any trade name, trademark or service mark (including the Principal Trademarks) in the Territory through any alternative channel of distribution, including but not limited to e-commerce;

(ii) develop, implement and participate in a co-branding program located within or outside Franchisee's Territory regardless of whether any co-branded business is franchised or company-owned and regardless of which trade names, trademarks or service marks are used in connection with the co-branded business, including, but not limited to, the Principal Trademarks;

(iii) Sell products and services, including but not limited to wedding gowns, occasion dresses and accessories, and enfranchise others to sell products and services, including wedding gowns, occasion dresses and accessories, sold under any trade name, trademark or service mark (including the Principal Trademarks) in non-traditional locations, including any non-traditional locations situated in the Territory, through the establishment of Lovely Bride kiosks, mobile units, concessions or "shop in shops." Non-traditional locations" may also include venues for mass gathering such as airports, sports arenas, theatres, resorts, malls, schools, universities, healthcare facilities, guest lodging facilities, day care facilities of any type, government facilities, as well as the premises of any third-party retailer and any other location or venue to which access to the general public is restricted such as military bases and installations; and

(iv) Sell products and services, including but not limited to wedding gowns, occasion dresses and accessories, and enfranchise others to sell products and services, including wedding gowns, occasion dresses and accessories, sold under any trade name, trademark or service mark (including the Principal Trademarks) to retail stores located anywhere, including within and outside of the Territory.

(d) Other franchisees are permitted to advertise, solicit sales and accept business from outside of their territories, with Franchisor's prior written approval, but not within Franchisee's Territory, except that other franchisees may accept business within Franchisee's Territory if that business is unsolicited or comes in response to advertising, marketing, promotions or web promotions that are not specific to Franchisee's Territory (i.e., advertising in a newspaper with circulation encompassing the Territory). Franchisor will take any action or no action at all, based on Franchisor's evaluation of the situation if other franchisees advertise, solicit sales and/or accept business from Franchisee's Territory. Franchisee may not advertise, solicit sales or accept business outside the Territory within a territory whose rights have been granted to another franchisee. Franchisee may solicit sales outside the Territory in areas that are not subject to another franchise agreement (an "unassigned" territory), with Franchisor's written approval. Franchisor reserves the right to grant a franchisee territory rights or the right to advertise

in, solicit sales and accept business from any area outside of Franchisee's Territory. Soliciting sales in an unassigned territory does not grant any right of first refusal or any other right to Franchisee for another franchise in an unassigned territory. Franchisee will be permitted to accept business from another franchisee's territory, if it is unsolicited or comes in response to advertising, marketing, promotions or web promotions that are not specific to that franchisee's territory (i.e., advertising in a newspaper with circulation encompassing the Territory). When advertising in a medium that is distributed in another franchisee's territory or in a distribution area encompassing a company-owned, affiliate-owned or licensee-owned store, for promotion or otherwise and when that franchisee, company-owned, affiliate-owned or licensee-owned store has chosen to participate, Franchisee must include as part of that written advertisement or in the oral script utilized, the location of any such store. When that franchisee, company-owned, affiliate-owned or licensee-owned store has chosen not to participate in the advertising, marketing, promotion or web promotion the written or oral advertising, marketing, promotion or web promotion must include the disclaimer "at participating locations only," as well as eliminate any reference to pricing when there is a difference between franchise pricing (Franchisee's pricing compared to other franchisees' pricing) or other outlet pricing (Franchisee's pricing compared to company-owned, affiliate-owned or licensee-owned store's pricing).

(e) Franchisor is not required to compensate Franchisee for Franchisor's solicitation of or acceptance of orders originating from inside the Territory. Franchisor is not obligated to compensate Franchisee if Franchisor or its affiliates sell any products or services within the Territory.

(f) Franchisor, its affiliates and licensees (and/or licensees of Franchisor's affiliates) may establish any business within Franchisee's Territory that does not utilize the Principal Trademarks.

(g) In order to maintain the Territory, Franchisee must meet its obligations under this Agreement. In addition to the provisions of Section 7.18 hereof, and the termination provisions set forth in Article XIV herein, Franchisee's failure to comply with the provisions of this Agreement may result in Franchisor reducing the size and scope of Franchisee's Territory or eliminating Franchisee's Territory altogether, in Franchisor's sole discretion.

2.3 Introduction of Other Systems within the Territory

(a) In the event Franchisor acquires a competing system during the term of this Agreement and such competing system is an established non-franchise business that contains operations within the Territory, then the following shall apply:

(i) Franchisor may offer Franchisee the business within the Territory at a cost equal to the fully allocated costs associated with the business;

(ii) Franchisee will then have thirty (30) days to decide whether or not to acquire the business as a Lovely Bride® franchise under the then-current franchise

agreement;

(iii) Franchisor will not charge Franchisee a franchise fee for the acquisition of the business;

(iv) upon the effective date of the purchase, Franchisee will have six (6) months to bring the business up to Franchisor's then-current standards for a Lovely Bride® franchise as provided for in the then-current franchise agreement, Confidential Operating Manual or otherwise in writing by Franchisor;

(v) if Franchisee decides to acquire the business, Franchisee's royalties for the acquired business will be reduced by twenty percent (20%) for a period of two (2) years from the effective date of Franchisee's purchase of the business, but no other fees shall be reduced; and

(vi) if Franchisee decides not to acquire the business, then Franchisor, its affiliates and/or licensees (and/or licensees of Franchisor's affiliates) may operate the business within the Territory or offer the business to a third-party under any name, system and/or mark (but not the "Lovely Bride®" name, system or mark, without compensation to Franchisee.

(b) Notwithstanding the territorial grant above and without limiting Franchisor's retention of all other rights not specifically granted to Franchisee, in the event that Franchisor acquires an established franchised system that uses different brands:

(i) Franchisor will have the unrestricted right but not the obligation to convert the existing business to the System;

(ii) if the business is converted to the System, Franchisee will receive a payment of twenty percent (20%) of the royalties received by Franchisor from the operation of the converting franchise in the Territory for a period of two (2) years from the effective date the business was converted to the System; and

(iii) if the business is not converted to the System, Franchisor reserves the right to allow it to operate without compensation to Franchisee and to receive the services provided to franchisees hereunder.

III. TERM AND RENEWAL

3.1 Initial Term

The term of this Agreement shall commence on the Effective Date and shall expire on the sooner of: (a) the tenth (10^{th}) anniversary of the Effective Date; or (b) upon the termination of this Agreement in accordance with the provisions hereunder.

3.2 Successor Agreement

(a) Franchisee shall have the right to enter into a successor agreement for this franchise at the expiration of the initial term for two successive terms of five (5) years each, commencing immediately upon the expiration (but not the termination) of this Agreement, provided that at the time the successor agreement is to be executed, all of the following conditions have been fulfilled:

(i) Franchisor offers franchises in the area in which the Franchised Business is located;

(ii) Franchisee (and its Owners) has, during the entire term of this Agreement, substantially complied with all its provisions;

(iii) Franchisee will execute Franchisor's then-current form of franchise agreement, which may be materially different from this Agreement, including but not limited to the fee structure, Franchisee's Territory and other material terms;

(iv) at the time of notice as described below, Franchisee agrees in writing to bring the Franchised Business into full compliance with Franchisor's then-current specifications and standards for new Lovely Bride® shop (regardless of cost), including but not limited to refurbishing the store, installing new equipment packages, updating the methods, procedures and product line and upgrading the computer system. Franchisee shall commence such renovation as soon after notice is given as is commercially reasonable. Franchisee shall complete such renovation within six (6) months of executing the then-current form of franchise agreement;

(v) by the expiration of this Agreement, Franchisee has satisfactorily completed the then-current qualifications and training requirements;

(vi) Franchisee has satisfied all monetary obligations owed to Franchisor, its affiliates, and/or Suppliers (as defined herein) and has in a timely manner met those obligations throughout the term of this Agreement;

(vii) Franchisee and its Owners have executed a General Release, in a form attached as Exhibit 3, of any and all claims against Franchisor, its affiliates and all of the respective owners, officers, directors, agents and employees of Franchisor and its affiliates;

(viii) Franchisee notifies Franchisor of its desire to enter into a successor agreement for this franchise not more than nine (9) months and not less than six (6) months before this Agreement expires;

(ix) Franchisee maintains all relevant licenses and permits necessary for the operation of the Franchised Business;

(x) Franchisee shall enter into a lease for or own the premises where the

Franchised Business is located for the duration of the successor term; and

(xi) Franchisee shall pay Franchisor a successor agreement fee in an amount equal to twenty five percent (25%) of the then-current franchise fee, subject to a minimum of $6,250. Franchisee agrees and acknowledges that Franchisee shall pay the successor agreement fee in addition to any Royalties, Brand Fund Contributions and other fees which are due to Franchisor or its affiliates pursuant to this Agreement or any related agreement.

(b) Within sixty (60) days of its receipt of Franchisee's notice of Franchisee's desire to enter into a successor agreement for this franchise, Franchisor agrees to give Franchisee written notice ("Successor Notice") of Franchisor's decision:

(i) to grant Franchisee a successor franchise;

(ii) to grant Franchisee a successor franchise on the condition that Franchisee corrects existing deficiencies of the Franchised Business or in its operation of the Franchised Business; or

(iii) not to grant Franchisee a successor franchise based on Franchisor's determination, in its sole discretion, that Franchisee and its Owners have not substantially complied with the provisions of this Section 3.2.

(c) If applicable, the Successor Notice will:

(i) describe the remodeling, expansion, improvements and/or modifications required to bring the Franchised Business into compliance with then-applicable specifications and standards for a new Franchised Business; and

(ii) state the actions Franchisee must take to correct operating deficiencies and the time period in which Franchisee must correct these deficiencies.

(d) If Franchisor elects to grant a successor franchise, Franchisee's right to acquire the successor franchise is subject to Franchisee's full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to its compliance with the obligations described in the Successor Notice.

(e) If the Successor Notice states that Franchisee must cure certain deficiencies of the Franchised Business or its operation as a condition to Franchisor's granting Franchisee a successor franchise, Franchisor will give Franchisee written notice of its decision not to grant a successor franchise, based upon Franchisee's failure to cure those deficiencies not less than thirty (30) days before this Agreement expires. However, Franchisor need not give Franchisee this thirty (30) days' notice if Franchisor decides not to grant Franchisee a successor franchise due to Franchisee's breach of this Agreement during the thirty (30) day period before this Agreement expires.

(f) At its option, Franchisor may extend this Agreement's term for the time period necessary to give Franchisee either a reasonable time to correct deficiencies, execute a successor agreement, or to provide Franchisee with thirty (30) days' notice of Franchisor's refusal to grant a successor franchise.

(g) If Franchisee fails to notify Franchisor of its election to acquire a successor franchise within the prescribed time period, Franchisor need not grant Franchisee a successor franchise.

IV. PAYMENTS TO FRANCHISOR

4.1 Initial Franchise Fee

Franchisee shall pay to Franchisor an initial franchise fee of $25,000 upon execution of this Agreement. Franchisee acknowledges and agrees that the initial franchise fee is nonrefundable and fully earned upon payment and receipt by Franchisor, except as provided herein. In the event that Franchisee shall enter into a franchise agreement for another Lovely Bride® franchise, Franchisor shall charge Franchisee a reduced initial franchise fee of $20,000 for each franchise agreement Franchisee enters into after its first franchise agreement. Franchisor shall not refund the initial franchise fee to Franchise under any circumstances.

4.2 Royalty

During the term of this Agreement, Franchisee shall pay to Franchisor a continuing fee ("Royalty") in the amount of three percent (3%) of Gross Revenues for the one-year period commencing on the Commencement Date, four percent (4%) of Gross Revenues for the one-year period commencing on the first anniversary of the Commencement Date and five percent (5%) of Gross Revenues commencing on the second anniversary of the Commencement Date and continuing thereafter. Gross Revenues is defined in Section 4.7. In the event of a Transfer, the transferee agrees and acknowledges that the Royalty shall be calculated as of the Commencement Date (defined in Section 7.1) that the Franchised Business first opened for business and not the date that the transferee acquired the Franchised Business from the Franchisee (or the date of the franchise agreement executed with such transferee).

4.3 Brand Fund Contribution

Franchisor has established a separate fund for the purpose of conducting advertising, marketing and promotional programs and for using Social Media Platforms (defined as web based platforms such as Facebook, Twitter, LinkedIn, Instagram, Snapchat, blogs and other networking and sharing sites) using Social Media Materials (defined as any material on any Social Media Platform that makes use of Franchisor's Principal Trademarks, name, brand, products, services or the Franchised Business whether created by Franchisor, Franchisee or any third-party) to enhance, promote and protect the goodwill and public image of the System ("Brand Fund"). During the term of this Agreement, Franchisee shall pay to the Brand Fund a continuing contribution ("Brand Fund

Contribution") in the amount of one percent (1%) of Franchisee's Gross Revenues as defined below.

4.4 Payment of Royalty, Brand Fund Contributions and Other Fees

(a) Royalty payments shall be paid quarterly, within five (5) days of the end of the calendar quarter, unless otherwise required by Franchisor. Notwithstanding the above, Franchisor shall have the right, upon written notice to Franchisee, to require Royalty payments to be made on a monthly basis. Royalty payments shall be calculated based on the Gross Revenues of the Franchised Business for the quarter (or month) just ended. Brand Fund Contributions and any other fees required by this Agreement shall be payable quarterly (or monthly) on the fifth (5^{th}) day of each quarter (or month) based on the Gross Revenues for the prior quarter (or month). Franchisor shall advise Franchisee, in a separate writing, if Brand Fund Contributions are to be paid quarterly or monthly, which Franchisor may change, in its sole discretion, from time to time. All fees are payable to Franchisor or the Brand Fund by ACH or electronic funds transfer ("EFT"), as directed in the EFT authorization attached hereto as Exhibit 4, or such other method as Franchisor shall designate, from Franchisee's designated bank account on the date due. Franchisor may require other periodic payments at any time upon reasonable notice, which shall be provided for in this Agreement, the Confidential Operating Manual or otherwise in writing by Franchisor.

(b) Franchisee authorizes Franchisor to initiate debit entries and credit correction entries to Franchisee's checking, savings, operating or other account for the payment of Royalties, Brand Fund Contributions and any other amounts due from Franchisee under this Agreement or otherwise. Franchisee shall comply with Franchisor's procedures and instructions in connection with this direct debit and credit process and sign any document or take any action that may be required to effect this authorization.

(c) Franchisor may require Franchisee to pay the Royalty, Brand Fund Contributions and other amounts due under this Agreement or otherwise by means other than EFT whenever Franchisor deems appropriate and Franchisee agrees to comply with Franchisor's payment instructions.

4.5 Other Fees and Payments

(a) Transfer Fees

In the event of any transfer of the Franchise Agreement and Franchised Business, the Franchisee shall pay a transfer fee if required, as defined in Section 10.3(a)(x).

(b) Interest

Franchisee shall pay to Franchisor interest at a rate equal to the lesser of the daily equivalent of one and a half percent (1.5%) per month or the highest rate of interest allowed

by law on all past due amounts.

(c) Audit Fees

(i) Franchisor has the right to conduct an audit of the books and records of Franchisee, including all sales and income records and tax returns as provided herein. If Franchisor elects to conduct such audit, Franchisor will provide Franchisee with written notice ten (10) days prior to conducting the audit. The audit may be conducted by Franchisor or other persons designated by Franchisor. Franchisor may conduct the audit in Franchisor's offices, Franchisee's offices or at a third-party provider's office. Franchisee may be required to send such records to such location as Franchisor may designate in its sole discretion. In the event Franchisee has failed to furnish reports, supporting reports or other information as required by Franchisor, Franchisor may elect to conduct an audit of the books and records of Franchisee and Franchisee shall pay the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses and accounting and legal fees incurred by Franchisor;

(ii) If Franchisee has understated Gross Revenues in any report or statement by:

(1) two percent (2%) or less, Franchisee will be required to immediately pay Franchisor the underreported amount plus interest within fifteen (15) days of written notice of the amount due;

(2) more than two percent (2%), Franchisee will be required to immediately pay Franchisor the underreported amount plus interest along with the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses and accounting and legal fees incurred by Franchisor within fifteen (15) days of written notice;

(3) more than two percent (2%), in addition to subsection 4.5(c)(ii)(2) above, Franchisor may, in its sole discretion, require Franchisee to provide periodic audited statements to Franchisor; or

(4) more than five percent (5%), Franchisor may terminate this Agreement by written notice without opportunity to cure pursuant to the terms of Section 14.4 hereof.

(d) Relocation Fee

In the event Franchisee is permitted to relocate the Franchised Business within the Territory pursuant to the terms of Section 5.9 hereof, Franchisee shall pay to Franchisor all costs and expenses incurred by Franchisor in assisting Franchisee to relocate the Franchised Business, including, but not limited to, expenses incurred for labor, salary and travel expenses, professional fees, demographic reports and other costs.

(e) Technology Support and Development Fees

Franchisee may be required to pay a technology support and development fee to Franchisor or its designated third-party for costs incurred in maintaining the Lovely Bride® website and incorporating information relating to the Franchised Business, which fee shall be $200 per month and which may increase up to ten (10%) percent each year. Currently, Franchisor does not charge this fee. Additionally, Franchisor shall provide you with three email boxes without charge, each with a maximum 1 GB of memory. For each additional email box that you require, Franchisor shall charge a fee of $20 per month. For each additional GB of memory per email box that you require, Franchisor shall charge a fee of $20 per month. Currently, Franchisor does not use an information technology specialist. However, if the Franchisor's information technology needs require retaining a specialist, Franchisor may charge Franchisee a fee not to exceed $50 per month to offset Franchisor's costs.

(f) Late Fee

In the event Franchisee fails to make timely payment to Franchisor of any sums due, in addition to such owed funds, Franchisee shall pay Franchisor a late fee of $10 for each day said sums are not paid to Franchisor.

(g) Reimbursement of Costs and Expenses

If after notice, Franchisee fails to cure any deficiency in the Franchised Business and/or its operation of the Franchised Business, Franchisor may, in its sole discretion, correct the deficiency. If Franchisor elects to correct the deficiency, Franchisee shall reimburse Franchisor for Franchisor's costs and expenses incurred in correcting the deficiency. If Franchisor and/or its affiliates commence any action against any individual to enforce the terms of any Confidentiality, Non-Use and Non-Competition Agreement or any similar covenants contained in this Agreement, Franchisee and its Owners agree to pay all costs and expenses, including attorneys' fees, expert fees, court costs and all other expenses of litigation that Franchisor or its affiliates incur to secure.

(h) Post-Termination or Post-Expiration Expenses

Upon termination or expiration of this Agreement for any reason, Franchisor will have the right but not the obligation to modify, alter or de-identify the Franchised Business. In the event that Franchisor modifies, alters or de-identifies the Franchised Business, Franchisee shall reimburse Franchisor for its costs and expenses for modifying, altering or de-identifying the Franchised Business.

4.6 Application of Payments

(a) Franchisee acknowledges and agrees that Franchisor may apply payments received to amounts due and payable in the order Franchisor determines, in its sole discretion.

(b) Unless otherwise provided, all fees and other amounts due to Franchisor hereunder shall be paid in a manner designated by Franchisor in the Confidential Operating Manual or otherwise in writing by Franchisor and such payments shall be accompanied by a statement setting forth in reasonable detail the basis for the computation.

4.7 Gross Revenues

"Gross Revenues" shall mean all revenues and income of any type or nature and from any source, including, but not limited to, business interruption insurance proceeds, that Franchisee derives or receives directly or indirectly from, through, by or on account of the operation of the Franchised Business at any time after the Effective Date, including from providers of affiliated services, whether received in cash, in services, in kind, from barter and/or exchange, on credit or otherwise, without any deduction for expenses including advertising, marketing or promotional expenses and taxes, unless specifically exempted herein or otherwise by Franchisor. However, the definition of Gross Revenues shall not include sales taxes collected from customers at the point of sale and actually transmitted to the appropriate taxing authorities.

V. FRANCHISED BUSINESS LOCATION

5.1 Site Evaluation and Costs

Franchisee assumes all cost, liability, expense and responsibility for: (a) locating; (b) presenting for Franchisor's review; (c) obtaining; and (d) developing a site for the Franchised Business within the Territory and for constructing and equipping the Franchised Business location. Franchisee acknowledges and agrees that the location, selection procurement and development of the Franchised Business location is Franchisee's responsibility and that in discharging such responsibility Franchisee must consult with real estate and other professionals of Franchisee's choosing. Franchisor may, in its sole discretion, provide Franchisee with site criteria which may define the physical, demographic and geographic characteristics of a Franchised Business location. Franchisor may, in its sole discretion, provide Franchisee with a list of locations for the Franchised Business which may be suitable. This information is gathered from third parties and Franchisor does not guarantee the accuracy of such information. Franchisor may, in its sole discretion, provide Franchisee with information about preliminary plans and layouts for the Franchised Business location, sources of signage, equipment and/or furnishings, standards and specifications for all fixtures, improvements, other products and services and other related items used in a typical Franchised Business location. This Section 5.1 does not apply to a conversion franchise.

5.2 Site Selection Guidelines

(a) Franchisor may, in its sole discretion, provide Franchisee with site selection guidelines or requirements. Franchisee shall locate a site that satisfies Franchisor's site selection guidelines. Prior to making a binding commitment to secure the Franchised Business location by lease or purchase, Franchisee shall submit to Franchisor in the form Franchisor specifies, the information and materials that Franchisor may reasonably require regarding the proposed Franchised Business location. Franchisee may submit to Franchisor information and materials relating to more than one proposed Franchised Business location for Franchisor's review. Franchisee shall submit such information and materials to Franchisor for its review no later than thirty (30) days after the Effective Date. Franchisor will within thirty (30) days after receipt of all necessary information and materials, evaluate the proposed site as the Franchised Business location and Franchisor will approve or disapprove the location. If the location for the Franchised Business is not approved in writing within thirty (30) days after receipt of the above information, the location is deemed disapproved. By no later than ninety (90) days from the Effective Date, Franchisee must have obtained Franchisor's approval of a site. This Section 5.2 does not apply to a conversion franchise.

(b) In reviewing the location for the Franchised Business, Franchisor may consider any factor Franchisor determines relevant, including, but not limited to, the following: general location, quality of the neighborhood, traffic patterns, available parking, size, layout and other physical characteristics of the premises, rental or sale terms of the agreement and duration of the lease.

(c) Once Franchisor has received information relating to the proposed Franchised Business location as described above, Franchisor or its designee may, in Franchisor's sole discretion, conduct an on-site evaluation for the proposed location. If Franchisor elects not to conduct an on-site evaluation, Franchisee may request that Franchisor or its designee conduct an on-site evaluation. If Franchisee requests that Franchisor or its designee conduct an on-site evaluation and Franchisor or its designee conducts an on-site evaluation, Franchisor may charge Franchisee a site evaluation fee to reimburse Franchisor or its designee for expenses incurred, including the cost of travel, lodging, meals and wages. Additionally, if Franchisor or its designee conducts an initial on-site evaluation and Franchisor determines that further on-site evaluation is still necessary or if Franchisee requests further on-site evaluations, Franchisor or its designee may conduct an additional on-site evaluation. For each additional on-site evaluation that Franchisor or its designee conducts, Franchisor may charge Franchisee a site evaluation fee to reimburse Franchisor or its designee for expenses incurred, including the cost of travel, lodging, meals and wages.

5.3 Site Acquisition

(a) Within thirty (30) days after Franchisor has approved the Franchised Business location, Franchisee shall, at Franchisee's expense, acquire the Franchised Business location by purchase or lease. Franchisee hereby grants Franchisor an irrevocable power of attorney to amend this Agreement and the Territory Attachment to include the description of the Territory as a radius surrounding the Franchised Business location, in

accordance with terms of this Agreement. This Section 5.3 does not apply to a conversion franchise.

(b) Franchisee acknowledges and agrees that Franchisor's evaluation and approval of a prospective location for the Franchised Business and Franchisor's rendering of assistance, if applicable, in the selection of a prospective location is not a representation, promise, warranty, indication or guaranty, express or implied, by Franchisor that the Franchised Business will be profitable or successful as a Lovely Bride® franchise. Franchisee further agrees and acknowledges that Franchisor's evaluation and approval of the Franchised Business location is solely for Franchisor's benefit and is only provided to ensure that the Franchised Business location meets Franchisor's standards as indicated herein, the Confidential Operating Manual or otherwise by Franchisor in writing.

5.4 Lease Requirements

(a) In the event Franchisee leases the Franchised Business location, Franchisee shall submit a copy of the proposed lease to Franchisor ten (10) days prior to execution of the lease and furnish to Franchisor a copy of the executed lease within ten (10) days after execution. The lease shall have an initial term of no less duration than the term of this Agreement. Franchisee acknowledges and agrees that as a material condition of Franchisor's approval of Franchisee entering into any lease, the lease shall provide that:

(i) the premises shall be used exclusively for the operation of the Franchised Business;

(ii) the lessor consents to the use of the Principal Trademarks, signs, décor, color scheme and related components of the System as Franchisor may prescribe;

(iii) the lessor agrees to furnish Franchisor with copies of all notices under the lease and at such time that such notices are made;

(iv) Franchisor has the right to enter the premises to, among other things, monitor the use of the Principal Trademarks, make any modification necessary to protect the Principal Trademarks and cure defaults under the lease, this Agreement or any other agreement between Franchisee and Franchisor or its affiliates;

(v) Franchisee shall not sublease or assign all or any part of its rights under the lease or extend the term of or renew the lease without Franchisor's prior written consent, which shall not be unreasonably withheld;

(vi) the lessor consents to the Collateral Assignment and Assumption of Lease defined in Section 5.5 hereof;

(vii) the lease shall not be materially amended or otherwise modified to affect Franchisee's obligations under this Agreement without Franchisor's prior written consent; and

(viii) the lessor acknowledges and agrees that any furniture, fixture, equipment or personal property maintained by Franchisee on the leased premises, including, but not limited to, the Operating Assets (defined below), whether leased or owned by Franchisee are: (1) not the property of lessor; (2) shall be subject to Franchisor's security interest and a purchase option provided for in Section 14.7 herein in the event of Franchisee's default under the lease, this Agreement or any other agreement between Franchisee and Franchisor or its affiliates; and (3) may be removed upon expiration or termination of the lease, so long as such removal is accomplished without damage to the leased facility.

(b) Franchisor may require Franchisee to ensure that any lease for the Franchised Business has a rider attached to it in a form approved by Franchisor which reflects Franchisor's requirements. Franchisee shall not enter into a lease without the prior written authorization of Franchisor. Franchisee acknowledges and agrees that Franchisor's review of the lease does not constitute an approval of the lease or the terms contained therein, including, but not limited to, any legal, economic and rental terms. Franchisee agrees to hold Franchisor harmless from any claim arising from the lease. This Section 5.4 does not apply to a conversion franchise.

5.5 Collateral Assignment of Lease

Simultaneously with the execution of a lease, Franchisee shall enter into a Collateral Assignment and Assumption of Lease Agreement with Franchisor, and shall cause the lessor to enter into it as well, in the form annexed hereto as Exhibit 5. Franchisee agrees and acknowledges that upon a default by Franchisee under its lease for the Franchised Business location or upon the termination or expiration of this Agreement, the Collateral Assignment and Assumption of Lease Agreement shall provide Franchisor with the right but not the obligation to take possession of the Franchised Business location and assume all of Franchisee's rights, title and interest in the lease. In that event, lessor shall have no right to impose any conditions on such assignment and assumption or to obtain payment from Franchisee or Franchisor, including, but not limited to, any payment for past due rent or additional rent, replenishment of the security deposit or any other payment. Franchisee authorizes Franchisor and its affiliates to record a copy of the Collateral Assignment and Assumption of Lease (or a memorandum concerning the Collateral Assignment and Assumption of Lease) and any other documents required by Franchisor. Franchisee shall execute all such documents necessary to record the same and shall cooperate with Franchisor in all respects with the recording of the same. Franchisee explicitly affirms and recognizes the value of the lease for the Franchised Business location and Franchisee agrees that any non-compliance by Franchisee with Franchisor's right (but not obligation) to take possession of the Franchised Business location and assume all of Franchisee's rights, title and interest in the lease will cause irreparable damage to Franchisor, the System and other Lovely Bride franchisees for which no adequate remedy at law will be available.

5.6 Compliance with Laws

Franchisee acknowledges and agrees that Franchisee is solely responsible for complying with all laws. Franchisee further acknowledges and agrees that Franchisor and its affiliates are not responsible to ascertain Franchisee's initial and continuing legal responsibilities. Franchisee is also responsible for obtaining all zoning classifications and clearances that may be required by state or local laws, ordinances or regulations or that may be necessary as a result of any restrictive covenants relating to the Franchised Business location. Prior to beginning construction of the Franchised Business location, Franchisee shall obtain: (i) all permits, licenses and certifications required for the lawful construction or remodeling and operation of the Franchised Business; and (ii) insurance coverage at least in the amounts specified in this Agreement and otherwise required under its lease. Franchisee shall name Franchisor, its affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of Franchisor and its affiliates as additional insureds on any insurance policy. Franchisee shall provide to Franchisor, at Franchisor's request, copies of insurance policies, certificates of insurance, approvals, clearances, permits, certifications and proof of compliance with applicable law.

5.7 Franchised Business Location Design

Franchisee shall obtain, at its own expense, plans necessary for the construction of the Franchised Business location from a licensed contractor. Franchisor may provide Franchisee with standards and specifications for construction of the Franchised Business location. If such standards and specifications are provided by Franchisor, then Franchisee at its expense and in cooperation with the contractor, shall adapt the standards and specifications for construction of the Franchised Business location provided by Franchisor to the extent necessary to be consistent with local building codes and Franchisee shall submit such plans to Franchisor for prior review. Franchisor may communicate with the contractor retained by Franchisee. In the event Franchisor determines, in its sole discretion, that the contractor and/or the Franchised Business location plans do not satisfy Franchisor's standards and specifications or are not consistent with the best interests of the System, Franchisor, within thirty (30) days after receiving such plans, shall provide Franchisee with a list of changes necessary. If Franchisor does not approve of Franchisee's plans within thirty (30) days of its receipt, Franchisee's plans are deemed disapproved. Franchisee acknowledges and agrees that Franchisor's review, approval and proposed changes of the plans are meant to determine Franchisee's compliance with Franchisor's design specifications and shall not constitute a legal approval of the plans. Franchisor's review and approval of the plans in no way guarantees that Franchisee shall be in compliance with any legal requirement including, but not limited to, zoning codes and compliance with the Americans with Disabilities Act. Franchisee agrees and acknowledges that Franchisee shall have no recourse against Franchisor based on the plans or Franchisor's review thereof.

5.8 Franchised Business Location Construction or Remodeling

(a) Franchisee shall provide Franchisor with periodic reports regarding the progress of the construction or remodeling of the Franchised Business location as may be requested by Franchisor. In the event Franchisor identifies instances where Franchisee's construction or remodeling is inconsistent with, or does not meet Franchisor's standards,

Franchisor may notify Franchisee in writing of such deficiencies, in which case Franchisee shall correct such deficiencies prior to opening. Franchisee shall notify Franchisor of the scheduled date for completion of construction or remodeling no later than thirty (30) days prior to such date. Franchisee shall not commence operating the Franchised Business location without the prior written authorization of Franchisor, which shall not be unreasonably withheld. Franchisee acknowledges and agrees that Franchisor's authorization to commence operating the Franchised Business location is not any indication of performance or guarantee of Franchisee's success. The above provisions concerning construction of the Franchised Business location do not apply to a conversion franchise.

(b) Franchisor may, in its sole discretion, visit the Franchised Business location prior to its opening and conduct an inspection without notice to Franchisee as long as such visit is conducted during reasonable times and without interruption of the Franchised Business. Franchisor shall have the right to visit the Franchised Business location and conduct an inspection subsequent to its opening without notice to Franchisee if Franchisor deems, in its sole discretion, such a visit is necessary.

5.9 Relocation

(a) Franchisee shall not relocate the Franchised Business location except with the prior written consent of Franchisor. Franchisee acknowledges and agrees that as a material condition of Franchisor's approval of Franchisee entering into any lease or other agreement in connection with the relocation of the Franchised Business, Franchisee and its Owners shall execute a General Release in a form attached as Exhibit 3 hereto, in favor of Franchisor, its affiliates and all of the respective owners, officers, directors, agents and employees of Franchisor and its affiliates. In the event Franchisor grants Franchisee permission to relocate the Franchised Business location, Franchisee shall comply with the then-current site selection and construction procedures applicable to new franchisees at the time of the relocation.

(b) In the event that Franchisee's right to occupy the Franchised Business location terminates during the term of this Agreement through no fault of Franchisee and for a reason other than the expiration of a lease, Franchisee may relocate the Franchised Business location to another location approved by Franchisor within the Territory, provided: (i) Franchisee notifies Franchisor within ten (10) days after receiving notice that Franchisee's right to occupy the Franchised Business location will terminate; (ii) Franchisee complies with the then-current site selection and construction procedures applicable to new franchisees at the time of the relocation; (iii) upon such relocation, Franchisor and Franchisee execute an amendment to the Territory Attachment setting forth the new location which shall thereafter be the Franchised Business location; and (iv) Franchisee and its Owners execute a General Release in a form attached as Exhibit 3 hereto in favor of Franchisor, its affiliates and all of the respective owners, officers, directors, agents and employees of Franchisor and its affiliates.

(c) In the event Franchisee relocates the Franchised Business location for any reason: (i) Franchisor shall be under no obligation to expand or reduce the size and

boundary of the Territory, designate a different geographic area as the Territory or extend the term of this Agreement; and (ii) Franchisee shall pay to Franchisor any costs and expenses incurred by Franchisor in assisting Franchisee to relocate the Franchised Business location, including, but not limited to labor, out-of-pocket, salary and travel expenses, professional fees and demographic reports.

VI. DUTIES OF FRANCHISOR

6.1 Confidential Operating Manual

(a) Franchisor will loan Franchisee its Confidential Operating Manual, handbooks and other related materials, which may be amended from time to time by Franchisor during the term of this Agreement. The Confidential Operating Manual may consist of written materials, compact disks, computer software, electronic media, audiotapes, videotapes and digital video disks. The Confidential Operating Manual is designated a trade secret, is copyrighted and subject to the confidentiality agreements annexed hereto as Exhibit 6 (the "Confidentiality, Non-Use and Non-Competition Agreement") and Exhibit 7 (the "Confidentiality, Non-Use and Non-Competition Agreement Form"). Franchisee must execute the Confidentiality, Non-Use and Non-Competition Agreement and each employee to whom the Confidential Operating Manual is disclosed must execute the Confidentiality, Non-Use and Non-Competition Agreement Form.

(b) The Confidential Operating Manual describes the System Standards that Franchisor periodically prescribes for operating the Franchised Business and information on some of Franchisee's obligations under this Agreement. Franchisee agrees to keep its copy of the Confidential Operating Manual current and in a secure location.

(c) Franchisee acknowledges and agrees that the contents of the Confidential Operating Manual are confidential and that Franchisee will not disclose the Confidential Operating Manual in whole or in part, to any person except to Franchisee's employees as required for the operation of the Franchised Business. Franchisee shall not copy, duplicate, record or otherwise reproduce the Confidential Operating Manual in whole or in part. In the event Franchisee copies, duplicates, records or otherwise reproduces the Confidential Operating Manual in whole or in part or otherwise is in default under the Confidentiality, Non-Use and Non-Competition Agreement, then Franchisor shall have the right to terminate this Agreement in accordance with Article XIV.

(d) If Franchisee's copy of the Confidential Operating Manual is lost, destroyed or significantly damaged, Franchisee agrees to obtain a replacement copy of the Confidential Operating Manual at Franchisor's then-current fee.

6.2 Training Program

(a) Franchisee acknowledges and agrees that it is necessary for the efficient operation of the Franchised Business that Franchisee or if Franchisee is an entity, its managing shareholder, member or partner who owns a majority of the voting and ownership interests in the Franchisee entity (the "Operating Principal") and a manager

receive such training as Franchisor may require. Accordingly, Franchisee agrees that Franchisee or its Operating Principal and a manager will attend and complete, to Franchisor's satisfaction, Franchisor's initial training program. Except as otherwise provided in this Agreement, the initial training program will be conducted by Franchisor at an affiliate-owned store or other location designated by Franchisor. Franchisor shall make available to Franchisee instructors and training materials for the initial training of such persons. All training materials provided are the property of Franchisor and are copyrighted.

(b) Franchisor will provide initial training to Franchisee or its Operating Principal and one (1) manager on the material aspects of operating Franchisee's first Franchised Business without charge for instructors and training materials. Franchisee acknowledges and agrees that Franchisee shall pay for all travel, room and board and living expenses which Franchisee or its Operating Principal and Franchisee's employees incur as well as Franchisee's employees' wages and workers' compensation insurance while training.

(c) The initial training program will consist of approximately five (5) calendar days of training for Franchisee or its Operating Principal and one additional manager (although the specific number of days depends on Franchisor's opinion of the experience and needs of Franchisee, its Operating Principal and/or manager) and will be conducted prior to the date the Franchised Business is scheduled to commence operating. The initial training program will generally be conducted twice pear year; either before or after the New York market week, but may be held at other times, in the Franchisor's sole discretion. The initial training program shall be completed not sooner than one hundred twenty (120) days prior to and not less than thirty (30) days prior to opening the Franchised Business. Franchisor may, in its sole discretion and based upon staff availability, elect to conduct a portion of Franchisee's initial training at the Franchised Business location.

(d) Franchisor shall provide training to one (1) manager without charge for instructors and training materials for any subsequent Franchised Business that Franchisee purchases. Franchisor also reserves the right to require Franchisee, its Operating Principal, manager and/or employees to attend and complete, to Franchisor's satisfaction, training courses that Franchisor requires at the times and locations that Franchisor designates. In the event Franchisor provides additional or supplemental training, Franchisor shall have the right to charge Franchisee the then-current supplemental training fee for such training, which as of the date of this Franchise Agreement is $250 per person per day if such training is held at Franchisor's headquarters or an affiliate's Lovely Bride® store or $500 per day per person if such training is held at Franchisee's Lovely Bride® store. Franchisor may also provide such additional or supplemental training via webinars, online or other methods, in the Franchisor's sole discretion. Franchisee shall pay for all travel, room and board, living expenses, employee wages and workers' compensation insurance during the supplemental training period. In the event that Franchisor requires that the Franchisee, its Operating Principal, manager or employees receive additional training concerning the use of the Order Management System, Franchisor shall charge an additional training fee of $250 per

day per person if such training is held at Franchisor's headquarters or an affiliate's Lovely Bride® store, $500 per day per person if such training is held at Franchisee's Lovely Bride® store or $100 per person per hour if such training is conducted over the phone. Franchisor may also provide such additional or supplemental Order Management System training via webinars, online or other methods, in the Franchisor's sole discretion.

(e) Franchisor shall provide Franchisee with periodic guidance regarding the operation of the Franchised Business in the form, manner and frequency as Franchisor shall determine, its sole discretion. This periodic guidance may be provided individually or in a group setting and may be provided in person, via telephone, seminar, newsletter, bulletins, through an intranet or any other method selected by Franchisor.

(f) Franchisee understands and agrees that any specific ongoing training or advice Franchisor provides does not create an obligation (whether by course of dealing or otherwise) to continue to provide such specific training or advice, all of which Franchisor may discontinue and modify from time to time.

6.3 Suppliers

(a) Franchisee must sell and offer for sale all products and services required by Franchisor in the manner and style required by Franchisor. Franchisee must discontinue selling and offering for sale any products and services that Franchisor disapproves in writing at any time. Franchisor may require Franchisee to purchase certain designs, wedding gowns, occasion dresses, accessories, goods, services, supplies, materials, fixtures, furnishings, lighting and equipment (including computer hardware and software), and other products or services necessary to operate the Franchised Business exclusively from Suppliers (defined as designated or approved designers, suppliers, vendors, manufacturers, printers, contractors and distributors who demonstrate to Franchisor's continuing reasonable satisfaction the ability to meet Franchisor's then-current standards), which may be established and modified in Franchisor's sole discretion. Such Suppliers may include Franchisor and its affiliates. Franchisor shall provide Franchisee with a list of initial Suppliers of wedding gowns, which is attached hereto as Exhibit 8. Franchisor may, in its sole discretion, revise, amend, modify, and/or supplement the approved list of Suppliers from time to time, as Franchisor deems best, in its sole discretion. Franchisee acknowledges and agrees that Franchisor may also limit the sources of required products, materials, fixtures, furnishings, lighting, equipment, supplies and services to certain Suppliers (or a single exclusive Supplier), including Franchisor and/or its affiliates, in which case Franchisee would be required to acquire such products, materials, fixtures, furnishings, lighting, equipment, supplies and services only from those Suppliers (or such single exclusive Supplier). Franchisee shall not purchase or lease from a Supplier under a Lovely Bride program products or services to be used for any business other than the Franchised Business.

(b) In the event that Franchisee wants to independently source any products or services necessary to operate the Franchised Business from a party other than a Supplier or enter into any product supply or product sourcing agreement with a party other than a

Supplier, Franchisee must obtain Franchisor's prior written approval. Approval of a proposed designer, supplier, vendor, manufacturer, printer, contractor or distributor proposed by Franchisee as a source of products and/or services ("Proposed Supplier") shall be granted or not in Franchisor's sole discretion. Franchisor is under no obligation to evaluate any Proposed Supplier. Franchisee must provide Franchisor with all information and product samples adequate to evaluate any Proposed Supplier. In the event Franchisor evaluates Franchisee's Proposed Supplier, Franchisor shall provide Franchisee with written notification of Franchisor's approval or disapproval of the Proposed Supplier within thirty (30) days of Franchisor's receipt of all information and product samples necessary to evaluate the Proposed Supplier. Franchisor may revoke its prior approval upon written notice to Franchisee. If approved, Franchisee's Proposed Supplier shall be thereafter deemed a Supplier for purposes of this Agreement and any other agreement between Franchisee and Franchisor and/or its affiliates.

(c) Franchisor and its affiliates reserve the right to receive rebates, overrides or other consideration on account of Franchisee's purchases from any Supplier. Franchisor and its affiliates are not obligated to provide Franchisee with any material benefit as a result of receiving such rebate, override or other consideration from any approved Supplier. Franchisee acknowledges and agrees that Franchisor and its affiliates have the right to collect any advertising, marketing, promotional or similar allowances paid by Suppliers who deal with the System and with whom Franchisor or its affiliates has an agreement to do so. Notwithstanding anything to the contrary above, Franchisor may, in its sole discretion, elect to pass through to the Franchisee any rebate received on account of group purchases from a Supplier in proportion to the Franchisee's purchases.

(d) Franchisor and its affiliates reserve the right to earn a profit on Franchisee's purchases from any Supplier which may include Franchisor and/or its affiliates.

6.4 Pre-Opening Support

Before Franchisee opens its Franchised Business location for business, Franchisor shall provide the following assistance and services:

(a) Franchisor shall designate the Territory for the operation of the Franchised Business.

(b) Franchisor may, in its sole discretion, provide Franchisee with site criteria that may define the desired physical, demographic and geographic characteristics of any site proposed for the Franchised Business location. This subsection does not apply to a conversion franchise.

(c) Franchisor shall review for approval Franchisee's plans for compliance with Franchisor's layout and design specifications only. If Franchisor does not approve of Franchisee's plans within thirty (30) days of its receipt, Franchisee's plans are deemed disapproved. Franchisor's review is not a guarantee or warranty that the plans comply with any codes, laws or regulations including, but not limited to, zoning codes and compliance with the Americans with Disabilities Act or that they are competently drafted. Franchisee

is responsible for such compliance.

(d) Franchisor shall review for approval Franchisee's lease or contract of sale for the Franchised Business location. Franchisee may not enter into a lease or contract of sale for the Franchised Business location without Franchisor's prior written consent. This subsection does not apply to a conversion franchise.

(e) Franchisor or its designee may, in Franchisor's sole discretion, conduct an on-site evaluation for each of the proposed sites for Franchisee's Franchised Business provided that Franchisee has submitted to Franchisor in advance, all necessary information in the format Franchisor requires. This subsection does not apply to a conversion franchise.

(f) Franchisor will provide Franchisee with initial training in accordance with Section 6.2 herein.

(g) Franchisor may, in its sole discretion, conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications as well as use Social Media Platforms and Social Media Materials to promote the System. Franchisor may in its sole discretion, design all business stationery, business cards, advertising plans and materials, marketing plans and materials, public relations programs, sales materials, signs, decorations and paper goods (such materials whether created by Franchisor, Franchisee or any third-party are collectively defined as "Advertising Materials") and Social Media Materials used in the System. Franchisor may, in is sole discretion, provide standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. Franchisor shall make available approved Advertising Materials and Social Media Materials for use by franchisees. Franchisee shall be required to participate in and provide assistance with Franchisor's website, Blog and Social Media Platforms, including but not limited to providing Franchisor with photographs, images, text and other materials, as Franchisor may require, for use with the System.

(h) Franchisor shall review all Advertising Materials and Social Media Materials developed by Franchisee as well as requests to use Social Media Platforms for the purpose of determining its approval or disapproval for the proposed use. Franchisor reserves the right to rescind its approval of any Advertising Materials, Social Media Materials and/or use of any Social Media Platform at any time.

(i) Franchisor shall assist Franchisee in developing a Market Introduction Program, as defined herein. Franchisee is responsible for all funding relating to the Market Introduction Program. The Market Introduction Program shall include specific responsibilities for each Franchisor and Franchisee. The Market Introduction Program will be developed prior to the Franchisee's opening of its Franchised Business and shall be tailored to the Franchisee's Territory.

(i) Franchisor's responsibilities may include: (1) preparing an email blast announcing the Franchisee's Lovely Bride® store launch; (2) using Social Media Platforms to announce Franchisee's Lovely Bride® store launch; (3) creating a national and

local press release; (4) attempting to contact media outlets with press release; (5) developing local print material (post cards and print ads); and (6) recommending online directories and ad opportunities, if appropriate.

(ii) Franchisee's responsibilities may include: (1) coordinating a grand opening event; (2) attempting to contact local media with press release; (3) purchasing local print media in newspapers, magazines and other similar periodicals; (4) networking with local businesses, commerce organizations and other similar organizations or agencies; (5) acquiring placement with online directories; and (6) participating in local trade and consumer fairs as well as other similar events.

(j) Franchisor shall establish standards and specifications for the System and Franchisor may, in its sole discretion, enforce such standards and specifications.

(k) Franchisor may, in its sole discretion, assist Franchisee in establishing its Franchised Business location and in obtaining equipment, including: (i) directing Franchisee in the purchase of the required equipment; (ii) directing Franchisee in the purchase of the required computer equipment and software; and (iii) advising Franchisee in the purchase of a fax machine/printer/copier.

(l) Franchisor shall loan a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions.

(m) Franchisor shall provide Franchisee with a list of Suppliers, as revised from time to time.

(n) Franchisor shall provide Franchisee with a list of approved products as revised from time to time.

(o) Franchisor shall specify minimum policy limits for certain types of insurance coverage. Franchisee shall submit for Franchisor's approval, which shall not be unreasonably withheld, any insurance policy prior to purchasing such policy. Franchisor may in its sole discretion, revise its insurance requirements for franchisees. Franchisor may in its sole discretion, require Franchisee to obtain additional or different insurance policies in accordance with Franchisor's then-current insurance requirements for Franchisees.

(p) Franchisor may assist Franchisee in establishing the location of your Franchised Business and providing approved vendors and Suppliers from which you can purchase or lease equipment including: (i) kitchen equipment; (ii) computer equipment and software; and (iii) a fax machine/printer/copier.

6.5 Post-Opening Support

Subsequent to Franchisee's opening of its Franchised Business location:

10. Franchisor shall invite Franchisee to attend any meetings with Franchisor personnel and other Lovely Bride® owners if and when such meetings occur in Franchisor's sole discretion.

11. Franchisor shall conduct advertising, marketing, promotional and/or public relations activities in local, regional and national print publications as well as use Social Media Platforms and Social Media Materials to promote the System in such manner as determined by the Franchisor, in its sole discretion. Franchisor may, in its sole discretion, design all Advertising Materials and Social Media Materials used in the System. Franchisor may in is sole discretion, provide standards for all Advertising Materials, Social Media Materials and use of Social Media Platforms. Franchisor shall make available approved Advertising Materials and Social Media Materials for use by franchisees. Franchisee shall be required to participate in and provide assistance with Franchisor's website, Blog and Social Media Platforms, including but not limited to providing Franchisor with photographs, images, text and other materials, as Franchisor may require, for use with the System.

12. Franchisor shall review all Advertising Materials and Social Media Materials developed by Franchisee as well as requests to use Social Media Platforms for the purpose of determining its approval or disapproval for the proposed use. Franchisor reserves the right to rescind its approval of any Advertising Materials, Social Media Materials and/or use of any Social Media Platform at any time.

13. Franchisor shall establish standards and specifications for the System and Franchisor may, in its sole discretion, enforce such standards and specifications.

14. Franchisor shall provide periodic counseling to Franchisee in the operation of the Franchised Business, as Franchisor shall determine, in its sole discretion. Such periodic counseling may be provided individually or in a group setting. Such periodic counseling may be provided in person, or via telephone, seminar, newsletters, bulletins, through an intranet or any other method selected by Franchisor. Franchisor's periodic counseling may be limited to one conference call per week, in Franchisor's sole discretion.

15. Franchisor may provide Franchisee with field support services, subject to the availability of Franchisor's trained personnel.

16. Franchisor shall loan a copy of the Confidential Operating Manual, handbooks and other related materials in hard copy, electronic copy or other versions.

(h) Franchisor shall provide Franchisee with a list of Suppliers, as revised from time to time.

(i) Franchisor shall provide Franchisee with a list of approved products and services as revised from time to time.

(j) Franchisor may, in its sole discretion, provide Franchisee with additional guidance as to the operation of the Franchised Business regarding, but not limited to: (i) new products, services and/or methods developed for the System; (ii) the purchase and use

of supplies, uniforms, equipment and products; (iii) the formation and implementation of marketing, advertising and promotional programs; (iv) maintenance of Franchisee's financial and accounting records; and (v) other general operating issues Franchisee may encounter.

6.6 Lovely Bride® Brand Fund

(a) Franchisor has established a Brand Fund for the purpose of enhancing and promoting the good will and public image of the System. Franchisee agrees to contribute to the Brand Fund as specified in Section 4.3. All franchisees are required to make Brand Fund Contributions in an initial amount of one percent (1%) of their Gross Revenues. Company and/or affiliate-owned stores may contribute to the Brand Fund at a rate equal to the Brand Fund Contribution rate required of franchisees which opened within the same calendar year. If the Brand Fund Contribution rate is subsequently reduced, then the Brand Fund Contribution rate required of company and/or affiliate-owned stores will be reduced corresponding to the Brand Fund Contribution rate required of franchisees which opened within the same calendar year. Franchisor may, in its sole discretion, increase the Brand Fund Contribution rate if it determines that to be in the best interests of the System.

(b) The Brand Fund is administered by Franchisor or by its designee. Any unused funds in any fiscal year will be applied to the following fiscal year's Brand Fund, and Franchisor reserves the right to contribute or loan additional funds to the Brand Fund on any terms it deems reasonable. Since the Brand Fund is not audited, Franchisor will not make audited financial statements available to Franchisee. Franchisor will, upon Franchisee's written request, provide once a year within one hundred twenty (120) days after the end of the fiscal year, an un-audited accounting for the Brand Fund that shows how the Brand Fund proceeds have been spent for the previous year. Franchisor shall not be required to provide any other periodic accounting of how the Brand Fund is spent.

(c) Franchisor or its designee will administer the Brand Fund with sole discretion over all operational and advertising decisions including: (i) the creative concepts, materials, endorsements and media used in connection with such programs (which may include television, radio, print and Internet advertising, maintenance of a website and use of Social Media Platforms as funds permit); (ii) the source of the advertising, marketing, promotional or public relations efforts (which may be in-house or through an outside agency located locally, regionally or nationally); (iii) the placement and allocation of such programs (which will be local, regional or national); and (iv) the composition of all geographic territories and market areas for the development and implementation of such programs.

(d) The Brand Fund may be used:

(i) to create and implement Advertising Materials and Social Media Materials, in any form that Franchisor may, in its sole discretion, determine;

(ii) to assist franchisees in developing Advertising Materials and Social Media Materials and using Social Media Platforms;

(iii) in connection with radio, television, print, Internet advertising, sports and cable programs, or other forms of production and media as well as Social Media Platforms;

(iv) to review any and all locally produced Advertising Materials and Social Media Materials;

(v) for purposes of website design and maintenance and for search engine optimization;

(vi) to use Social Media Platforms and develop Social Media Materials;

(vii) to conduct market research;

(viii) to undertake sponsorships;

(ix) to pay related retainers;

(x) to conduct customer surveys, customer interviews and mystery shopper inspections of the System as well as competitors;

(xi) to retain celebrities for endorsement purposes;

(xii) to pay for membership dues to associations such as the International Franchise Association, and other relevant industry associations; and

(xiii) to establish a third-party facility to customize Advertising Materials and Social Media Materials.

(e) As part of the Brand Fund program, Franchisor shall perform the following functions for Franchisee, upon Franchisee's request, and for the following fees, which shall be paid to the Brand Fund: (1) create email blasts and event invites for a fee of $500 per invite; (2) layout online banner ads for a fee of $250 per banner; (3) layout and conduct advertising preparation for local advertisements for a fee of $750 per advertisement preparation; (4) offer graphic training sessions to you for a fee of $750 per day to be conducted in our headquarters or at an affiliate-owned store; and (5) provide other custom graphic design or advertising assistance at a fee to be mutually agreed upon by you and us in advance of any work. Franchisee shall be responsible for providing Franchisor with all specifications for Franchisee's advertisements and event invites.

(f) The Brand Fund will not be used primarily by Franchisor to advertise and promote the sale of franchises. However, Franchisor may include language in all advertising, including on the Lovely Bride website, that indicates that franchises are available. Franchisor intends the Brand Fund to maximize recognition of the Principal

Trademarks and patronage of the System in any manner Franchisor determines will be effective, including expenditures related to the development and maintenance of the Lovely Bride website and direct mail programs. Franchisor may structure the organization and administration of the Brand Fund in any way it determines best benefits the System. Franchisor will attempt to spend monies in the Brand Fund in such a way as to provide benefits to all participating franchisees, but there is no guaranty that Franchisee will benefit pro rata or at all from its Brand Fund Contributions. Franchisor need not ensure that Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to Brand Fund Contributions by Lovely Bride® franchisees operating in that geographic area. The Brand Fund will not be used to advertise and promote any individual Franchised Business, except to benefit the System as determined in Franchisor's sole discretion.

(g) Franchisee further acknowledges and agrees that the Brand Fund may be used to duplicate, print and purchase logo items, including, but not limited to, Advertising Materials and Social Media Materials to be resold to Lovely Bride® franchisees and any profits from such sales shall be paid to the Brand Fund.

(h) Franchisor will account for the Brand Fund separately from its other funds and not use the Brand Fund for any of its general operating expenses. However, the Brand Fund may be used to pay the reasonable salaries and benefits of personnel who manage and administer the Brand Fund, the Brand Fund's other administrative costs, travel expenses of personnel while they are on Brand Fund business, meeting costs, overhead relating to the Brand Fund business, costs related to maintaining the Franchisor website and other expenses incurred in activities reasonably related to administering or directing the Brand Fund and its programs including without limitation, conducting market research, public relations, preparing Advertising Materials and Social Media Materials and collecting and accounting for Brand Fund Contributions. Any Advertising Materials and Social Media Materials developed by use of the Brand Fund will be made available to Franchisee at cost.

(i) The Brand Fund will not be Franchisor's asset. Although the Brand Fund is not a trust, Franchisor will hold all Brand Fund Contributions for the benefit of the contributors and use the Brand Fund Contributions only for the purposes described in this Section 6.6. Franchisor does not owe any fiduciary obligation to Franchisee for administering the Brand Fund or for any other reason. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund Contributions in that year, borrow from Franchisor or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. The Brand Fund will use all interest earned on Brand Fund Contributions to pay costs before using the Brand Fund's other assets. Franchisor reserves the right to establish an advisory council or subcommittee comprised of franchisees, for advertising, which if established would only have advisory responsibilities and authority.

(j) Franchisor has the right, but not the obligation, to use collection agents and institute legal proceedings to collect Brand Fund Contributions at the Brand Fund's expense. Franchisor also may forgive, waive, settle or compromise all claims by or against the Brand Fund. Except as expressly provided in this subsection, Franchisor assumes no direct or indirect liability or obligation to Franchisee for collecting amounts due to,

maintaining, directing or administering the Brand Fund.

(k) Franchisor may at any time defer, reduce or increase Franchisee's Brand Fund Contribution rate. Franchisor may terminate (and if terminated, reinstate) the Brand Fund. If Franchisor terminates the Brand Fund, Franchisor will distribute all unspent monies to its Franchisees and affiliates in proportion to their respective Brand Fund Contributions during the preceding twelve (12) month period.

VII. DUTIES OF FRANCHISEE

7.1 Commencement of Operations

(a) Franchisee shall commence operation of the Franchised Business no later than one hundred eighty (180) days after the Effective Date, unless otherwise provided herein. The Commencement Date shall mean the date Franchisee begins operating the Franchised Business. Prior to the Commencement Date, Franchisee must comply with the provisions of this Agreement, the System Standards, the Confidential Operating Manual and other requirements of Franchisor, including, but not limited to, the following:

(i) Franchisee must obtain Franchisor's prior written approval prior to commencing operation of the Franchised Business;

(ii) Franchisee has obtained all the necessary licenses and permits, including any fictitious name or d/b/a filings to operate the Franchised Business under the Principal Trademarks, and has complied with all laws applicable to the Franchised Business and must furnish to Franchisor, evidence of such, including copies of all permits and certifications as may be required for lawful operation of the Franchised Business; copies of any building inspection reports; and certification from all governmental authorities having jurisdiction over the Franchised Business location indicating that all necessary permits have been obtained and all requirements for construction and operation have been met;

(iii) Franchisee or its Operating Principal and any other person Franchisor designates must have completed training to Franchisor's satisfaction;

(iv) Franchisee has delivered to Franchisor copies of the required insurance policies, licenses and notifications of having registered the name of the Franchised Business;

(v) Franchisee has paid all amounts due to Franchisor;

(vi) Franchisee has executed all agreements required for the opening of the Franchised Business including this Agreement, any lease for the Franchised Business location and any other agreements required by Franchisor; and

(vii) Franchisee is not in default under any agreement with Franchisor, its affiliates or any third-party.

(b) If Franchisee fails to open the Franchised Business within one hundred eighty (180) days from the Effective Date of the Franchise Agreement and fails to obtain a written extension of time from Franchisor, which extension Franchisor may decline or give in its sole discretion, Franchisor may in its sole discretion, terminate this Agreement as provided for in Section 14.4 herein. Notwithstanding anything to the contrary herein, Franchisor shall not unreasonably withhold its consent to a reasonable extension of time for Franchisee to open the Franchised Business.

7.2 Compliance with the Confidential Operating Manual

(a) Franchisee agrees and acknowledges that the Confidential Operating Manual shall be deemed to have been incorporated by reference into this Agreement. To protect the reputation and goodwill of Franchisor and to maintain high standards of operation for the System, Franchisee expressly agrees to conduct the Franchised Business in accordance with the Confidential Operating Manual, other written directives that Franchisor may issue from time to time and any other manuals and materials created or approved for use in the operation of the Franchised Business. Without limiting the foregoing, Franchisee recognizes the importance of good customer service to the System and in connection with its operation of the Franchised Business. Thus, Franchisee specifically agrees and acknowledges to comply with all customer service requirements specified in the Confidential Operating Manual and in other written directives that Franchisor may issue from time to time and any other manuals and materials created or approved for use in the operation of the Franchised Business.

(b) Franchisor may from time to time revise the contents of the Confidential Operating Manual and the contents of any other manuals and materials created or approved for use in the operation of the Franchised Business. Franchisee expressly agrees to comply with each new or modified standard. Franchisee shall at all times ensure that the Confidential Operating Manual is kept current and up-to-date. In the event of any dispute as to the contents of the Confidential Operating Manual, the terms of the master copy of the Confidential Operating Manual maintained by Franchisor at Franchisor's corporate office will control.

(c) If Franchisee's copy of the Confidential Operating Manual is lost, destroyed or significantly damaged, Franchisee shall obtain a replacement copy of the Confidential Operating Manual from Franchisor and shall pay Franchisor its then-current fee for the replacement copy.

7.3 Management Requirements

The Franchised Business shall at all times be under the direct, on-premises supervision of Franchisee, its Operating Principal or a manager previously approved by Franchisor in writing and not thereafter disapproved and who has completed all training required herein to Franchisor's satisfaction. During the term of this Agreement, Franchisee, its Operating Principal and any manager are prohibited from actively participating in any other business during the required hours of operation of the Franchised Business without the prior approval of the Franchisor, which may be given or denied in Franchisor's sole

discretion. Franchisee agrees that it will at all times faithfully, honestly and diligently perform its obligations hereunder and that it will not engage in any business or other activities that will conflict with its obligations hereunder. Franchisee shall maintain a competent, conscientious, trained staff who are of the highest caliber in a manner which shall be detailed in the Confidential Operating Manual or otherwise in writing by Franchisor.

7.4 Remodeling Requirements

Franchisee acknowledges and agrees that Franchisor may require Franchisee to remodel the Franchised Business location to the then-current design of a Lovely Bride® shop as described in the Confidential Operating Manual. There is no limit to the cost of remodeling. Franchisee shall remodel the Franchised Business location within ninety (90) days from notice to comply with modified System Standards.

7.5 System Standards

(a) Franchisee agrees to maintain the condition and appearance of the Franchised Business location consistent with the System Standards. Franchisee agrees to effectuate such reasonable maintenance of the Franchised Business location as Franchisor from time to time requires, to maintain equipment or improve the appearance and efficient operation of the Franchised Business location. If at any time in Franchisor's judgment the general state of repair or appearance of the Franchised Business location, uniforms of service personnel or décor does not meet Franchisor's standards, Franchisor shall so notify Franchisee, specifying the action to be taken by Franchisee to correct such deficiency. If Franchisee fails or refuses to initiate and complete within ten (10) days after receipt of such notice a bona fide program to complete any required maintenance, Franchisor shall have the right, in addition to all other remedies, to enter upon the premises of the Franchised Business location and effectuate such maintenance on behalf of Franchisee and Franchisee shall pay all costs thereof on demand.

(b) Franchisor periodically may modify its System Standards, which may accommodate regional or local variations, and these modifications may obligate Franchisee to invest additional capital in the Franchised Business location and/or incur higher operating costs. Franchisee agrees to implement any changes in mandatory System Standards within the time period Franchisor requests as if the same were a part of this Agreement.

(c) Under no circumstances may Franchisee operate any business from the Franchised Business location other than the Franchised Business. Under no circumstances may Franchisee place any signage other than System signage at, in or on the Franchised Business location.

7.6 Franchisor's Right to Inspect and Audit the Franchised Business

(a) To determine whether Franchisee is in compliance with this Agreement and

all mandatory System Standards, Franchisor and its designated agents or representatives may at all times and without prior notice to Franchisee:

(i) inspect the Franchised Business location;

(ii) photograph the Franchised Business location and observe and videotape its operation for consecutive or intermittent periods as Franchisor deems necessary;

(iii) remove samples of any products and supplies;

(iv) interview personnel and customers of the Franchised Business; and

(v) inspect and copy any books, records, sales and income tax records and returns, documents relating to the Franchised Business and records relating to Franchisee's customers, clients, suppliers, employees and agents.

(b) If Franchisor exercises any of these rights, Franchisor will not interfere unreasonably with the operation of the Franchised Business.

(c) Franchisee agrees to cooperate fully with Franchisor, Franchisor's representatives and/or independent accountants in any inspection and/or audit of books and records.

(d) Franchisee agrees to present to customers of the Franchised Business the evaluation forms that Franchisor periodically prescribes and to participate and/or request customers to participate in any surveys performed by or for Franchisor.

(e) Franchisor shall have the right to remotely access Franchisee's Computer System to determine whether Franchisee is in compliance with this Agreement and all mandatory System Standards as well as to install computer upgrades. Within twenty-four hours of Franchisee's receipt of Franchisor's request to remotely access Franchisee's Computer System, Franchisee shall provide Franchisor with a proposed time during reasonable business hours during the following seven days to access Franchisee's Computer System.

7.7 Local Marketing and Advertising

(a) During the term of this Agreement, Franchisee shall spend a minimum of one percent (1%) of Franchisee's annual Gross Revenues of the preceding calendar year on local advertising, marketing and promotional programs ("Local Advertising") for the succeeding year. This required Local Advertising expenditure is based upon an annual plan submitted to Franchisor for approval and will not necessarily have a mandated expenditure per each month of the year. Upon request, Franchisee must submit an itemized report documenting proof of expenditures to Franchisor, in a form Franchisor may, in its sole discretion, require. Upon discovery of Franchisee's non-compliance with its Local Advertising requirements, Franchisor reserves the right to require Franchisee to contribute

to the Brand Fund any amount required but not spent by Franchisee on Local Advertising. Payments for the first year shall be calculated on a monthly basis based on one percent (1%) of the monthly Gross Revenues from the prior month. Spending for the first month shall be an estimate. Any discrepancy between the amount spent for the first month and the amount equal to one percent (1%) of Gross Revenues for the first month shall be credited against or added to the amount due for the second month. All marketing will be conducted as set forth in the Confidential Operating Manual and in an approved annual marketing plan. Costs and expenditures Franchisee incurs for any of the following are excluded from Franchisee's required Local Advertising:

(i) salaries and expenses of Franchisee's employees, including salaries or expenses for attendance at advertising meetings or activities;

(ii) in-store materials consisting of fixtures or equipment;

(iii) expenditures relating to the use of Social Media Platforms and/or the development and/or use of Social Media Materials; and

(iv) seminar and educational costs and expenses of Franchisee's employees.

(b) Franchisee, at its expense, is required to obtain and maintain at the Franchised Business location all Advertising Materials as Franchisor may from time to time require for comparable Lovely Bride® shops.

(c) If required, all Advertising Materials, Social Media Materials and other items Franchisor designates must bear the Principal Trademarks in the form, color, location and manner Franchisor prescribes and must meet all of Franchisor's standards and requirements. Franchisee's Advertising Materials and Social Media Materials must be conducted in a dignified manner and conform to Franchisor's standards as stated in the Confidential Operating Manual or otherwise.

(d) Franchisee must obtain Franchisor's written approval before: (i) Franchisee uses any Advertising Materials and Social Media Materials if Franchisor has not prepared or approved such materials within the previous twelve (12) months; and (ii) Franchisee initially uses any Social Media Platform. Franchisee must submit all unapproved Advertising materials, Social Media Materials and requests to use Social Media Platforms to Franchisor via certified mail or electronic mail. Franchisor will approve or disapprove such request within ten (10) days after submission. If Franchisee does not receive written approval within ten (10) days after submission, the request shall be deemed denied. Franchisor may withhold its approval of any Advertising Materials, Social Media Materials or Social Media Platform for any reason and no reason at all. Franchisee may not use any unapproved Advertising Materials, Social Media Materials or Social Media Platform. Franchisor has the right to revoke its prior approval of any Advertising Materials, Social Media Materials and Social Media Platform. Franchisee must promptly discontinue use of any Advertising Materials, Social Media Materials or Social Media Platform whether or not previously approved, on notice from Franchisor. Franchisor has the right to require

Franchisee to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by Franchisor in its sole discretion, including, but not limited to, any previously approved Social Media Material. Franchisor has the right to access Franchisee's Social Media Platform accounts to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by Franchisor in its sole discretion, including, but not limited to, any previously approved Social Media Material. Franchisee is required to give Franchisor its usernames, passwords, account information and all other information Franchisor may require in connection with Franchisee's use of Social Media Platforms upon Franchisee's initial use of a Social Media Platform and immediately upon Franchisor's request. Franchisee shall be required to participate in and provide assistance with Franchisor's website, Blog and Social Media Platforms, including but not limited to providing Franchisor with photographs, images, text and other materials, as Franchisor may require, for use with the System.

Franchisee may request permission to use a Social Media Platform on an ongoing basis on a specified theme or topic related to the Franchised Business. Franchisor may, in its sole discretion, grant such consent, which remains subject to its unconditional right to withdraw consent and require removal and deletion of any objectionable Social Media Material. In the event Franchisor grants such consent, individual entries of Social Media Material on that topic alone would not require pre-approval to be made until such time as that consent is withdrawn.

(e) All Advertising Materials, Social Media Materials and Social Media Platforms must indicate that Franchisee is operating the Franchised Business as an independent franchisee of Franchisor.

(f) Franchisee shall not employ any person to act as a representative of Franchisee in connection with local promotion of the Franchised Business in any public media without the prior written approval of Franchisor.

(g) Notwithstanding anything to the contrary above, Franchisor reserves the right to require Franchisee to make specific Local Advertising expenditures in the event that Franchisor, in its sole discretion, determines that Franchisee's Local Advertising efforts are inadequate. Franchisor also reserves the right in its sole discretion to increase the required maximum expenditure if it determines that is needed in the best interests of the System.

17. In addition to its Local Advertising efforts, Franchisee, or if Franchisee is an entity, then its Operating Principal, shall attend, at its sole cost and expense, any market or other bridal event, if Franchisor determines that attendance is mandatory.

7.8 Accounting and Records

Franchisee must maintain all financial, sales, accounts, books, data, licenses, contracts, product supplier invoices, management reports and records for a period of seven (7) years or longer as required by government regulations.

7.9 Reporting Requirements

(a) Franchisee will be required to submit financial reports each week to Franchisor indicating the Gross Revenues derived from Franchisee's operation of the Franchised Business for the previous week or as required by Franchisor in the Confidential Operating Manual or otherwise in writing. During the first twelve (12) months of operation, Franchisee shall submit a monthly balance sheet and profit and loss statement within sixty (60) days after each month. Franchisee shall also submit annual balance sheets and profit and loss statements to Franchisor within one hundred twenty (120) days after the end of Franchisee's fiscal year. All reports required herein shall be signed by Franchisee and certified in writing by Franchisee to be accurate. In addition, upon the request of Franchisor, Franchisee shall compile and provide to Franchisor any report that Franchisor may reasonably request for purposes of evaluating or promoting the System in general.

(b) Franchisee shall insure that Franchisor shall have access to Franchisee's daily financial reports, statements and accounts through Franchisor's proprietary Order Management System which Franchisor will provide to Franchisee. Franchisee shall be required to process all of its sales through the Order Management System.

(c) Franchisor shall have the right to disclose the data contained within and any data derived from Franchisee's reports, in Franchisor's sole discretion. All such information derived from or pertaining to the Franchised Business shall be the property of Franchisor and Franchisor shall have the right to use such information in any manner that it deems appropriate without compensation to Franchisee.

(d) Unless required due to Franchisee's underreporting, there are no requirements for audited financial statements.

(e) Franchisee will be required, as specified in the Confidential Operating Manual, to provide all reports to Franchisor in the format specified in the Confidential Operating Manual including Franchisor's specified chart of accounts.

7.10 Use of Operating Assets

Franchisee agrees to use in operating the Franchised Business only those fixtures, furniture, equipment (including credit card clearing service equipment, computer with high-speed internet connection and facsimile), furnishings and signs (collectively, the "Operating Assets") that Franchisor designates or approves for the Franchised Business as meeting its specifications and standards for quality, design, appearance, function and performance. Franchisee agrees to place or display at the Franchised Business (interior and exterior) emblems, lettering, logos and display materials that Franchisor approves from time to time. Franchisee agrees to purchase or lease approved brands, types or models of Operating Assets only from designated or approved Suppliers (which may include or be limited to Franchisor and/or its affiliates).

7.11 Computer Software and Hardware

(a) Franchisee must obtain and maintain and utilize Franchisor's proprietary Order Management System (Franchisor's proprietary point of sale system), which Franchisor will provide. Franchisee must obtain and maintain computer equipment and software, including Microsoft Access and administrative software that meets Franchisor's specifications and is compatible with and acceptable by Franchisor's central accounting system. Franchisor may, in its sole discretion, specify the make, model and/or type of the computer equipment and software, including back office systems, data, voice, audio and video storage, retrieval and transmission systems, cash register systems, security systems, printers and other peripheral devices, archival back-up systems and Internet access mode and speed ("Computer System"). If Franchisor specifies the make, model or type of any part of the Computer System, Franchisee may not utilize any alternate manufacturer, brand or distributor of any part of the Computer System without Franchisor's prior written approval. Franchisee may not install additional software to its computer system without Franchisor's written approval. Franchisee agrees and acknowledges that only personnel trained by Franchisor or Franchisee shall operate the computer system. Franchisor requires Franchisee to maintain a high-speed connection to the Internet. Franchisor may require Franchisee to utilize specified Internet providers or communications software as Franchisor may determine.

(b) Franchisor may, in its sole discretion, require Franchisee to use hardware and software, including Microsoft Access and administrative software that accommodates an online system that gives Franchisor access to Franchisee's records via the Internet. If Franchisor elects to gain access to Franchisee's records via the Internet, Franchisee must allow Franchisor to establish and maintain communication with Franchisee's Computer System via a dedicated data transmission line such as a high-speed internet connection to retrieve information, including, but not limited to, sales data and financial data. All such information derived from or pertaining to the Franchised Business shall be the property of Franchisor and Franchisor shall have the right to use such information in any manner that it deems appropriate without compensation to Franchisee. This equipment and related software must be purchased and installed in accordance with Franchisor's specifications as may be provided in the Confidential Operating Manual or otherwise by Franchisor in writing. Franchisee must provide Franchisor with any user identification and/or password necessary for Franchisor to gain access via the Internet to Franchisee's Computer System and the records contained therein.

(c) Franchisor or a designated third-party may design, update and host the Lovely Bride® website which will contain the location and telephone number of the Franchised Business. Franchisor will approve or disapprove and execute any and all changes to the website and to Franchisee's information. Franchisee will not have any right to update, upgrade, amend or host the website. Franchisee may provide Franchisor with updated photographs or such items as news and events, promotions and specials, which Franchisor may incorporate into the System website. Lovely Bride® website will contain information on the services provided by the Franchisor. Lovely Bride® website may also contain information on the awards and achievements of Franchisor, its affiliates, any company-owned, affiliate-owned or licensee-owned store and any franchisee. The website

and its content will be updated based upon Franchisor's judgment of what is appropriate; all changes, deletions and additions are at Franchisor's sole discretion. Franchisee shall not, without the prior written approval of Franchisor, create, establish, operate or otherwise utilize an Internet web page for the Franchised Business. Franchisee may not establish or maintain any website for the Franchised Business. Nor may Franchisee use the Principal Trademarks or Franchisor's other proprietary information on the Internet other than in accordance with the System Standards. Franchisor reserves the right to require Franchisee or any hosting service to remove unauthorized websites that contain the Principal Trademarks. Franchisee must assist Franchisor in removing such sites.

(d) Franchisee may be assigned an email address for its location. If Franchisee is assigned an email address, Franchisee must use only this email address to conduct its business. To the extent the e-mail address contains the name "Lovely Bride" or any other proprietary designation, Franchisee will only be able to use it as specified by Franchisor and Franchisee will immediately cease use of it when Franchisor so requires.

(e) Franchisee must maintain, upgrade and update the Computer System, including administrative software, Microsoft Access and Internet service providers or other communications system during the term of the franchise, as Franchisor determines without limitation, at Franchisee's expense. Notwithstanding anything to the contrary herein, Franchisor shall provide Franchisee with periodic upgrades to the Order Management System, as Franchisor shall determine is necessary, in its sole discretion. Franchisee shall install all upgrades to the Order Management System at its sole expense. Franchisee may request a specific upgrade to the Order Management System. If in the event Franchisor approves the upgrade, Franchisor shall develop the upgrade for a fee of $150 per hour of work. This charge is inclusive of any special reporting requests. Franchisor shall provide Franchisee with an estimate of the cost to upgrade the Order Management System before Franchisor begins to develop the upgrade. Franchisee shall pay Franchisor the fee to develop such upgrade within five business days of Franchisor's delivery of the Order Management System upgrade to Franchisee. Franchisor shall have the right to incorporate such Order Management System upgrade into the system and require all Franchisee's to install and utilize such upgrade without compensation to Franchisee. Franchisee hereby agrees and acknowledges that Franchisee shall have no rights, interests or claims to the upgrade and that all intellectual property rights, interests and claims to such upgrade are solely owned by Franchisor.

(f) Franchisee is solely responsible for protecting itself from viruses, computer hackers and other computer-related problems and Franchisee may not assert any claims against Franchisor or its affiliates for any harm caused by such computer-related problems.

(g) Additionally, Franchisee shall comply with the most current version of the Payment Card Industry Data Security Standards and validate compliance with those standards as may be periodically required by Franchisor or third-parties.

7.12 Insurance

(a) Prior to Franchisee opening its Franchised Business, Franchisee must obtain insurance coverage for the Franchised Business in at least the amounts specified below. This insurance coverage must be maintained during the term of this Agreement and must be obtained from a responsible carrier or carriers rated "A" or better by A.M. Best & Company, Inc. and be approved by Franchisor. The insurance coverage must include the following:

(i) Commercial general liability insurance providing coverage on an occurrence form basis with limits of not less than $1,000,000 per occurrence for bodily injury and property damage combined, $2,000,000 annual general aggregate and $1,000,000 products and completed operations annual aggregate. All liability insurance policies must:

(1) include premises and operations liability coverage, products and completed operations liability coverage and broad form property damage coverage including completed operations;

(2) include blanket contractual liability coverage, including to the maximum extent possible, defense costs outside the limits of liability coverage for Franchisee's indemnification obligations under the Agreement and any other agreement between Franchisee and Franchisor;

(3) provide that the insurance company has the duty to defend all parties insured under the policy;

(4) provide that the defense costs are paid in addition to and not in depletion of any of the policy limits; and

(5) cover liabilities arising out of or incurred in connection with Franchisee's use, operation, occupancy, franchising, licensing, leasing or ownership of the Franchised Business.

(ii) "All risk" insurance in the minimum amount of $100,000 covering fire and extended coverage, vandalism and malicious mischief, sprinkler leakage and all other perils of direct physical loss or damage under the ISO "Special Causes of Loss" form, for the full replacement value of all Franchisee's property or equipment of any nature located at, on, in or about the Franchised Business or in any way used in the operation of the Franchised Business, including all contents, signs and glass, plus a fire department service charge of up to $15,000, debris removal of up to $25,000, pollutant removal of up to $10,000, with a deductible of not more than $500.

(iii) An "umbrella" policy providing per occurrence coverage limits of not less than $3,000,000 combined single limit coverage.

(iv) Workers' compensation insurance or similar insurance as required by applicable law and in amounts required by applicable law, including coverage for

trainees as well as those employed or engaged in the operation of the Franchised Business. This coverage must have a minimum limit of the greater of $100,000 or the statutory minimum limit.

(v) Crime (inside/outside money and securities) and employee dishonesty insurance with minimum per occurrence coverage of $5,000.

(vi) Business interruption insurance to cover Franchisee's loss of revenues and ongoing expenses and to cover any amounts due and owing to Franchisor under the Agreement, including, but not limited to, the royalties Franchisor would have received had the business interruption not occurred, based upon the average of royalty receipts for all franchises for that sales period, or any other agreement between Franchisee and Franchisor and/or its affiliates, in an amount not less than the actual loss resulting from an interruption of business for a minimum of twelve (12) months.

(vii) Automobile liability coverage, including coverage of owned, non-owned and hired vehicles with coverage in the amount of at least $100,000 for combined single limit for bodily injury and property damage or greater if required by state law.

(viii) Employment practices liability insurance covering claims made by Franchisee's employees or potential employees, including, but not limited to, discrimination, wrongful termination, sexual harassment and other employment related claims.

(ix) Property and casualty insurance to cover the full replacement value of Franchisee's equipment, furniture, fixture, inventory and vehicles.

(x) Cybersecurity insurance with coverage in an amount not less than $1,000,000;

(xi) Any additional insurance required by law in the state or locality in which the Franchised Business will operate.

(xii) For any construction, renovation, remodeling or build-out of the Franchised Business, Franchisee must maintain builder's risk insurance and performance and completion bonds in the forms and amounts and written by a carrier or carriers satisfactory to Franchisor.

(b) Franchisee may, with Franchisor's prior written consent, elect to have reasonable deductibles under the coverage required above. All of the policies must name Franchisor, its affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees of Franchisor and its affiliates as additional insureds and must include a waiver of subrogation in favor of all parties.

(c) Franchisee must provide Franchisor with written proof in the form of Accord certificates or as otherwise required by Franchisor of Franchisee's purchase of the above required insurance policies no later than the business day before Franchisee intends

to open the Franchised Business. Franchisee must provide Franchisor with proof of Franchisee's continued insurance coverage no later than thirty (30) days before the expiration of Franchisee's insurance policies. For purposes hereof, proof of purchase of insurance and/or continued insurance coverage shall include written evidence of insurance issued by the insurance company to Franchisee showing compliance with the above requirements. In the event that Franchisee fails to purchase the required insurance, Franchisor may, in its sole discretion, pay for the required insurance policies on behalf of Franchisee. Franchisor reserves the right to charge Franchisee a reimbursement fee equal to Franchisor's expenditures in paying for Franchisee's required insurance policies. Franchisee's insurance policies will in no way be limited in any way by any insurance policy maintained by Franchisor.

(d) Franchisor may in its sole discretion, revise its insurance requirements for franchisees, including increasing the amount of insurance coverage limits and changing the type of insurance coverage that is required. Franchisor may in its sole discretion, require Franchisee to obtain insurance policies with increased coverage limits and/or additional or different insurance policies in accordance with Franchisor's then-current insurance requirements for Franchisees.

(e) Franchisee may not reduce any insurance limit, restrict any insurance coverage or cancel any insurance policy without Franchisor's written consent. Franchisee may alter, amend or upgrade any insurance policy without Franchisor's written consent provided that Franchisee maintains the minimum insurance required and Franchisee provides Franchisor with notice of such alteration, amendment or upgrade to the insurance coverage upon the issuance of such coverage.

(f) Franchisee shall require its insurance providers to provide written notice to Franchisor in advance of any alteration, amendment, upgrade, termination or expiration of any insurance policy maintained by Franchisee.

(g) Franchisee agrees and acknowledges that Franchisor's review of and/or consent to any of Franchisee's insurance policies is solely for Franchisor's benefit and is not a guaranty that Franchisee's insurance coverage is sufficient. Franchisee further agrees and acknowledges that it is solely responsible for determining whether or not its insurance coverage is sufficient for the Franchised Business. Franchisee further agrees and acknowledges that these insurance requirements do not constitute a representation that the insurance types and amounts required are sufficient for the operation of the Franchised Business.

7.13 Indemnification

(a) Franchisee shall indemnify, defend and hold harmless Franchisor, its affiliates and the respective shareholders, officers, directors, employees, agents, successors and assignees of Franchisor and its affiliates (the "Indemnified Parties") against and reimburse any one or more of the Indemnified Parties for all claims, obligations and damages arising directly or indirectly from the operation of the Franchised Business or Franchisee's breach of this Agreement, including without limitation those alleged to be or

found to have been caused by the Indemnified Party's negligence or willful misconduct, unless (and then only to the extent that) the claims, obligations or damages are determined to be caused solely by Franchisor's gross negligence or willful misconduct in a final, un-appealable ruling issued by a court or arbitrator with competent jurisdiction.

(b) For purposes of this Section 7.13 and Franchisee's indemnification, "claims" include all obligations, damages (actual, consequential or otherwise) and costs that any Indemnified Party incurs in defending any claim against it, including without limitation fees incurred for accountants, arbitrators, attorneys and expert witnesses, costs of investigation and proof of facts, court costs, travel and living expenses and other expenses of litigation, arbitration or alternative dispute resolution. Each Indemnified Party may defend any claim against it at Franchisee's expense and agree to settlements or take any other remedial, corrective or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third-party or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Franchisee under this subsection. Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from Franchisee under this subsection.

(c) Notwithstanding anything to the contrary in this Agreement, Franchisee shall be permitted to defend any action brought by a third party against Franchisor in which such third party asserts claims, obligations and damages arising directly or indirectly from the operation of the Franchised Business or Franchisee's breach of the Franchise Agreement at no cost to any of the Indemnified Parties. Franchisor shall provide Franchisee with written notice of such action within ten (10) days of Franchisor's receipt of notice of such action. Franchisee shall then have ten (10) days to elect to defend such action and provide Franchisor with notice of its election. If Franchisee fails to notify Franchisor of its election to defend such action or if Franchisee fails to adequately prosecute or defend such action, Franchisor shall have the right, but not the obligation, in Franchisor's sole discretion, to take appropriate action concerning the action.

7.14 Licensing, Taxes and Compliance with Laws

a. Franchisee shall ensure that the Franchised Business and each of Franchisee's employees at the Franchised Business meet and maintain the highest standards and shall satisfy all safety and regulation standards which may be imposed upon the Franchised Business and/or its employees, including obtaining all required licenses and permits. It is Franchisee's obligation to determine if Franchisee must be licensed in connection with operating the Franchised Business and to take whatever steps are necessary to meet the requirements of any regulation regarding the operation of the Franchised Business. Franchisee shall provide to Franchisor, within five (5) days of Franchisee's receipt thereof or Franchisor's request, a copy of all inspection reports, warnings, citations, certificates and/or ratings required by law or which result from inspections, audits or inquiries conducted by federal, state or municipal agencies with jurisdiction over the Franchised Business.

b. Franchisee shall comply with all federal, state and local laws and regulations that generally apply to businesses. Franchisee acknowledges that these laws and regulations include, but are not limited to, the Americans with Disabilities Act; the Fair Labor Standards Act; Equal Employment Opportunities Commission; Occupational Safety and Health Administration; Gramm-Leach-Bliley Act; The Patriot Act; Truth in Lending Act and other laws dealing with credit transactions and collections; Digital Millennium Copyright Act; regulations governing MMS, SMS, emails and telemarketing; the payment of license fees; general restaurant rules and regulations; and, any advertising or content related rules and regulations, etc.

c. Franchisee acknowledges that Franchisee is aware of federal, state and local labor regulations including minimum age and minimum wage laws that may affect the Franchised Business. Franchisee shall comply with all such federal, state and local labor regulations.

d. Franchisee shall also pay when due all taxes levied or assessed, including unemployment and sales taxes and Franchisee shall file when due all tax returns due from any individual or entity related to the Franchised Business. Franchisee shall pay to Franchisor an amount equal to any sales tax or gross receipts tax imposed upon Franchisor with respect to any payments to Franchisor required under the Agreement. Notwithstanding anything to the contrary herein, Franchisor shall be responsible for paying its own income taxes.

7.15 Security Interest

(a) Franchisee hereby grants to Franchisor and its affiliates a security interest in any and all of Franchisee's inventory, equipment, furniture, fixtures, Operating Assets and all other assets and any proceeds thereof (including, but not limited to, all accounts receivable and the proceeds of any insurance). The security interest granted herein secures: (a) all of Franchisee's obligations to Franchisor and its affiliates under this Agreement and any other agreement between Franchisee and Franchisor or its affiliates; and (b) all costs and expenses which Franchisor and its affiliates may incur in the administration and collection of these obligations. This Agreement shall constitute a security agreement and upon request by Franchisor and its affiliates, Franchisee shall execute any additional instruments required to perfect this security interest, including without limitation a standard Uniform Commercial Code ("UCC") financing statement. Franchisee authorizes Franchisor and its affiliates:

i. to file a copy of this Agreement, a UCC financing statement and any other documents that may be necessary to perfect the security interest granted herein; and

ii. to sign on behalf of Franchisee and to file in any jurisdiction, with or without signature of Franchisee, financing statements with respect to this security interest and security agreement.

(b) Notwithstanding anything to the contrary in this Agreement, Franchisor

shall neither unreasonably withhold nor unduly delay its consent to requests by Franchisee to subordinate Franchisor's security interest with respect to secured financing that Franchisee needs in connection with establishing and/or operating the Franchised Business.

7.16 Approved Products and Services

(a) Franchisee agrees and acknowledges that Franchisee shall sell and offer for sale only those designs, products and services approved by Franchisor from the Franchised Business location. Franchisee agrees to acquire products from Franchisor's approved designers. Franchisor may also develop "private label" designs and, if so, Franchisee agrees to purchase no less than five dresses (each of a different design) per year. Franchisee agrees and acknowledges that Franchisee shall make each purchased "private label" dress available for sale at the Franchised Business location. Franchisor reserves the right to amend, revise and/or change any of its approved designers and Franchisee shall be required to comply with all such amendments, revisions and/or changes. Franchisee may refer customers to providers of affiliated services upon receipt of Franchisor's advanced written approval. Franchisor may revoke approval of any affiliated service providers at any time and for any reason, in Franchisor's sole discretion.

(b) Franchisee is obligated to sell and offer for sale all products and services from the Franchised Business location required by Franchisor.

(c) Franchisee shall discontinue selling and offering for sale any Products and/or Services that Franchisor disapproves in writing, within a commercially reasonable period of time, as determined in Franchisor's sole discretion. Franchisee shall not participate in any Grey marketing activities concerning any products or Products and/or Services. From time to time, Franchisor may, in its sole discretion, choose to test new products, services, sales strategies, equipment, programs or other elements of the System. Upon such an occurrence, Franchisee shall be required to participate in any testing, at the Franchisor's request, and may also be required to make capital expenditures and incur operating and other costs as part of the participation in such test. Franchisor is not obligated to reimburse Franchisee for those expenditures or costs. Franchisee may be required to maintain records and submit reports to Franchisor, as part of the test, in a timely manner, as required by Franchisor.

7.17 Advertising Cooperatives

There is currently no advertising cooperative in the System. However, Franchisor reserves the right to establish advertising cooperative(s) and to require Franchisee to contribute monies to any required advertising cooperative(s), provided, however, that Franchisee's obligation to contribute money to any advertising cooperative(s) shall not be greater than that of any other franchisee, to be calculated on a per franchised business basis. Franchisor will have the right, in its sole discretion, to determine how funds paid into any such advertising cooperative are expended. Any financial contributions made by Franchisee to the advertising cooperative may be credited against Franchisee's required Local Advertising expenditures. Company-owned units, including any units owned by Franchisor's affiliates, may be active members of any advertising cooperative and may

possess voting power in accordance with the rules of the advertising cooperative, as Franchisor may determine in its sole discretion.

VIII. CONFIDENTIAL INFORMATION

8.1 Restriction on Use of Confidential Information

(a) Franchisor possesses (and will continue to develop and acquire) certain knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law regarding: (i) the Franchisor, its affiliates and its subsidiaries; (ii) the development, management and operation of Lovely Bride® franchised businesses, including without limitation: (1) site selection criteria; (2) training and operations materials and manuals including but not limited to the Confidential Operating Manual; (3) methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating the System; (4) marketing, advertising and promotional programs including but not limited to Advertising Materials, Social Media Materials and use of Social Media Platforms; (5) database material, customer lists, records, files, instructions and other proprietary information; (6) identity of suppliers and knowledge of supplier discounts, specifications, processes, services, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment; (7) computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials; (8) knowledge of the operating results and financial performance of the System other than the Franchised Business; and (9) graphic designs and related intellectual property (collectively "Confidential Information") which Franchisor and its affiliates consider proprietary.

(b) It is the parties' intention that the Confidential Information be governed by the Confidentiality, Non-Use and Non-Competition Agreement attached hereto as Exhibit 6 and the Confidentiality, Non-Use and Non-Competition Agreement Form attached hereto as Exhibit 7. Franchisee acknowledges and agrees that Franchisor has granted the franchise in consideration of and in reliance upon Franchisee's agreement to execute the Confidentiality, Non-Use and Non-Competition Agreement and abide by its terms. Franchisee shall require any individual to whom Confidential Information is disclosed, or if a corporation, limited liability company or partnership, its officers, directors, shareholders, Operating Principal, managers, agents, subsidiaries and affiliates to execute the Confidentiality, Non-Use and Non-Competition Agreement Form as a condition of such disclosure, in the form attached hereto as Exhibit 7.

8.2 Acknowledgments

(a) Franchisee and its Owners acknowledge that Franchisee has been and/or will be given access to the Confidential Information during the course of the relationship between Franchisee and Franchisor.

(b) Franchisee and its Owners acknowledge that (i) Franchisor and its affiliates

own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor and its affiliates a competitive advantage; (iii) the Franchisor and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Franchisee regarding the System is disclosed in confidence; (v) Franchisee has no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Franchisee will not acquire any ownership interest in the Confidential Information and/or System; and (vii) Franchisee's use or duplication of the Confidential Information and/or System or any part of the Confidential Information and/or System in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

8.3 Non-Disclosure and Return of Confidential Information

(a) Franchisee and its agree that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisor: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisor's use; (iv) will not reproduce or use the Confidential Information; and (v) ensure that its Operating Principal, managers, agents, independent contractors and professional and financial advisors requiring access to any Confidential Information will, prior to obtaining such access execute the Confidentiality, Non-Use and Non-Competition Agreement Forms in the form attached hereto as Exhibit 7.

(b) Confidential Information provided by Franchisor to Franchisee and its Owners in the course of the parties' relationship shall be returned to Franchisor immediately upon termination or expiration of the Franchise Agreement. Franchisee and its Owners shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

IX. COVENANTS

9.1 Covenants

(a) Franchisee and its Owners acknowledge that Franchisor has granted it the franchise in consideration of and reliance upon the agreement of Franchisee and its Owners to deal exclusively with Franchisor; to maintain the confidentiality of all of the Confidential Information; to refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Article VIII above; and to protect and preserve the goodwill of the Franchisor.

(b) Franchisee and its Owners further acknowledge and agree that (i) pursuant to this Agreement, they will have access from the Franchisor and its affiliates to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee and its Owners under this Agreement are of substantial and material value; (iii) in developing the System, Franchisor and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System, its trade secrets and its Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Lovely Bride® businesses if franchisees and their Owners were permitted to hold an interest in Competitive Businesses; and (v) restrictions on the right of Franchisee and its Owners to hold interest in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder the activities of Franchisee and its Owners.

(c) Accordingly, Franchisee and its Owners covenant and agree that during the term of this Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of the cause for termination) or expiration of this Agreement; (ii) the Transfer, as defined in this Agreement; or (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 9.1, Franchisee and each of its Owners shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(1) Divert or attempt to divert any actual or potential business or customer of Lovely Bride® to any competitor;

(2) Take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

(3) Employ, recruit or seek to employ any person who is then employed or who was employed within the immediately preceding twenty-four (24) months, by Franchisor, its affiliates or any Lovely Bride® franchisee, or otherwise directly or indirectly induce such person to leave his or her employment without obtaining the employer's prior written permission;

(4) Solicit, encourage or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor to terminate or diminish their relationship with Franchisor; or

(5) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (defined below). Notwithstanding the foregoing, equity ownership of less than five percent (5%) of a Competitive Business whose stock or other

forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection).

(d) During the term of this Agreement, there is no geographic limitation on these restrictions, meaning that Franchisee and each of its Owners shall not engage in the conduct referred to in subsection 9.1 at any location. During the two (2) year period following the later of: (i) the termination (regardless of the cause for termination) or expiration of this Agreement; (ii) the Transfer of the franchise; or (iii) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 9.1, these restrictions shall apply:

(1) at the location of the Franchised Business;

(2) within the Territory assigned to the Franchisee and within ten (10) miles of the outer boundaries of the Territory assigned to the Franchisee;

(3) within ten (10) miles of the location of any other Lovely Bride® store; and

(4) within the territory assigned to any other Lovely Bride® store and within ten (10) miles of the outer boundaries of the territory assigned to any other Lovely Bride® store;

owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates (i) as of the date of this Agreement, (ii) as of the date of (a) a termination (regardless of the cause for termination) or expiration of the Franchise Agreement or (b) a Transfer of the franchise, or (iii) as of the date of any final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 9.1.

(e) Franchisee and its Owners further covenant and agree that for a period of two (2) years following the expiration, termination (regardless of the cause for termination) or a Transfer, Franchisee and its Owners will not either directly or indirectly for itself or through, on behalf of or in conjunction with any person, firm, partnership, corporation or other entity, sell, assign, lease or transfer the Franchised Business location to any person, firm, partnership corporation or other entity that Franchisee or its Owners know or has reason to know intends to operate a Competitive Business at the Franchised Business location.

(f) Franchisee covenants not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination (regardless of the cause for termination) or expiration of this Agreement.

(g) Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills.

Consequently, the enforcement of the covenants made in this Section 9.1 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

(h) Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographic area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor and its affiliates. Franchisee and its Owners also agree and acknowledge that the legitimate business interests of Franchisor and its affiliates include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchisee's former Franchised Business location, within the Territory assigned to Franchisee and within the territorial boundaries of the restrictive covenant described above in subsection 9.1(d); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee and its Owner; and/or (v) protecting the System as a whole including the franchisee network. If any provision of the terms, covenants and/or restrictions of this Section 9.1 (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(i) Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant contained in this Section 9.1 effective immediately upon Franchisee's receipt of written notice and Franchisee agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 20.2.

9.2 Enforcement of Covenants Not to Compete

Franchisee and its Owners acknowledge and agree that Franchisor has a compelling interest in protecting the System and that the provisions of this Article IX protect Franchisor's System. Franchisee and its Owners. Franchisee and its Owners acknowledge that violation of the covenants contained in this Article IX would result in immediate and irreparable injury to Franchisor and its affiliates for which no adequate remedy at law will be available. Accordingly, Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions of this Article IX without the need of a bond. Franchisee and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of these terms, covenants and/or restrictions was accomplished by and through the unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee or its Owners may have against Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Article IX by Franchisor and/or its affiliates. Franchisee and its Owners further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Article IX.

9.3 Definitions

(a) The term “affiliates” (with respect to Franchisee) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee, including but not limited to subsidiaries, parents and sibling entities.

(b) The term "control" (with respect to Franchisee”) shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity to which referred.

(c) The term "Competitive Business" means: (i) any business involving the establishment and/or operation of a bridal shop selling wedding gowns, occasion dresses and accessories; or (ii) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(d) The term “Owner” means any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of five percent (5%) or more in Franchisee (or at such later time as they assume such status), whether or not such interest is of record, beneficially or otherwise. The term “Owners” shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of five percent (5%) or more in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity.

9.4 Procurement of Additional Covenants

Franchisee acknowledges and agrees to require and obtain the execution of the Confidentiality, Non-Use and Non-Competition Agreement Form attached hereto as Exhibit 7: (i) before employment or any promotion of all personnel Franchisee employs who have received training from Franchisor or who will have access to the Confidential Information; (ii) Franchisee’s Owners at the same time as the execution of this Agreement (or at such later time as they assume such status); and (iii) all other personnel designated by Franchisor. Franchisee agrees to require all personnel (including officers, directors, managers and other employees attending Franchisor’s training program) having access to the Confidential Information, to executed the Confidentiality, Non-Use and Non-Competition Agreement Form or such other agreements that Franchisor requires. Franchisor has the right to regulate the forms those agreements that Franchisee uses and to be a third-party beneficiary of those agreements with independent enforcement rights. Franchisee agrees to furnish Franchisor with copies of all executed Confidentiality, Non-Use and Non-Competition Agreement Forms upon Franchisor’s request.

9.5 Franchisee's Enforcement of Confidentiality, Non-Use and Non-Competition Agreements

Franchisee acknowledges and agrees to vigorously and vigilantly prosecute breaches of any Confidentiality, Non-Use and Non-Competition Agreement Form executed by any of the individuals referenced herein. Franchisee agrees to prosecute such actions to the fullest extent permitted by law. Moreover, if provisions of the Confidentiality, Non-Use and Non-Competition Agreement Form have been breached by an individual employed, engaged or otherwise serving the Franchised Business, but who has not executed a Confidentiality, Non-Use and Non-Competition Agreement Form, Franchisee must nevertheless vigorously and vigilantly prosecute such conduct to the fullest extent permitted by law. Franchisee acknowledges that Franchisor shall have the right, but not the obligation, to enforce the terms of each such executed Confidentiality, Non-Use and Non-Competition Agreement Form against any of the individuals referenced herein. Franchisee further acknowledges that Franchisor shall have the right, but not the obligation to bring civil actions to enforce its terms. In the event that Franchisor elects to exercise its rights to enforce the provisions of the Confidentiality, Non-Use and Non-Competition Agreement Forms against any of the individuals referenced herein, Franchisee shall be required to reimburse Franchisor for Franchisor's reasonable attorneys' fees, experts' fees, court costs and all other expenses of litigation in connection with Franchisor's enforcement of the provisions of any Confidentiality, Non-Use and Non-Competition Agreement Form against any of the individuals referenced herein.

9.6 Lesser Included Covenants Enforceable At Law

If all or any portion of the covenants set forth in this Article IX are held unreasonable, void, vague or illegal by any court, arbitrator or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits and should not by necessity invalidate the entire covenants. Franchisee and its Owners acknowledge and agree to be bound by any lesser covenant subsumed within the terms of this Article IX as if the resulting covenants were separately stated in and made a part of this Agreement.

9.7 Severability of Covenants

The parties agree that each of the covenants contained in this Article IX shall be construed independent of each other and any other covenant or provision within this Agreement.

X. ASSIGNMENT AND TRANSFERS

10.1 By Franchisor

Franchisee acknowledges that Franchisor maintains a staff to manage and operate the System and that staff members can change as employees come and go. Franchisee represents that it has not signed this Agreement in reliance on any particular shareholder,

director, officer or employee remaining with Franchisor in any capacity or no capacity at all. Franchisor may change its ownership or form and/or assign this Agreement and any other agreement to a third-party without restriction. In the event of Franchisor's assignment of this Agreement to a third-party who expressly assumes the obligations under this Agreement, Franchisor shall no longer have any performance or other obligations under this Agreement.

10.2 By Franchisee

(a) Franchisee understands and acknowledges that the rights and duties this Agreement creates are personal to Franchisee (or, if Franchisee is an entity, to Franchisee's Owners) and that Franchisor has granted to Franchisee the franchise in reliance upon its perceptions of Franchisee's (or its Owners') individual or collective character, skill, aptitude, attitude, business ability and financial capacity. Accordingly, neither this Agreement (nor any interest in this Agreement), the Franchised Business or substantially all of its assets, nor any ownership interest in Franchisee (regardless of its size), nor any ownership interest in any of Franchisee's Owners (if any Owner is a legal entity) may be transferred without Franchisor's prior written approval, which may be withheld for any reason in its sole discretion, subject to the provisions herein. A transfer of the ownership, possession, control, or substantially all of the assets of the Franchised Business may be made only with an appropriate assignment of this Agreement. Any transfer without Franchisor's consent is a breach of this Agreement and shall be considered void and of no effect.

(b) Neither Franchisee nor any Owner shall be permitted or have the power without the prior written consent of Franchisor, to convey, give away, sell, assign, pledge, lease, sublease, devise or otherwise transfer, either directly or by operation of law or in any other manner, including by reason of death, any interest or shares of stock of any kind or nature in Franchisee. In order to assure compliance by Franchisee with the transfer restrictions contained in this Section 10.2, all shares or stock certificates of Franchisee or Franchisee's operating agreement, if Franchisee is a limited liability company, shall at all times contain a legend sufficient under applicable law to constitute notice of the restrictions contained in this Agreement and to allow such restrictions to be enforceable. Franchisee shall provide Franchisor with a copy of its shares or stock certificates, if a corporation, or its operating agreement, if a limited liability company, so that Franchisor may ensure that such contains the required legend. Such legend shall appear in substantially the following form:

> "The sale, transfer, pledge or hypothecation of this stock is restricted pursuant to the terms of Article X of a Franchise Agreement dated _____ between Lovely Franchising LLC and_____."

(c) Notwithstanding anything to the contrary above, Franchisee may grant a security interest (including a purchase money security interest) in the assets of the Franchised Business (not including this Agreement) to a lender that finances its

acquisition, development and/or operation of the Franchised Business without having to obtain Franchisor's prior written approval as long as Franchisee gives Franchisor thirty (30) days prior written notice and provided that the security interest is subordinate to Franchisor's rights hereunder or under any other agreement by and between Franchisee and Franchisor.

(d) The term "transfer" means to sell, assign, gift, pledge, mortgage or encumber either voluntarily or by operation of law any interest in: (i) this Agreement or the rights created thereunder; (ii) all or substantially all of the assets of the Franchised Business; and/or (iii) any direct or indirect interest in the ownership of Franchisee.

10.3 Conditions for Approval of Transfer by Franchisee

(a) If Franchisee (and its Owners) has fully complied with this Agreement and any and all other agreements with Franchisor and its affiliates, then subject to the other provisions of this Article X, Franchisor may in its discretion approve a transfer that meets the requirements of this Section 10.3. To effectuate any proposed transfer, Franchisee must comply with all of the following conditions either before or concurrently with the effective date of the transfer:

(i) Franchisee shall first notify Franchisor in writing of the proposed transfer and set forth a complete description of the terms of the proposed transfer including the prospective transferee's name, address, telephone number, financial qualifications and previous five (5) years' business experience. Franchisor or its assignees may within thirty (30) days after receipt of such notice, exercise a right of first refusal to purchase the interest being offered by Franchisee pursuant to the provisions of Article XI herein;

(ii) transferee (and its owners if transferee is an entity) has sufficient business experience, aptitude and financial resources to operate the Franchised Business and must meet all of Franchisor's then-current standards and requirements for becoming a Lovely Bride® franchisee (which standards and requirements need not be in writing) and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate ability to conduct the Franchised Business;

(iii) Franchisee has: (1) paid all Royalty, Brand Fund Contributions and other amounts owed to Franchisor, its affiliates and any Suppliers; (2) submitted all required reports and statements; (3) cured all other breaches of this Agreement and any other agreement between Franchisee and Franchisor and/or its affiliates and any Suppliers; and (4) satisfied all its obligations under this Agreement and any other agreement with Franchisor, its affiliates or any Suppliers;

(iv) neither the transferee nor its owners (if the transferee is an entity) or affiliates have an ownership interest (direct or indirect) in or perform services for a Competitive Business;

(v) transferee (or its operating principal) and any other personnel required by Franchisor completes Franchisor's training program to Franchisor's satisfaction at transferee's own expense, including payment to Franchisor of the then-current training fee, which as of the date of this Franchise Agreement is $250 per person per day if such training is held at Franchisor's headquarters or an affiliate's Lovely Bride store or $500 per day per person if such training is held at transferee's Lovely Bride store**;**

(vi) Franchisee's landlord(s) permits Franchisee to assign or sublease the Franchised Business location(s) to the transferee;

(vii) transferee shall (if the transfer is of this Agreement) or Franchisee shall (if the transfer is of a controlling ownership interest in Franchisee or one of its Owners), execute Franchisor's then-current form of franchise agreement and related documents, the provisions of which may differ materially from those contained in this Agreement for a term equal to the remaining term of this Agreement or in Franchisor's sole discretion, the then-current term offered to new franchisees. If the latter, Franchisee shall pay Franchisor the then-current franchise fee and agree to comply in all respects with all of Franchisor's requirements;

(viii) transferee shall upgrade the Franchised Business to meet Franchisor's then-current standards for a Lovely Bride® shop;

(ix) transferee (and its owners if transferee is an entity) agrees and acknowledges that Franchisor is not responsible for any representations not included in the disclosure document or this Franchise Agreement;

(x) Franchisee or the transferee pays Franchisor the transfer fee. Transfer fees are due upon request for approval of the transfer and are nonrefundable, whether or not the transfer actually occurs. Transfer fees are as follows:

(1) no fee for a transfer to the surviving spouse, parent or child of Franchisee or an Owner upon the death or disability of Franchisee or an Owner;

(2) no fee for a transfer to an entity in which Franchisee: (i) maintains management control; and (ii) owns and controls one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests, provided that (a) such entity conducts no other business other than the Franchised Business; (b) all of the assets of the Franchised Business are owned by that single entity; and (c) the Franchised Business is conducted only by that single entity. Further, the transferee entity must expressly assume all of Franchisee's obligations under this Agreement and Franchisee must agree to remain personally liable under this Agreement as if the transfer to this entity did not occur;

(3) fifty percent (50%) of the then-current franchise fee, with a minimum of $12,500, for any other transfer not otherwise provided for above.

(xi) Franchisee (and its Owners) signs a General Release in the form attached as Exhibit 3, of any and all claims against Franchisor, its affiliates and all of the respective owners, officers, directors, agents and employees of Franchisor and its affiliates;

(xii) Franchisor, in its sole discretion, has determined that the terms of the transfer, including, but not limited to, price, method and the extent of financing will not adversely affect the transferee's operation of the Franchised Business;

(xiii) if Franchisee or its Owners finance any part of the purchase price, Franchisee and/or its Owners agree that all of the transferee's obligations under promissory notes, agreements or security interests reserved in the Franchised Business are subordinate to the transferee's obligation to pay the Royalty, Brand Fund Contributions and other amounts due to Franchisor, its affiliates, Suppliers and otherwise comply with this Agreement;

(xiv) Franchisee and its Owners will not for two (2) years, beginning on the effective date of the transfer, engage in any of the activities prohibited in Article IX of this Agreement;

(xv) Franchisee and its Owners will not directly or indirectly at any time or in any manner (except with respect to other Lovely Bride® franchises they own and operate) identify themselves or any business as a current or former Lovely Bride® franchise or as one of Franchisor's franchisees; use any of the Principal Trademarks, any colorable imitation of a Principal Trademark or other indicia of the Lovely Bride® System in any manner or for any purpose; or utilize for any purpose any trade name, trademark or service mark, or other commercial symbol that suggests or indicates a connection or association with Franchisor;

(xvi) Franchisee shall comply with all other applicable transfer requirements as designated in the Confidential Operating Manual or otherwise in writing;

(xvii) Franchisor in its sole discretion determines that the terms of the transfer are substantially the same as those offered to Franchisor pursuant to Franchisor's right of first refusal in accordance with Article XI herein;

(xviii) Franchisor may require any transferee of any interest or shares of stock of any kind or nature in Franchisee to guarantee the obligations of Franchisee under this Agreement or under any new franchise agreement entered into pursuant to Section 10.3(vii) above;

(xix) transferee (and its owners if transferee is an entity) passes a credit and criminal background check; and

(xx) transferee (and its owners if transferee is an entity) execute a personal guaranty in the form attached as Exhibit 10 guaranteeing the obligations of

Franchisee.

(b) Franchisor may review all information regarding the Franchised Business that Franchisee gives the transferee, correct any information that it believes is inaccurate and give the transferee copies of any reports that Franchisee has given Franchisor or Franchisor has made regarding the Franchised Business.

10.4 Death or Disability of Franchisee

(a) Transfer Upon Death or Disability

Upon the death or disability of Franchisee or its Operating Principal, the executor, administrator, conservator, guardian or other personal representative of Franchisee or its Operating Principal must transfer Franchisee's interest in this Agreement or the Operating Principal's ownership interest in Franchisee to a third-party (which may be the heirs, beneficiaries or devisees of Franchisee or the Operating Principal). That transfer must be completed within a reasonable time not to exceed six (6) months from the date of death or disability and is subject to all of the terms and conditions in this Article X. A failure to transfer Franchisee's interest in this Agreement or the Operating Principal's ownership interest in Franchisee within this time period is a breach of this Agreement. The term "disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Franchisee or the Operating Principal from supervising the management and operation of the Franchised Business.

(b) Operation Upon Death or Disability

If upon the death or disability of Franchisee or the Operating Principal, a manager trained by Franchisor or Franchisee is not managing the Franchised Business, the executor, administrator, conservator, guardian or other personal representative of the Franchisee or the Operating Principal must within a reasonable time not to exceed fifteen (15) days from the date of death or disability, appoint a manager. The replacement manager must complete Franchisor's standard training program at Franchisee's sole expense. A new Operating Principal acceptable to Franchisor also must be appointed within thirty (30) days. If in Franchisor's judgment, the Franchised Business is not being managed properly any time after the death or disability of Franchisee or the Operating Principal, Franchisor may but need not assume the management of the Franchised Business (or appoint a third-party to assume its management). All funds from the operation of the Franchised Business while under the management of the Franchisor or third-party will be kept in a separate account and all expenses will be charged to this account. Franchisor may charge Franchisee (in addition to the Royalty, Brand Fund Contributions and other amounts due under this Agreement) a management fee of ten percent (10%) of Gross Revenues earned by the Franchised Business during the time in which Franchisor manages the Franchised Business, plus direct out-of-pocket costs and expenses of the Franchisor (or a third-party), if Franchisor (or a third-party) assumes the management of the Franchised Business under this subsection. Franchisor (or a third-party) has a duty to utilize only reasonable efforts and will not be liable to Franchisee or its Owners for any debts, losses or obligations

incurred by the Franchised Business, or to any of Franchisee's creditors for any products, other assets, or services the Franchised Business purchases while under the management of Franchisor (or a third-party).

10.5 Effect of Consent to Transfer

Franchisor's consent to a transfer of this Agreement, the Franchised Business or any interest in Franchisee or its Owners is (a) not a representation of the fairness of the terms of any contract between Franchisee and the transferee; (b) nor a guarantee of the prospects of success of the Franchised Business or transferee; (c) nor a waiver of any claims Franchisor has against Franchisee (or its Operating Principals) or of Franchisor's right to demand the transferee's full compliance with this Agreement. In the event of a transfer, Franchisee and/or its Owners shall continue to remain obligated to Franchisor in accordance with the terms of this Agreement.

10.6 Proposed Assignment as a Result of Franchisee's Bankruptcy

(a) Franchisee again acknowledges that the rights and duties along with the Franchise granted in this Agreement are personal to Franchisee (or any of its Owners), and Franchisor has entered into this Agreement in reliance on the representations given by Franchisee to secure the Franchise, the personal and/or collective skills of Franchisee and its Owners, as applicable, and the financial ability of Franchisee and its Owners. Franchisee further acknowledges and agrees that because of the personal nature of the rights and duties associated with the Franchise, this Agreement is not freely assignable by its nature and therefore it would not be appropriate to assign the rights and obligations to any assignee other than in accordance with this Section 10 (and each other applicable provision of this Section 10). In the event that Franchisee shall become a debtor under Chapter 7 of the United States Bankruptcy Code, 11 USC Section 101, et seq., (the "Bankruptcy Code"), and the trustee or Franchisee shall elect to assume this Agreement for the purpose of assigning the same or otherwise, such election and assignment may only be made if all of the terms and conditions of this Agreement are satisfied. No election by the trustee or Franchisee to assume this Agreement, whether under Chapter 7, 11 or 13 of the Bankruptcy Code, shall be effective unless each of the following conditions, and as applicable, any other conditions required in this Section 10, which Franchisor and Franchisee each acknowledge is commercially reasonable in the context of such proceeding, has been satisfied, and Franchisor has so acknowledged in writing:

(i) the trustee or Franchisee has cured, or has provided Franchisor adequate assurance (as provided below) that: (i) within ten (10) days from the date of such assumption, the trustee will cure all monetary defaults under this Agreement; and (ii) within thirty (30) days from the date of such assumption, the trustee will cure all non-monetary defaults under this Agreement;

(ii) the Franchised Business remains at all times under the primary management of an Owner or a manager trained by Franchisor or Franchisee or who otherwise meets Franchisor's qualifications and has completed, to Franchisor's

satisfaction, a training program in substance similar to the initial training program described in Section 6.2;

(iii) the trustee or Franchisee has and will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure Franchisor that the trustee or Franchisee will have sufficient funds to fulfill the obligations of Franchisee under this Agreement, and to keep the Franchised Business open and operating fully stocked and properly staffed with sufficient employees to conduct a fully-operational Franchised Business, and that the assumption or assignment will not disrupt business operations at the Franchised Business; and

(iv) that assumption or assignment of this Agreement will not breach any term or condition of, or constitute a default under, any term or condition of any contract, agreement, arrangement, or other commitment to which the trustee or Franchisee is a party or by which the trustee or Franchisee is bound (including any agreement not to compete), or constitute an event which, with notice, lapse of time or both, would result in such a breach or event of default nor to the trustee's or Franchisee's knowledge, result in the violation by the trustee or Franchisee of any applicable statute, rule, regulation, ordinance, code, judgment, order, injunction or decree.

(b) If a trustee or Franchisee, pursuant to this Agreement, proposes to assign this Agreement or any right in the Franchise pursuant to the provisions of the Bankruptcy Code, to any person or entity who shall have made a bona fide offer to accept an assignment of this Agreement on terms acceptable to the trustee or Franchisee, then, notice of the proposed assignment setting forth (i) the name and address of such person; and (ii) all of the terms and conditions of such offer shall be given to the Franchisor by the Franchisee no later than twenty (20) days after receipt of such offer by the trustee or Franchisee, but in any event no later than ten (10) days prior to the date that the trustee Franchisee shall make application to a court of competent jurisdiction for authority and approval to enter into such assignment and assumption.

(c) If the trustee or Franchisee, pursuant to this Agreement, proposes to assign this Agreement or any right in the Franchise pursuant to the provisions of the Bankruptcy Code, to any person or entity who shall have made a bona fide offer to accept an assignment of this Agreement on terms acceptable to the trustee or Franchisee, Franchisor shall thereupon have the prior right and option, to be exercised by notice to the trustee or Franchisee given at any time prior to the effective date of such proposed assignment, to accept an assignment of this Agreement upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such person.

(d) Any person or entity to which the trustee's or Franchisee's interest in this Agreement is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Agreement on or after the date of such assignment. As part of providing adequate assurance to Franchisor, any such assignee shall, upon demand, execute and deliver to

Franchisor an instrument confirming such assumption.

(e) The following factors may be considered by Franchisor as necessary in order to determine whether or not the proposed assignee has furnished Franchisor with adequate assurances of its ability to perform the obligations of this Agreement, in accordance with Section 10.6(a)(i) above:

(i) the assignee (and its owners if assignee is an entity) has satisfied Franchisor that it meets Franchisor's management, business experience and aptitude, and financial standards for franchisees, has met all of Franchisor's then-current standards and requirements for becoming a Lovely Bride franchisee (which standards and requirements need not be in writing) and otherwise possesses the character and capabilities, including business reputation and credit rating, as Franchisor may require to demonstrate ability to conduct the Franchised Business;

(ii) that assumption or assignment of this Agreement is subject to all the provisions hereof, including provisions such as location, use, and the restrictive covenants set forth in Articles 8 and 9, and will not breach any term or condition of, or constitute a default under, any term or condition of any contract, agreement, arrangement, or other commitment to which the assignee or any holder of a legal or beneficial interest in assignee is a party or by which assignee or such holder of a legal or beneficial interest in assignee is bound (including any agreement not to compete), or constitute an event which, with notice, lapse of time or both, would result in such a breach or event of default nor to assignee's knowledge, result in the violation by assignee or any such holder of a legal or beneficial interest in assignee of any applicable statute, rule, regulation, ordinance, code, judgment, order, injunction or decree; and

(iii) demonstration that the assumption or assignment will not disrupt business operations of the Franchised Business.

(f) In the event Franchisor rejects the proposed assignee, to the extent permitted by applicable law, the rights and obligations of the parties hereto shall continue to be governed by the terms of this Agreement, and Franchisee shall have all the rights of a franchisee under applicable law.

XI. RIGHT OF FIRST REFUSAL TO ACQUIRE FRANCHISEE'S BUSINESS

11.1 Franchisor's Right of First Refusal

(a) Franchisor shall have the right, exercisable within thirty (30) days after receipt of notice set forth in Section 10.3(a)(i) and the details of the proposed transfer and bona fide offer, to send written notice to Franchisee that Franchisor intends to purchase the interest in this Agreement, the Franchised Business or an ownership interest in Franchisee proposed to be transferred. Franchisor may assign this right of first refusal to a third-party either before or after Franchisor exercises such right. However, this right of first refusal

shall not apply to transfers among Franchisee's current Owners or to a legal entity wholly owned by Franchisee.

(b) Notice of the bona fide offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid bona fide offer, the proposed purchase price must be in a dollar amount and the proposed transferee must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price. The right of first refusal process will not be triggered by a proposed transfer that would not be permitted under Article X. Franchisor may require Franchisee (or its Owners) to send Franchisor copies of any materials or information sent to the proposed buyer or transferee regarding the possible transaction.

(c) Franchisor may by written notice delivered to Franchisee or its selling Owner(s) within thirty (30) days after it receives both an exact copy of the offer and all other information Franchisor requests, elect to purchase the interest offered under the same terms or conditions contained in the offer provided that:

(i) Franchisor may, in its sole discretion, substitute cash, notes payable monthly in no less than five (5) years, or some combination of each for any form of payment proposed in the offer (such as ownership interests in a privately-held entity) and Franchisor's credit shall be deemed equal to the credit of any proposed buyer or transferee;

(ii) Franchisor will have an additional thirty (30) days to prepare for closing after notifying Franchisee of its election to purchase; and

(iii) Franchisor must receive, and Franchisee and its Owners agree to make, all customary representations and warranties given by the seller of the assets of a business or the ownership interests in a legal entity, as applicable, including without limitation representations and warranties regarding:

(1) ownership and condition of and title to ownership interests and/or assets; liens and encumbrances relating to ownership interests and/or assets; and

(2) validity of contracts and the liabilities, contingent or otherwise, of the entity whose assets or ownership interests are being purchased.

(d) If Franchisor exercises its right of first refusal, Franchisee and its selling Owners agree that for two (2) years beginning on the closing date, they will be bound by the covenants contained in Section 9.2 of this Agreement.

(e) If Franchisor does not exercise its right of first refusal, Franchisor shall, within thirty (30) days after the right of first refusal has expired, notify Franchisee (and/or any of its Owners) in writing of its approval or disapproval of the prospective transferee. Franchisee or its Owners may complete the sale to the proposed transferee on the terms of the original offer, but only if Franchisor otherwise approves the transfer in accordance with Section 10.3 and Franchisee (and its Owners) and the transferee comply with the conditions

of that Section. This means that even if Franchisor does not exercise its right of first refusal (whether or not it is properly triggered as provided above), if the proposed transfer otherwise would not be allowed under Section 10.3, then Franchisee (or its Owners) may not complete the transfer.

(f) If Franchisee (or its Owners) does not complete the transfer to the proposed transferee within sixty (60) days after Franchisor notifies Franchisee (and/or any of its Owners) that Franchisor does not intend to exercise its right of first refusal, or if there is a material change in the terms of the transfer (which Franchisee and/or its Owners agree to promptly advise Franchisor), then Franchisor or its designee will have an additional right of first refusal during the thirty (30) day period following either the expiration of the sixty (60) day period or Franchisor's receipt of notice of the material change(s) in the sale's terms. This additional right of first refusal shall be to purchase on the terms originally offered or the modified terms, at the option of Franchisor or its designee.

11.2 Public Offerings

Despite any other provisions in this Agreement, Franchisee (and its Owners) may not attempt to raise or secure funds by selling or offering to sell any ownership interest in Franchisee (including without limitation common or preferred stock, bonds, debentures, membership interests or general or limited partnership interests) in a public offering for which a registration statement must be filed with the Securities Exchange Commission or with any similar state regulatory authority having jurisdiction over the sale of securities where registration is required as a condition of the sale of securities in that state.

XII. PRINCIPAL TRADEMARKS AND COPYRIGHTED INFORMATION

12.1 Ownership of the Principal Trademarks and Copyrighted Information

Franchisee acknowledges and agrees that Franchisor and/or its affiliates are the owners of the Principal Trademarks and that Franchisor and/or its affiliates claim copyright protection in certain material used in the System and in the development and operation of Lovely Bride® shops, including the Confidential Operating Manual, Advertising Materials, Social Media Materials and similar materials whether created by Franchisor, any franchisee of Franchisor and/or any third-party ("Copyrighted Information"). Franchisor is authorized to license to Franchisee the limited right to use the Principal Trademarks and Copyrighted Information. Franchisee's right to use the Principal Trademarks and Copyrighted Information is derived solely from this Agreement and is limited to the conduct of business by Franchisee pursuant to and in compliance with this Agreement and all System Standards prescribed by Franchisor from time to time during the term of this Agreement. Franchisee agrees not to represent in any manner that Franchisee has acquired any ownership rights in the Principal Trademarks or Copyrighted Information. Any unauthorized use of the Principal Trademarks or Copyrighted Information by Franchisee is a breach of this Agreement and an infringement of the rights of Franchisor in and to the Principal Trademarks and Copyrighted Information. Franchisee acknowledges and agrees that all usage of the Principal Trademarks and Copyrighted Information by Franchisee and any goodwill

established by Franchisee's use of the Principal Trademarks and Copyrighted Information shall inure to the exclusive benefit of Franchisor and its affiliates; that this Agreement does not confer any goodwill or other interests in the Principal Trademarks or Copyrighted Information upon Franchisee; and that upon the expiration or termination of this Agreement for any reason, no monetary amount shall be assigned to Franchisee as attributable to any goodwill associated with Franchisee's use of the Principal Trademarks or Copyrighted Information. Franchisee shall not, at any time during the term of this Agreement or after its termination or expiration, contest the validity or ownership, or assist another person in contesting the validity or ownership, of any of the Principal Trademarks or Copyrighted Information. All provisions of this Agreement applicable to the Principal Trademarks and Copyrighted Information apply to any additional trademarks, service marks, commercial symbols and proprietary information authorized for use by and licensed to Franchisee by Franchisor after the Effective Date.

12.2 Use of Principal Trademarks and Copyrighted Information

Franchisee shall not use any Principal Trademark or Copyrighted Information: (a) as part of any corporate or trade name; (b) with any prefix, suffix or other modifying words, terms, designs, symbols or in any modified form; (c) in connection with the sale of any unauthorized product or service; (d) as part of any domain name, homepage, electronic address or otherwise in connection with a website (unless in connection with Franchisor's approved System website); or (e) in any other manner not expressly authorized in the Confidential Operating Manual or otherwise in writing by Franchisor. Franchisee agrees to give such notices of trademark and service mark registrations as Franchisor specifies and to obtain such fictitious or assumed name registrations required under applicable law. Franchisee agrees that this Agreement does not convey any right or property interest in the Principal Trademarks or Copyrighted Information licensed hereunder. Franchisee agrees to display the Principal Trademarks prominently as Franchisor prescribes at the Franchised Business location and on all Advertising Materials, Social Media Materials and other materials Franchisor designates.

12.3 Unauthorized Use of Principal Trademarks and Copyrighted Information

(a) Franchisee shall immediately notify Franchisor in writing of any apparent infringement or challenge to Franchisee's use of the Principal Trademarks or Copyrighted Information and of any claim by any person of any right in the Principal Trademarks or any similar trade name, trademark or service mark or Copyrighted Information of which Franchisee becomes aware. Franchisee shall not directly or indirectly communicate with any person other than Franchisor, its affiliates and their counsel, in connection with any such infringement, challenge or claim. Franchisor and its affiliates shall have the right to take such action as they deem appropriate (including no action) and the right to control exclusively any litigation, United States Patent and Trademark Office proceeding or other administrative proceeding arising out of such infringement, challenge or claim or otherwise relating to the Principal Trademarks or Copyrighted Information. Franchisee agrees to execute any and all instruments and documents, render such assistance and do such acts and things as may, in the opinion of Franchisor, its affiliates and their counsel, be necessary

or advisable to protect and maintain the interests of Franchisor and its affiliates in any such litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding or otherwise to protect and maintain the interests of Franchisor and its affiliates in the Principal Trademarks and Copyrighted Information, but shall take no action nor incur any expenses on behalf of Franchisor and its affiliates without Franchisor's prior written consent.

(b) In the event that any third-party makes a claim against Franchisee alleging that Franchisee's use of the Principal Trademarks or Copyrighted Information infringes upon the rights of such third-party, Franchisor and/or its affiliates agree to defend such claim and indemnify and hold Franchisee harmless therefrom, provided Franchisee has used the Principal Trademarks and Copyrighted Information only as expressly authorized in this Agreement, the Confidential Operating Manual or otherwise in writing by Franchisor and provided further that Franchisee cooperates with Franchisor and its affiliates in the defense of such claim as set forth in this Section and in any other manner reasonably requested by Franchisor. The obligation of Franchisor and/or its affiliates to defend and indemnify with respect to such claim shall not extend to other claims made by the same third-party against Franchisor, its affiliates and/or Franchisee arising from matters for which Franchisee is responsible under applicable law or this Agreement; as to such other claims, if any, Franchisee agrees to defend the same and indemnify and hold Franchisor and its affiliates harmless therefrom.

(c) In addition to the other restrictions set forth herein regarding the use of the Principal Trademarks and Copyrighted Information:

(i) Franchisee shall use only approved signage as designated by Franchisor;

(ii) Franchisee's use of the Principal Trademarks, Copyrighted Information and other proprietary material is limited to use in conjunction with the Franchised Business;

(iii) Franchisee shall use the Principal Trademarks and Copyrighted Information as designated by Franchisor;

(iv) Franchisee shall display notice of independent ownership of the Franchised Business in signage and on all forms and marketing material as designated by Franchisor;

(v) Franchisee shall acknowledge that any of its customers are customers of the Lovely Bride® System and upon request transmit to Franchisor any records maintained by Franchisee on such customers. Franchisee shall abide by the privacy right as established by Franchisor from time to time; and

(vi) Franchisee acknowledges and agrees that Franchisee's rights to use the Principal Trademarks and Copyrighted Information granted herein shall cease to exist

upon the termination or expiration of this Agreement.

12.4 Franchisor's Right to Modify

(a) If it becomes advisable at any time in Franchisor's sole discretion for Franchisor and/or Franchisee to modify or discontinue use of the Principal Trademarks, and/or use one or more additional or substitute trade names, trademarks, service marks, other commercial symbols or Copyrighted Information, Franchisee agrees to comply with Franchisor's directions within a reasonable time after notice to Franchisee by Franchisor. Franchisor need not reimburse Franchisee for its direct expenses of changing the signs or other materials of the Franchised Business, for any loss of revenue due to any modified or discontinued Principal Trademarks or Copyrighted Information or for Franchisee's expenses incurred in promoting a modified or substitute trademark or service mark.

(b) Franchisor's rights in this subsection apply to any and all of the Principal Trademarks (and any portion of any Principal Trademark) and Copyrighted Information that Franchisor authorizes Franchisee to use in this Agreement. Franchisor may exercise these rights at any time and for any reason, business or otherwise, in Franchisor's sole discretion. Franchisee acknowledges both Franchisor's right to take this action and Franchisee's obligation to comply with Franchisor's directions.

12.5 Reservation of Rights

Franchisee acknowledges and agrees that the license granted to Franchisee to use the Principal Trademarks and Copyrighted Information is non-exclusive and Franchisor and its affiliates reserve any right not specifically granted to Franchisee under this Agreement, including but not limited to the right to: (a) grant other licenses for use of the Principal Trademarks and Copyrighted Information; (b) develop and establish other systems using the Principal Trademarks and/or Copyrighted Information or other names or marks and to grant licenses thereto without providing any rights to Franchisee; and (c) engage directly or indirectly through its employees, representatives, licensees, assigns, agents and others at wholesale, retail or otherwise, in (i) the production, distribution, license and sale of products and services and (ii) the use of the Principal Trademarks and Copyrighted Information (and any and all trademarks, trade names, service marks, logos, insignia, slogans, emblems, symbols, designs and other identifying characteristics as may be developed or used from time to time by Franchisor) in connection with the production, distribution, licensing and sale of such products and services.

XIII. RELATIONSHIP OF THE PARTIES

13.1 Independent Contractors

Franchisee and Franchisor understand and agree that this Agreement does not create a fiduciary relationship between the parties, that Franchisee and Franchisor are and will be independent contractors and that nothing in this Agreement is intended to make either party a special agent, joint venture partner, partner or employee of the other for any purpose. No employee of Franchisee will be considered an employee of Franchisor. Franchisor will not

have the power to hire or fire Franchisee's personnel. Franchisee agrees to identify itself conspicuously in all dealings with customers, suppliers, public officials, Franchised Business personnel and others as the owner of the Franchised Business under a franchise granted by Franchisor and to place notices of independent ownership on all forms, Advertising Materials, Social Media Materials and other materials Franchisor requires from time to time.

13.2 No Liability for Acts of Other Party

Franchisee and Franchisor may not make any express or implied agreements, warranties, guarantees or representations or incur any debt in the name or on behalf of the other or represent that their relationship is other than franchisor and franchise owner. Franchisor will not be obligated for any damages to any person or property directly or indirectly arising out of the operation of the Franchised Business.

13.3 Taxes

Franchisor will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property or other taxes, whether levied upon Franchisee or the Franchised Business, due to the business Franchisee conducts (except for Franchisor's income taxes). Franchisee is responsible for paying these taxes and must reimburse Franchisor for any taxes that Franchisor must pay to any state taxing authority on account of Franchisee's operation of the Franchised Business or payments that Franchisee makes to Franchisor.

XIV. DEFAULT AND TERMINATION

14.1 Termination by Franchisee

Franchisee may terminate this Agreement only upon written notice to and the written consent of Franchisor, which may be granted or withheld by Franchisor in its sole discretion, for any reason or no reason. In that event, Franchisee shall remain obligated to comply with all post-termination covenants and outstanding obligations, which may include, but are not limited to, the payment of liquidated damages to Franchisor as provided for herein.

14.2 Termination by Franchisor with Cause

Franchisor may terminate this Agreement if Franchisee defaults under the Agreement as provided herein or is in default under any other agreement with Franchisor, its affiliates or Suppliers. Franchisor's election to terminate this Agreement with Franchisee in no way constitutes a waiver of Franchisor's rights hereunder or any other rights available at law or in equity, including its rights to damages. Termination of this Agreement encompasses termination of any and all rights granted to Franchisee by Franchisor.

14.3 Automatic Termination without Notice

Franchisee will be in default under this Agreement and all rights granted by this Agreement to Franchisee will automatically terminate without notice to Franchisee immediately upon the happening of any of the following: (a) Franchisee (or any of its Owners) makes an assignment for the benefit of creditors or admits in writing its insolvency or inability to pay its debts generally as they become due; (b) Franchisee (or any of its Owners) files a voluntary petition in bankruptcy or an involuntary petition in bankruptcy is filed against Franchisee and such petition is not withdrawn within thirty (30) days; (c) Franchisee (or any of its Owners) consents to the appointment of a receiver, trustee or liquidator of all or the substantial part of its property; (d) the Franchised Business location is attached, seized, subjected to a writ or distress warrant, or levied upon, unless the attachment, seizure, writ, warrant or levy is vacated within thirty (30) days; (e) Franchisee (or any of its Owners) fails to pay any financial obligation owed to any lending institution that provided financing to Franchisee under an arrangement with Franchisor within thirty (30) days of when due; or (f) any order appointing a receiver, trustee or liquidator of Franchisee (or any of its Owners) or the Franchised Business is not vacated within thirty (30) days following the order's entry.

14.4 Termination by Franchisor upon Notice

Franchisor may terminate this Agreement by written notice of termination to Franchisee without an opportunity to cure, effective immediately upon delivery of notice if any of the following occur:

(a) Franchisee (or any of its Owners) has made or makes any material misrepresentation or omission in acquiring the franchise or operating the Franchised Business;

(b) Franchisee underreports Gross Revenues by two percent (2%) or more in any report on three (3) or more occasions within a thirty-six (36) month period during the term of this Agreement, whether or not Franchisee subsequently rectifies such deficiency;

(c) Franchisee underreports Gross Revenues by more than five percent (5%) in any report during the term of this Agreement, whether or not Franchisee subsequently rectifies such deficiency;

(d) Franchisee engages in any business activity not approved by Franchisor, including the sale of goods or services not approved by Franchisor or fails to obtain the written approval of Franchisor as required;

(e) Franchisee (or any of its Owners) is or has been convicted by a trial court of or pleads or has pleaded no contest to a felony, a crime of moral turpitude or any other crime or offense relating to the operation of the Franchised Business;

(f) Franchisee (or any of its Owners) engages in any dishonest or unethical conduct which in Franchisor's opinion adversely affects the reputation of the Franchised

Business or the goodwill associated with the Principal Trademarks;

(g) Franchisee fails to pay when due any federal or state income, service, sales or other taxes due on the operation of the Franchised Business unless Franchisee is in good faith contesting its liability for these taxes;

(h) Franchisee (or any of its Owners): (i) fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not such failures are corrected after Franchisor's delivery of notice; or (ii) fails on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not such failures are corrected after Franchisor's delivery of notice;

(i) Franchisee violates any health, safety or sanitation law, ordinance or regulation or operates the Franchised Business in an unsafe manner and does not begin to cure the violation immediately and correct the violation within seventy-two (72) hours after Franchisee receives notice from Franchisor or any other party;

(j) Franchisee and/or its Owners fail to comply with the restrictions on use of Confidential Information contained in Article VIII and the Confidentiality, Non-Use and Non-Competition Agreement or otherwise fail to refrain from copying, duplicating, recording or reproducing the Confidential Operating Manual;

(k) Franchisee fails to comply with any of the requirements pertaining to Franchisor's proprietary information or Principal Trademarks;

(l) Franchisee (or any of its Owners) makes or attempts to make an unauthorized assignment of this Agreement, an ownership interest in Franchisee or the Franchised Business; or

(m) Franchisee relocates or attempts to relocate the Franchised Business without the prior written approval of Franchisor.

14.5 Termination by Franchisor after Notice and Opportunity to Cure

Except as provided in Sections 14.5(a), (c), (h), (j), (k) and (l) below, Franchisee will have thirty (30) days or any greater number of days permitted by Franchisor or required by law, to cure any default for which Franchisor has given written notice of termination under this Section 14.5 and to provide Franchisor with satisfactory evidence of the cure. If the default is not cured within the prescribed period, this Agreement will terminate without the need for further notice effective immediately on the expiration date of the cure period. These curable defaults are each of the following:

(a) Franchisee fails to maintain the insurance Franchisor requires; the cure period for which shall be ten (10) days after Franchisor has given written notice of such default;

(b) Franchisee fails to maintain any and all licenses required by law;

(c) Franchisee fails to pay Franchisor, its affiliates or any Suppliers any amounts due; the cure period for which shall be ten (10) days after Franchisor has given written notice of such default;

(d) Franchisee fails to provide any reports and information when due;

(e) Franchisee and/or its Operating Principal fail to transfer Franchisee's interest in this Agreement and the Franchised Business or the Operating Principal's ownership interest in Franchisee to a third-party after Franchisee's and/or its Operating Principal's death or disability pursuant to Section 10.4;

(f) Franchisee does not commence operating the Franchised Business within eight (8) months days after the Effective Date of this Agreement, unless such time is extended by Franchisor;

(g) Franchisee (or its Operating Principal) does not complete initial training to the satisfaction of Franchisor in its sole discretion;

(h) Franchisee abandons or fails actively and continuously to operate the Franchised Business. A failure to operate the Franchised Business for a period in excess of three (3) consecutive days shall be deemed a default, whether or not as a result of the fault of Franchisee, except where closure is due to fire, riot, flood, acts of terrorism or natural disaster and Franchisee notifies Franchisor within five (5) days after the particular occurrence to obtain Franchisor's written approval to remain closed for an agreed upon amount of time as is necessary under the circumstances before Franchisee will be required to re-open;

(i) Franchisee fails to maintain or remodel the Franchised Business location as required by Section 7.4 herein;

(j) Franchisee fails to comply with laws as required by Sections 5.6 and 7.14 herein; the cure period for which shall be ten (10) days after Franchisor has given written notice of such default;

(k) Franchisee defaults under any mortgage, deed of trust or lease with any third-party covering the Franchised Business location; such party treats such act or omission as a default; and Franchisee fails to cure such default to the satisfaction of such third-party within any applicable cure period granted to Franchisee by such third-party; the cure period for which shall be ten (10) days after Franchisor has given written notice of such default;

(l) Franchisee loses the right to operate the Franchised Business at the Franchised Business location; the cure period for which shall be ten (10) days after Franchisor has given written notice of such default;

(m) Except as otherwise provided in this Article, Franchisee (or any of its Owners) fails to comply with any other provision of this Agreement, any System Standard or as specified in the Confidential Operating Manual or otherwise by Franchisor in writing;

(n) Franchisee or any guarantor(s) hereof default in any other agreement with Franchisor, its affiliates and/or any Supplier, and such default is not cured in accordance with the terms of such other agreement; or

(o) Franchisee has received three or more negative complaints or reviews for bad service within a six month period or Franchisee fails Franchisor's performance standards two or more times within a one year period.

14.6 Franchisee's Obligations on Termination or Expiration

Franchisee shall have the following obligations on termination or expiration of this Agreement unless as otherwise indicated:

(a) Franchisee shall pay to Franchisor, its affiliates and/or Suppliers within fifteen (15) days after the effective date of termination or expiration of this Agreement all sums owed (including all Royalties and Brand Fund Contributions) by Franchisee to Franchisor, its affiliates, or Suppliers which are then unpaid. Franchisee shall pay to any lender who had provided financing to Franchisee under an arrangement with Franchisor if applicable, all sums then unpaid. Upon termination for any default by Franchisee, Franchisee shall also pay all actual and consequential damages, costs and expenses including attorneys' fees incurred by Franchisor as a result of the default;

(b) Franchisee shall immediately cease to be a Lovely Bride® franchisee and shall immediately cease operating the Franchised Business. Franchisee may not directly or indirectly at any time or in any manner identify itself or in any business as a current or former Lovely Bride® franchisee or as one of Franchisor's current or former franchisees; use any Principal Trademark, any colorable imitation of a Principal Trademark or other indicia of the Franchised Business in any manner or for any purpose; use in any advertising, marketing or promotion any methods, procedures or techniques associated with the System including any Advertising Materials and Social Media Materials; use for any purpose any trade name, trademark or service mark or other commercial symbol that indicates or suggests a connection or association with Franchisor; or use any proprietary software used in the System;

(c) Franchisee agrees to take the action required to cancel all fictitious or assumed names or equivalent registrations relating to its use of any of the Principal Trademarks within fifteen (15) days of termination or expiration;

(d) If Franchisor does not exercise its option to purchase the Franchised Business pursuant to Section 14.7, Franchisee must de-identify the Franchised Business by making all physical changes necessary, including but not limited to removing any and all

trade dress, décor, physical characteristics, color combination, signage and uniforms indicative of the Lovely Bride® System. Franchisee agrees to return to Franchisor (at no charge or cost to Franchisor) within thirty (30) days all sign-faces, sign-cabinets, Advertising Materials, Social Media Materials, forms and other materials containing any of the Principal Trademarks or otherwise identifying or relating to the Franchised Business that Franchisor requests and to allow Franchisor, without liability to Franchisor or third-parties, to enter the Franchised Business location and to make any change Franchisor deems appropriate and to remove any of the aforementioned items from the Franchised Business location;

(e) Franchisee shall immediately cease using the Copyrighted Information and related information and/or items which bear the Principal Trademarks, all trade secrets and any Confidential Information and any copies, equipment or other property owned by Franchisor or its affiliates. Franchisee shall transfer such materials, property and data, including consumer data obtained from the software system, in the form maintained by Franchisee to Franchisor (at no charge or cost to Franchisor) within thirty (30) days of termination or expiration of this Agreement. Franchisee shall retain no copy or record of any of the foregoing; provided however, Franchisee may retain its copy of this Agreement, any correspondence between the parties and any other document which Franchisee reasonably needs for compliance with any applicable provision of law;

(f) Franchisee and its Owners and employees shall comply with the Confidentially, Non-Use and Non-Competition provisions of Exhibits 6 and 7, which survive termination or expiration of this Agreement and all post-term covenants as set forth in Article IX of this Agreement, which shall also survive termination and expiration of this Agreement.

(g) Franchisee shall notify the telephone company, all telephone directory publishers, Internet and website listing services and directories, websites, URLs, domain name registers, email hosts and providers and any and all other web based platforms or programs or other media, including, but not limited to, all Social Media Platforms in which the Franchised Business is listed or Principal Trademarks displayed of the termination or expiration of its right to use any telephone, facsimile or other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, web based platform and program accounts, including, but not limited to, Social Media Platform accounts and other media in which the Franchised Business is listed or the Principal Trademarks is displayed;

(h) Franchisee shall allow Franchisor to utilize the Assignment of Telephone and Website Listings and Advertisements attached as Exhibit 9 hereto;

(i) Franchisee shall authorize and not interfere with the transfer of Franchisee's telephone, facsimile and other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, Social Media Platform accounts and other media in which the Franchised Business is listed or the Principal Trademarks displayed to Franchisor;

(j) Franchisor shall instruct the telephone company, all websites, URLs and any other advertising entities or websites to forward all calls made to Franchisee's telephone, facsimile or other numbers as well as Internet and website searches made for Franchisee's websites and URLs, to those telephone number(s) and website(s) and URL(s) that Franchisor specifies and Franchisee shall take all actions necessary to effectuate the forwarding of such calls and Internet and website searches to telephone number(s), website(s) and/or URL(s) Franchisor specifies;

(k) Franchisee shall provide Franchisor with a complete list of a list of employees, clients and customers of the Franchised Business, together with their respective telephone numbers and addresses and a complete list of any outstanding obligations Franchisee may have to any third parties;

(l) Franchisee agrees and acknowledges that in addition to any other rights and remedies to which Franchisor and its affiliates may be entitled, Franchisor and its affiliates may enforce any rights and remedies of a secured party under the UCC as enacted in the state where the Territory is located, pursuant to the security interest granted in Section 7.15 herein, including but not limited to the right to enter the Franchised Business location to remove and repossess any equipment, products and goods in which Franchisor and its affiliates have been granted a security interest, without notice to Franchisee. Franchisee hereby waives and releases Franchisor and its affiliates from any and all claims in connection therewith and arising therefrom. At the request of Franchisor or its affiliates following an event of default, Franchisee shall assemble and make available to Franchisor and its affiliates all equipment, products and goods in which Franchisor and its affiliates have been granted a security interest, at a place to be designated by Franchisor or its affiliates which is reasonably convenient to both parties; and

(m) Franchisee shall give to Franchisor, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to Franchisor of Franchisee's compliance with these obligations.

14.7 Right to Purchase Franchised Business

Providing Franchisor has not exercised its rights under the security interest defined in Section 7.15(a) hereof, upon termination of this Agreement (except where Franchisee enters into a successor agreement), then Franchisor shall have the option of acquiring the assets of the Franchised Business, including, but not limited to, the Operating Assets as Franchisor may determine, at the book value of such assets with no value attributable to goodwill, which the parties hereby agree and acknowledge belongs solely to Franchisor. Franchisor may, in its sole discretion, deliver cash, notes payable monthly in no less than five (5) years or some combination of each as payment for the assets of the Franchised Business.

14.8 Notice Required By Law

If any valid, applicable law or regulation of a competent governmental authority with jurisdiction over this Agreement or the parties to this Agreement limits Franchisor's rights of termination under this Agreement or requires longer notice or cure periods than those set forth above, then this Agreement will be considered modified to conform to the minimum notice, cure periods or restrictions upon termination required by applicable laws and regulations. However, Franchisor will not be precluded from contesting the validity, enforceability or application of the laws or regulations in any action, proceeding, hearing or dispute relating to this Agreement or the termination of this Agreement.

14.9 Liquidated Damages - Lost Future Profits

(a) The parties recognize the difficulty of ascertaining damages to Franchisor resulting from premature termination of this Agreement before its expiration. For this reason, Franchisor and Franchisee have provided for liquidated damages for the lost benefits of the bargain for Franchisor. Such liquidated damages represent Franchisor's and Franchisee's best estimate as to the damages arising from the circumstances in which they are provided; are only damages for the future profits lost to Franchisor due to the termination of this Agreement before its expiration; are not a penalty or as damages for breaching this Agreement; and are not in lieu of any other payment or remedy for existing defaults.

(b) If at any time, Franchisee terminates this Agreement without Franchisor's written consent or this Agreement is terminated by Franchisor for cause, then Franchisee agrees to pay Franchisor within ten (10) days of termination an amount equal to the lesser of twenty-four (24) months or the actual number of months remaining in the term of this Agreement times the monthly average amount of the Royalties, Brand Fund Contributions and other fees owed by Franchisee under the relevant sections of this Agreement for the twelve (12) month period prior to termination (or the entire term prior to termination if less than twelve (12) months) based on Franchisee's actual Gross Revenues, and reduced by a discount of eight percent (8%) to produce the present value of Franchisor's lost profits.

(c) Franchisee will be entitled to a credit against the sums calculated according to subsection (b) for all amounts paid to Franchisor in advance for that period.

(d) These damages are in addition to any monies due to Franchisor for past due payments or any other actual or consequential damages.

XV. UNAVOIDABLE DELAY OR FAILURE TO PERFORM (FORCE MAJEURE)

(a) Any delay in Franchisor's or Franchisee's performance of any duties under this Agreement or any non-performance of such duties that is not Franchisee's or Franchisor's fault (as applicable) or within Franchisee's or Franchisor's reasonable control, including but not limited to: fire; floods; natural disasters; Acts of God; war; riots or other

civil disturbances; acts by public enemies; compliance with governmental acts, laws, rules or regulations which were not in effect and could not be reasonably anticipated as of the date of this Agreement; inability to secure necessary governmental priorities for materials; any delays or defaults in deliveries by common carriers and/or postal services and/or overnight couriers; computer network outages; strikes or other labor disturbances; interference by civil or military authorities; and any other similar event beyond such party's control without its fault or negligence will not constitute a breach or cause a default under this Agreement, provided, however, that Franchisor or Franchisee (as applicable) will take all steps reasonably possible to mitigate damages caused by such failure or delay.

(b) Notwithstanding the foregoing, if any such failure or delay continues for more than one hundred eighty (180) days, then Franchisor will have the right at any time thereafter during the continuance of such failure or delay to terminate this Agreement upon thirty (30) days advance written notice to Franchisee.

XVI. WAIVER AND DELAY

No waiver or delay in either party's enforcement of any term, covenant or condition of this Agreement which has been breached will be construed as a waiver by that party of any preceding or succeeding breach, or any other term, covenant or condition of this Agreement. Without limiting any of the foregoing, the acceptance of payment of any amounts will not be, nor be construed to be, payment in full or satisfaction of all amounts due and owing or any amounts to become due and shall not be, nor construed to be a waiver of any breach of any term, covenant or condition of this Agreement.

XVII. FRANCHISOR'S WITHHOLDING OF CONSENT: EXCLUSIVE REMEDY

In no event may Franchisee make any claim for money damages based on any claim or assertion that Franchisor has unreasonably withheld or delayed any consent or approval to a proposed act by Franchisee under the terms of this Agreement. Franchisee waives any such claim for damages. Franchisee may not claim any such damages by way of set-off, counterclaim or defense. Franchisee's sole remedy for the claim will be an action or proceeding to enforce the Agreement provisions, for specific performance or for declaratory judgment.

XVIII. NOTICE OF FRANCHISOR'S ALLEGED BREACH AND RIGHT TO CURE; AND PERIOD TO BRING CLAIM

18.1 Notice

Franchisee agrees to give Franchisor immediate written notice of any alleged breach or violation of this Agreement after Franchisee has constructive or actual knowledge of same, or has reason to know, should reasonably know, believes, determines or is of the opinion that there has been an alleged breach of this Agreement by Franchisor including any acts of misfeasance or nonfeasance, whether or not Franchisee believes, determines or is of the opinion that provision of such notice would be futile. Franchisor

shall have ninety (90) days from Franchisor's receipt of Franchisee's notice to cure such alleged breach. If Franchisee does not give written notice to Franchisor of any alleged breach of this Agreement within ninety (90) days from the date that Franchisee has constructive or actual knowledge of, or has reason to know, should reasonably know, believes, determines or is of the opinion that there has been an alleged breach by Franchisor then Franchisor's alleged breach will be considered to be condoned, approved, waived and ratified by Franchisee; there will not be considered to be a breach of this Agreement by Franchisor; and Franchisee will be permanently barred from commencing any action against Franchisor for Franchisor's alleged breach or violation or defending any claim brought by Franchisor or its affiliates against Franchisee based on Franchisor's alleged breach or violation. Franchisee agrees that the purported futility of providing Franchisor with notice of an alleged breach shall not excuse the obligation to provide notice, as required hereunder, and such notice and cure period shall be deemed a condition precedent to any claim made by Franchisee.

18.2 Right to Cure

In addition to all other remedies granted pursuant to this Agreement, if Franchisee defaults in the performance of any of its obligations or breaches any term or condition of this Agreement or any related agreement, then Franchisor may, at its election, immediately or at any time thereafter, without waiving any claim for breach under this Agreement and without notice to Franchisee, cure the default on Franchisee's behalf. Franchisor's costs and expenses associated with curing the default and all related expenses will be due and payable by Franchisee on demand.

18.3 Periods in which to Make Claims

(a) Any and all claims and actions arising out of or relating to this Agreement brought by any party against the other or any affiliate must be commenced within one (1) year from when the party knew or should have known in the exercise of reasonable diligence of such claim or action.

(b) Notwithstanding the foregoing limitations, where any federal, state or local law provides for a shorter limitation period than above described, whether upon notice or otherwise, such shorter period will govern.

(c) The foregoing limitations may, where brought into effect by Franchisor's failure to commence an action within the time periods specified, operate to exclude Franchisor's right to sue for damages but will in no case, even upon expiration or lapse of the periods specified or referenced above, operate to prevent Franchisor from terminating Franchisee's rights and Franchisor's obligations under this Agreement as provided herein and under applicable law nor prevent Franchisor from obtaining any appropriate court judgment, order or otherwise which enforces and/or is otherwise consistent with such termination.

(d) The foregoing limitations shall not apply to Franchisor's claims arising

from or relating to: (i) Franchisee's under-payment or non-payment of any amounts owed to Franchisor or any affiliate or otherwise related entity; (ii) indemnification by Franchisee; (iii) Franchisee's confidentiality, non-use, non-competition or other exclusive relationship obligations; and/or (iv) Franchisee's unauthorized use of the Principal Trademarks.

XIX. INJUNCTION

Franchisee explicitly affirms and recognizes the unique value and secondary meaning attached to the Lovely Bride® System and the Principal Trademarks. Accordingly, Franchisee agrees that any non-compliance by Franchisee with the terms of this Agreement, or any unauthorized or improper use of the Lovely Bride® System or the Principal Trademarks by Franchisee, will cause irreparable damage to Franchisor and other Lovely Bride® franchisees. Franchisee therefore agrees that if it engages in this non-compliance or unauthorized and/or improper use of the Lovely Bride® System or Principal Trademarks, during or after the period of this Agreement, Franchisor will be entitled to a declaration, temporary injunctive relief and permanent injunctive relief, without the need of a bond, against Franchisee from any court of competent jurisdiction, in addition to all other remedies which Franchisor may have at law. Franchisee consents to the entry of these temporary and permanent injunctions.

XX. INTEGRATION OF AGREEMENT

20.1 Integration of Agreement

(a) This Agreement and all ancillary agreements executed contemporaneously with this Agreement constitute the entire agreement between the parties with reference to the subject matter of this Agreement and supersede any and all prior negotiations, understandings, representations and agreements; provided, however, that nothing in this Agreement is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor provided to Franchisee. Franchisee acknowledges that it is entering into this Agreement and all ancillary agreements executed contemporaneously with this Agreement, as a result of its own independent investigation of the Franchised Business and not as a result of any representations about Franchisor made by Franchisor, Franchisor's shareholders, officers, directors, employees, agents, representatives, independent contractors or franchisees which are contrary to the terms set forth in this Agreement or of any prospectus, disclosure document or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

(b) The Confidential Operating Manual and the terms contained therein are incorporated by reference in this Agreement, form a part of this Agreement and are enforceable pursuant to the terms of this Agreement.

20.2 No Oral Modification

This Agreement may not be amended orally, but may be amended only by a written instrument signed by the parties. Franchisee expressly acknowledges that no oral promises

or declarations were made to it and that Franchisor's obligations are confined exclusively to the terms in this Agreement. Franchisee understands and assumes the business risks inherent in this enterprise.

XXI. NOTICES

21.1 Notices

Any notice required or permitted to be given under this Agreement must be in writing; must be delivered to the other party personally, by certified mail (and return receipt requested, postage prepaid) or by documented overnight delivery with a reputable carrier and will be effective on the date that delivery is documented to have been first attempted. Any notice to Franchisor will be addressed to Franchisor at:

Lovely Franchising LLC
PO Box 5240
Westport CT 06881
Attn: Lanie List

With a copy to:

Einbinder & Dunn LLP
112 Madison Avenue, 8th FL
New York, New York 10016
Attn: Richard Bayer, Esq.

Any notice to Franchisee will be sent to:

Franchisee
_____
_____
_____
_____

Either party to this Agreement may, in writing on ten (10) days' notice, inform the other of a new or changed address to which notices under this Agreement should be sent.

XXII. MISCELLANEOUS

22.1 Execution, Construction and Interpretation

(a) This Agreement may be executed in multiple counterparts, each of which will be considered an original and all of which together will constitute one and the same instrument. Facsimile or other electronic execution signatures will be considered as binding and conclusive as if original, provided that any party so executing must use all commercially reasonable efforts to furnish to the other party(ies) the originally executed document at the earliest opportunity.

(b) The titles and subtitles of the various Articles, Sections and subsections of this Agreement are inserted for convenience and will not affect the meaning or construction of any of the terms, provisions, covenants and conditions of this Agreement. The terms used in this Agreement, regardless of the number and gender in which they are used shall be construed to include the other number (singular or plural), and other genders (masculine, feminine, or neuter), as the context or sense of this Agreement or any Articles, Sections or subsections may require. The language of this Agreement will be in all cases construed simply according to its fair and plain meaning and not strictly for or against Franchisor or Franchisee.

(c) It is agreed that if any provision of this Agreement is capable of two (2) constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision will have the meaning which renders it valid.

(d) The parties agree to execute all other documents and perform all further acts necessary or desirable to carry out the purposes of this Agreement.

(e) Each reference in this Agreement to a corporation or partnership will also refer to a limited liability company, general or limited partnership and any other entity or similar organization. Each reference to the organizational documents, shareholders, directors, officers and stock of a corporation in this Agreement will also refer to the functional equivalents of the organizational documents, shareholders, directors, officers and voting and/or equity rights, as applicable, in the case of a limited liability company, general partnership, limited partnership or any other entity or similar organization (this specifically includes members and managers, general and limited partners, membership interests and general and limited partnership interests).

22.2 Severability

Nothing contained in this Agreement may be construed as requiring the commission of any act contrary to law. Whenever there is any conflict between any provision of this Agreement and any present or future statute, law, ordinance or regulation required to be made applicable to this Agreement, the latter will prevail, but the affected provision of this Agreement will be curtailed and limited only to the extent necessary to bring it within the requirement of the law. If any Article, Section, subsection, sentence or clause of this Agreement is held to be indefinite, invalid or otherwise unenforceable, the entire Agreement will not fail for this reason and the balance of the Agreement will continue in full force and effect. If any court of competent jurisdiction deems any provision of this Agreement (other than for the payment of money) so unreasonable as to be unenforceable as a matter of law, the court may declare a reasonable modification of this Agreement and this Agreement will be valid and enforceable and the parties agree to be bound by and perform this Agreement as so modified.

22.3 Similar Agreements

Franchisor makes no warranty or representation that anything contained in this Agreement may be construed as requiring that all Lovely Bride® franchise agreements heretofore or hereafter issued by Franchisor contain terms substantially similar to those contained in this Agreement. Further, Franchisee agrees and acknowledges that Franchisor may, in its reasonable business judgment, due to local business conditions or otherwise, waive or modify comparable provisions of other franchise agreements heretofore or hereafter granted to other Lovely Bride® franchisees in a non-uniform manner, subject to those provisions of this Agreement which require Franchisor to act toward its franchisees on a reasonably non-discriminatory basis.

XXIII. COSTS OF ENFORCEMENT; ATTORNEYS' FEES; GOVERNING LAW; JURISDICTION AND VENUE; CONSEQUENTIAL AND PUNITIVE DAMAGES; AND JURY WAIVER

23.1 Costs of Enforcement

Franchisor will be entitled to recover from Franchisee all costs and expenses including attorneys' fees for any failure to pay any amounts when due or any other failure to comply with this Agreement. Franchisor will also be entitled to recover from Franchisee attorneys' fees, experts' fees, court costs and all other expenses of litigation if Franchisor prevails in any action instituted against Franchisee to secure or protect Franchisor's rights under this Agreement; to enforce the terms of this Agreement or any agreement between Franchisee and Franchisor; or in any action commenced or joined in by Franchisee against Franchisor.

23.2 Attorneys' Fees

If Franchisor becomes a party to any action or proceeding arising out of or relating to this Agreement or any and all related agreements, as a result of any claimed or actual act, error or omission of Franchisee (and/or any of Franchisee's Owners, officers, directors, management, employees, contractors and/or representatives) or the Franchised Business; by virtue of statutory, "vicarious," "principal/agent" or other liabilities imposed on Franchisor as a result of Franchisor's status as Franchisor; or if Franchisor becomes a party to any litigation or any insolvency proceeding involving Franchisee pursuant to any bankruptcy or insolvency code (including any adversary proceedings in conjunction with bankruptcy or insolvency proceedings), then Franchisee will be liable to Franchisor and must promptly reimburse Franchisor for the attorneys' fees, experts' fees, court costs, travel and lodging costs and all other expenses Franchisor incurs in such action or proceeding regardless of whether such action or proceeding proceeds to judgment. In addition, Franchisor will be entitled to add all costs of collection, interest, attorneys' fees and experts' fees to Franchisor's proof of claim in any insolvency or bankruptcy proceeding which Franchisee files.

23.3 Governing Law

This Agreement, all relations between the parties and any and all disputes between the parties, whether sounding in contract, tort or otherwise, are to be exclusively construed in accordance with and/or governed by (as applicable) the law of the State of New York without recourse to New York (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New York, and if the Franchised Business is located outside of New York and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Section 23.3 is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the state of New York or any other state, which would not otherwise apply.

23.4 Jurisdiction and Venue

(a) Franchisee agrees to institute any litigation that Franchisee may commence arising out of or related to this Agreement; any breach of this Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort or otherwise, exclusively in a court of competent jurisdiction which is either a New York state court in New York, New York or the United States District Court for the Southern District of New York in New York, New York. Franchisee agrees that any dispute as to the venue for any litigation Franchisee institutes will be submitted to and resolved exclusively by either a New York state court or the United States District Court for the Southern District of New York in New York, New York. Franchisee hereby waives and covenants never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including any claim under the judicial doctrine of forum non conveniens).

(b) Franchisee further agrees that Franchisor may institute any litigation that Franchisor commences arising out of or related to this Agreement; any breach of this Agreement; the relations between the parties; and, any and all disputes between the parties, whether sounding in contract, tort or otherwise, in any court of competent jurisdiction wherever situated that Franchisor selects. Franchisee agrees that any dispute as to the venue for the litigation Franchisor institutes will be submitted to and be resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. Franchisee hereby waives and covenants never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate, (including any claim under the judicial doctrine of forum non conveniens).

23.5 Consequential or Punitive Damages

IN NO EVENT WILL FRANCHISOR BE LIABLE TO FRANCHISEE FOR CONSEQUENTIAL OR PUNITIVE DAMAGES IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT; ANY BREACH, TERMINATION, CANCELLATION OR NON-RENEWAL OF THIS AGREEMENT; OR IN ANY OTHER ACTION OR PROCEEDING WHATSOEVER BETWEEN THE PARTIES TO THIS AGREEMENT AND/OR ANY OF THEIR AFFILIATES. FRANCHISEE HEREBY WAIVES AND COVENANTS NEVER TO ADVANCE ANY SUCH CLAIM FOR CONSEQUENTIAL OR PUNITIVE DAMAGES.

23.6 Waiver of Trial by Jury

TO THE EXTENT THAT EACH MAY LAWFULLY DO SO, FRANCHISEE AND FRANCHISOR BOTH WAIVE THEIR RIGHT TO A TRIAL BY JURY IN ANY ACTION THAT MAY BE BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT OR ANY OTHER AGREEMENT EXECUTED IN CONNECTION HEREWITH.

XXIV. GUARANTEE

(a) If Franchisee is a partnership, corporation or a limited liability company, personal guarantees shall be required from all Owners. Such personal guarantees must be executed on Franchisor's standard form Guarantee (Exhibit 10) concurrently with the execution of this Agreement. Franchisor shall require the spouse of each Owner to either execute the Guarantee (Exhibit 10) or the Spousal Consent and Waiver (Exhibit 11) concurrently with the execution of this Agreement.

(b) If Franchisee is in breach or default under this Agreement, Franchisor may proceed directly against each such individual and/or entity without first proceeding against Franchisee and without proceeding against or naming in the suit any other such individuals and/or entities. Franchisee's obligations and those of each such individual and/or entity will be joint and several. Notice to or demand upon one such individual and/or entity will be considered notice to or demand upon Franchisee and all such individuals and/or entities and no notice or demand need be made to or upon all such individuals and/or entities. The cessation of or release from liability of Franchisee or any such individual and/or entity will not relieve any other individual and/or entity from liability under this Agreement, except to the extent that the breach or default has been remedied or money owed has been paid.

XXV. SURVIVAL

Any provision of this Agreement which imposes an obligation following the termination or expiration of this Agreement will survive the termination or expiration and will continue to be binding upon the parties to this Agreement. This Agreement will be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

XXVI. FRANCHISEE'S REPRESENTATIONS AND ACKNOWLEDGMENTS

26.1 Franchisee's Representations

Franchisee represents and warrants to Franchisor with the intention that Franchisor is relying thereon in entering into this Agreement that:

(a) If Franchisee is a corporation, limited liability company, general partnership, partnership or limited partnership, then Franchisee is organized under the laws of the state of its principal place of business (or another state which Franchisee has identified to Franchisor) and is in good standing with and qualified to do business in each state and political/governmental subdivision having jurisdiction over the Franchised Business.

(b) If Franchisee is a corporation, limited liability company, general partnership, partnership or limited partnership, Franchisee has all corporate power and authority to execute, deliver, consummate and perform this Agreement and it will be binding upon Franchisee and its successors and assigns when executed.

(c) Franchisee does not have any material liabilities, adverse claims, commitments or obligations of any nature as of the date of execution of this Agreement, whether accrued, unliquidated, absolute, contingent or otherwise which are not reflected as liabilities on the balance sheets of Franchisee's current financial statements which Franchisee has furnished to Franchisor before the execution of this Agreement.

(d) As of the date of execution of this Agreement, there are no actions, suits, proceedings or investigations pending, nor to Franchisee's knowledge or the knowledge (after due inquiry) of any of its officers, directors, Owners or Operating Principals (as applicable), threatened in any court or arbitral forum or before any governmental agency or instrumentality. Nor to the best of Franchisee's knowledge or the knowledge of any such persons or entities (after due inquiry) is there any basis for any claim, action, suit, proceeding or investigation which affects or could affect, directly or indirectly, any of Franchisee's assets, properties, rights or business; Franchisee's right to operate and use its assets, properties or rights to carry on its business; and/or which affects or could affect Franchisee's right to assume and carry out in all respects the duties, obligations and responsibilities specified in this Agreement.

(e) Neither Franchisee nor any of its Owners is a party to any contract, agreement, covenant not to compete or other restriction of any type which may conflict with or be breached by the execution, delivery, consummation and/or performance of this Agreement.

(f) All Franchisee's representations and warranties contained in this Agreement are complete, correct and accurate as of the date of execution of this Agreement and will survive any termination or expiration of this Agreement.

26.2 Franchisee's Acknowledgments

Franchisee acknowledges, warrants and represents to Franchisor that:

(a) No representation has been made by Franchisor (or any of Franchisor's employees, agents or salespersons) and relied on by Franchisee as to the future or past income, expenses, sales volume or potential profitability, earnings or income of the Franchised Business, or any other Lovely Bride® enterprise.

_____
Initials

(b) No representation or statement has been made by Franchisor (or any of Franchisor's employees, agents or salespersons) and relied on by Franchisee regarding Franchisor's anticipated income, earnings and growth or that of the Lovely Bride® System, or the viability of the business opportunity being offered under this Agreement.

_____
Initials

(c) Before executing this Agreement, Franchisee has had the opportunity to contact any and all of Franchisor's existing franchisees.

_____
Initials

(d) Franchisee has had the opportunity to independently investigate, analyze and understand both the business opportunity being offered under this Agreement and the terms and provisions of this Agreement, using the services of legal counsel, accountants or other advisers (if Franchisee so elects) of its choosing. Franchisee has been advised to consult with Franchisee's advisers with respect to the legal, financial and other aspects of this Agreement, the Franchised Business and the prospects for that Franchised Business. Franchisee has either consulted with these advisors or has deliberately declined to do so.

_____
Initials

(e) Franchisee has received from Franchisor a copy of Franchisor's Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise at the earlier of the: (i) first personal meeting between Franchisor or its agent and Franchisee; at (ii) least ten (10) business days before the execution of this Agreement; or (iii) at least ten (10) business days before the payment by Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.

_____
Initials

(f) Franchisee has received from Franchisor a copy of Franchisor's Franchise Disclosure Document, together with a copy of all proposed agreements relating to the sale of the franchise, at least fourteen (14) calendar days before the execution of this Agreement and at least fourteen (14) calendar days before the payment by Franchisee to Franchisor of any consideration in connection with the sale or proposed sale of the franchise granted by this Agreement.

_____
Initials

(g) No representation or statement has been made by Franchisor (or any of Franchisor's employees, agents or salespersons) and relied on by Franchisee regarding Franchisee's ability to procure any required license or permit that may be necessary to the offering of one or more of the services contemplated to be offered by the Franchised Business.

_____
Initials

(h) Franchisee affirms that all information set forth in all applications, financial statements and submissions to Franchisor are true, complete and accurate in all respects and Franchisee expressly acknowledges that Franchisor is relying on the truthfulness, completeness and accuracy of this information.

_____
Initials

(i) Attached hereto as Exhibit 12 is a Franchise Compliance Certificate. Franchisee shall have received and answered the questions thereon, relating to representations that have or have not been made to Franchisee. Franchisee has initialed and executed the Franchise Compliance Certificate voluntarily and attached it hereto.

_____
Initials

(j) Franchisee understands and agrees that Franchisor may operate and change the System and Franchisor's business in any manner that is not expressly prohibited by this Agreement. Whenever Franchisor has the right within this Agreement to take or withhold action or to grant or decline to Franchisee the right to take or withhold action, Franchisor may make such a decision on the basis of Franchisor's best interests and those of the Lovely Bride® System and the franchise network, without regard to whether other reasonable alternative decisions exist or whether Franchisor's decision adversely affects Franchisee. Absent applicable statute, Franchisor shall have no liability for such a decision and Franchisee agrees that Franchisor's decision will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, then Franchisee agrees that such a covenant shall not imply any rights or obligations that are

inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants to Franchisor the right to make decisions, take actions and/or refrain from taking actions that are inconsistent with Franchisee's rights and obligations hereunder.

_____
Initials

XXVII. SUBMISSION OF AGREEMENT

The submission of this Agreement to Franchisee does not constitute an offer. This Agreement will become effective only upon the execution of this Agreement by both Franchisor and Franchisee. The date of execution of this Agreement will be the Effective Date.

THIS AGREEMENT WILL NOT BE BINDING ON FRANCHISOR UNLESS AND UNTIL IT HAS BEEN ACCEPTED AND SIGNED BY AN AUTHORIZED OFFICER OF FRANCHISOR. FRANCHISEE ACKNOWLEDGES THAT NO REPRESENTATIONS OR PROMISES WERE MADE TO FRANCHISEE OTHER THAN THOSE SET FORTH IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT, OR THAT IF ANY OTHER REPRESENTATIONS OR PROMISES WERE MADE TO FRANCHISEE, FRANCHISEE IS NOT RELYING ON THEM. FRANCHISEE HAS READ ALL OF THE FOREGOING AGREEMENT AND ACCEPTS AND AGREES TO EACH AND ALL OF THE PROVISIONS, COVENANTS AND CONDITIONS OF THE FOREGOING AGREEMENT.

FRANCHISEE:
If a corporation or other entity:

_____
(Name of Corporation or Other Entity)

By:_____
(Signature) (Date)

Its:_____
(Print Title/Print Name)

If an individual:

_____
(Signature) (Date)

_____
(Print Name)

_____
(Signature) (Date)

_____
(Print Name)

FRANCHISOR:
Lovely Franchising LLC

By:

_____
(Signature) (Date)

FRANCHISE AGREEMENT
EXHIBIT 1

PRINCIPAL TRADEMARKS

Principal Trademarks:

1. Lovely Bride word mark
   Registration No. 4,189,727
   Registered August 14, 2012
   US Patent and Trademark Office

2. Lovely word mark
   Registration No. 5,802,963
   Registered July 16, 2019
   US Patent and Trademark Office

3. Lovely logo mark
   Registration No. 5,748,046
   Registered May 14, 2019
   US Patent and Trademark Office

The principal trademarks are owned by Lovely Bride, LLC.

There are no existing or pending material determinations of the US Patent and Trademark Office, Trademark Trial and Appeal Board, the Trademark Administrator of any state court, no pending infringement, opposition or cancellation actions, nor any other pending material litigation involving the Principal Trademarks.

FRANCHISE AGREEMENT
EXHIBIT 2

TERRITORY ATTACHMENT

The Territory for this Franchised Business shall be as follows:

_____

_____

_____

_____

If the above Territory description consists of a City and State only, Franchisee hereby grants Franchisor an irrevocable power of attorney to amend this Agreement to include a radius surrounding Franchisee's Franchised Business location, in accordance with the Franchise Agreement.

FRANCHISOR:
Lovely Franchising LLC

_____
By: _____
Its: _____

FRANCHISEE:

_____

_____
By: _____
Its: _____

FRANCHISE AGREEMENT
EXHIBIT 3

GENERAL RELEASE

To all to whom these Presents shall come or may Concern, Know That _____ [a corporation organized under the laws of the State of _____] [an individual domiciled in the State of _____] ("Franchisee") and its Owners (as defined in the Franchise Agreement) collectively as RELEASOR, in consideration of the consent of LOVELY FRANCHISING LLC to the Assignment or Renewal of the Franchise Agreement between Franchisee and LOVELY FRANCHISING LLC (the "Franchise Agreement") and for other good and valuable consideration, RELEASOR hereby releases and discharges LOVELY FRANCHISING LLC as RELEASEE, RELEASEE'S corporate parents, subsidiaries and affiliates and the respective officers, directors, shareholders, agents, attorneys, contractors and employees of each of the foregoing entities (in their corporate and individual capacities), and RELEASEE'S heirs, executors, administrators, successors and assigns (the "Released Parties"), from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, which against the Released Parties, the RELEASOR ever had, now have or hereafter can, shall or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that all liabilities arising under rights enjoyed by RELEASOR under said Franchise Agreement and any causes of action arising in his, her or its favor from the laws of the State of New York without recourse to New York (or any other) choice of law or conflicts of laws principle and any regulations issued by the State of New York shall remain in force; it being the intent of this proviso that any non-waiver provision of the laws of the State of New York shall be satisfied. Additionally, any liabilities arising under any other applicable state law that may not be released in this context shall not be released and shall be excluded from this release without otherwise affecting the validity of the Release.

Whenever the text hereof requires, the use of singular number shall include the appropriate plural number as the text of the within instrument may require.

This RELEASE may not be changed orally.

IN WITNESS WHEREOF, the RELEASOR (if an individual) *has executed this RELEASE,* and if a corporation) has *caused this RELEASE to be executed by a duly authorized officer and its corporate seal to be hereunto affixed on* _____, _____.

RELEASOR

By: _____

[SEAL]

ACKNOWLEDGMENT FOR CORPORATE RELEASOR

STATE OF_____
COUNTY OF_____

ss.:

On _____ before me _____

personally came _____ , to me known, who, by me duly sworn, did depose and day that deponent resides at _____ , that deponent is the _____ of _____, the corporation described in the foregoing RELEASE, and which executed said RELEASE, that deponent knows the seal of the corporation, that the seal affixed to the RELEASE is the corporate seal, that it was affixed by order of the board of directors of the corporation; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

_____

My Commission expires:_____ (NOTARY SEAL)

ACKNOWLEDGMENT FOR LIMITED LIABILITY COMPANY RELEASOR

STATE OF _____
COUNTY OF _____

ss.:

On _____ before me _____

personally came _____ , to me known, who, by me duly sworn, did depose and day that deponent resides at _____ , that deponent is the _____ of _____, the limited liability company described in the foregoing RELEASE, and which executed said RELEASE, that this RELEASE was approved by the members of the limited liability company in accordance with their operating agreement, articles of organization or other governing documents; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

_____

My Commission expires:_____ (NOTARY SEAL)

ACKNOWLEDGMENT FOR INDIVIDUAL RELEASOR

STATE OF _____

ss.:

COUNTY OF _____

On this _____ day of _____ , before me _____ (Name of Notary) the undersigned officer, personally appeared, to me personally known, and known to me to be the same person whose name is signed to the foregoing RELEASE, and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

_____

My Commission expires: _____

(NOTARIAL SEAL)

FRANCHISE AGREEMENT
EXHIBIT 4

ACH AUTHORIZATION

1) As of the effective date of the Franchise Agreement (the "Agreement") and throughout the term of the Agreement, Franchisee agrees to establish and maintain a segregated bank account at a bank or other financial institution which Franchisor approves (the "Bank Account"). Franchisor or any affiliate may withdraw funds from the Bank Account via ACH in the amount of the Royalty, Brand Fund Contribution and any other amounts due to Franchisor or any affiliates of Franchisor. Withdrawals may be made on the first business day the Royalty, Brand Fund Contribution or any other amounts defined in the Agreement become due or on any succeeding day thereafter and the amount of the withdrawal will be based on Gross Revenues. The Bank Account must be established and maintained solely for the purposes set forth in the Agreement and the Confidential Operating Manual.

2) All Gross Revenues, as defined in the Agreement, shall be deposited into the Bank Account. Check stubs, bank statements and other records must be available for review in the event of an audit. Franchisee may use the Lovely Bride® trademark on trust or bank account checks, but only as part of the trade name and a statement that the Franchised Business is an "independently owned and operated Lovely Bride® business" must appear on the face of all such checks.

3) If Franchisor so requires, Franchisee agrees to instruct the institution holding the Bank Account to allow Franchisor or its affiliates access to the Bank Account for collection of Royalties, Brand Fund Contributions and all other fees and payments provided for in the Agreement, as well as access to any and all records Franchisor deems necessary to review. The Bank Account must have the capacity to make payments and receive credits through ACH. Franchisee hereby grants to Franchisor or its affiliates the right upon Franchisor's election to debit the Bank Account (electronically or otherwise) for Royalties, Brand Fund Contributions and any other amounts due and any and all amounts Franchisee owes Franchisor or its affiliates under the Agreement and Franchisee agrees to execute whatever documents the institution holding the Bank Account and Franchisor's financial institutions may require for this purpose. Under no circumstances will Franchisor's access to the Bank Account be deemed Franchisor's control or the joint control of the Bank Account. Franchisee shall execute and/or provide any documents or information necessary to fulfill these requirements.

4) Franchisee agrees to continuously maintain a minimum balance in the Bank Account adequate to cover the Franchisee's obligations under the Agreement or some higher continuous minimum balance as Franchisor deems reasonably necessary. Franchisee agrees to reimburse Franchisor for all costs Franchisor incurs in collecting or attempting to collect funds due to Franchisor and/or its affiliates from the Bank Account (for example and without limitation, charges for insufficient funds, uncollected funds or other discrepancies in deposits or maintenance of the Bank Account balance as required by the terms of the Agreement).

5) Franchisor will notify Franchisee of the date and amount of each debit Franchisor makes from Franchisee's Bank Account at the time and in the manner specified in the Confidential Operating Manual.

6) The Bank Account must be established so that Franchisor can audit it at any time upon notice to Franchisee. If an electronic funds transfer system enabling Franchisor to electronically debit Franchisee's Bank Account is not functioning at any time for any reason, Franchisee agrees to ensure that Franchisor and/or its affiliates otherwise receive payment for any and all amounts due Franchisor and/or its affiliates and by the date due, in the form of a check, money order or any other form acceptable to Franchisor.

7) Upon the termination or expiration of the Agreement, Franchisee agrees to keep the Bank Account open and to continue Franchisor's ability to debit the Bank Account until Franchisee has satisfied all financial obligations to Franchisor and its affiliates.

FRANCHISOR:
Lovely Franchising LLC

_____
By: _____
Its: _____

FRANCHISEE:

_____

_____
By: _____
Its: _____

FRANCHISE AGREEMENT
EXHIBIT 5

COLLATERAL ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT

This Collateral Assignment and Assumption of Lease Agreement (the "Agreement"), is made as of this ____ day of _____, _____, by and between Lovely Franchising LLC (the "Franchisor") having an address at 182 Duane Street, New York, New York 10013; _____ having an address at _____ _____ ("Franchisee"); and _____ having an address at _____ _____ ("Landlord"),

RECITALS:

WHEREAS, Franchisor is principally engaged in the business of developing and selling franchises under the trademark Lovely Bride®;

WHEREAS, Franchisee is an individual or enterprise that has entered into a Franchise Agreement with Franchisor dated _____ to operate a Lovely Bride® franchise (the "Franchise Agreement");

WHEREAS, Franchisee has entered into a lease agreement ("Lease") for the premises located at _____ ("Premises") from which to operate its Lovely Bride® franchise; and

WHEREAS, Franchisee delivers this Agreement to the Franchisor as a condition of the Franchisor's consent to the Lease.

NOW, THEREFORE, for One Dollar ($1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

(a) The parties agree and acknowledge that the recitals listed above are true and correct and that the recitals shall be incorporated by reference into this Agreement.

(b) Franchisee conditionally assigns to Franchisor all of the Franchisee's rights, title and interest in and to the Lease (i) as collateral for the Franchisee's performance of all of its obligations to the Landlord arising under the Lease; (ii) as collateral for the Franchisee's performance of its obligations to Franchisor under the Franchise Agreement; and (iii) to protect Franchisor in the event that the Franchise Agreement expires or is terminated either by Franchisor or Franchisee for any reason prior to the expiration of the Lease.

(c) Upon (i) a default by Franchisee under the Lease as defined in the Lease beyond the expiration of any applicable cure period; (ii) a default by Franchisee under the Franchise Agreement beyond the expiration of any applicable cure period; or (iii) in the event the Franchise Agreement expires or is terminated by Franchisor or Franchisee for any reason, Franchisor shall have the right, but not the obligation to take this assignment

by giving written notice to Landlord as provided herein, and is hereby empowered to take possession of the Premises demised by the Lease and assume all of the rights, title and interest of Franchisee in the Lease, in which event Franchisor may expel Franchisee from the Premises and Franchisor shall have all other remedies described herein or in the Franchise Agreement, or at law or in equity, without prejudice to any other rights or remedies of Franchisor under any other agreement or under other applicable laws or equities. In such event, Franchisee shall have no further right, title or interest in the Lease or possession of the Premises, but shall remain liable for all unpaid rents and fees owed under the Lease to Landlord as of the date of the Franchisor's assumption of the Lease. Franchisor may exercise self-help to obtain possession of the Premises and Landlord shall cooperate and provide whatever legal action is necessary (at no cost to Landlord) to obtain possession of the Premises.

(d) In no event shall Franchisor be responsible for any past due or other defaulted amounts due to Landlord or any other third party incurred by Franchisee prior to Franchisor's assumption of the Lease. In the event that Franchisor pays any past due or other defaulted amounts to Landlord or any other third party on behalf of an obligation, debt or liability incurred by Franchisee prior to Franchisor's assumption of the Lease, Franchisee agrees to reimburse Franchisor for Franchisor's payments within five (5) calendar days after receipt of Franchisor's written notice of the same.

(e) Franchisee agrees to execute any and all Uniform Commercial Code financing statements and all other documents and instruments deemed necessary by Franchisor to perfect or document the interests and assignments granted herein.

(f) Franchisee shall not permit the Franchisor's security interest in the Lease to be subordinate to any lien, except for Landlord's rights, without first obtaining Franchisor's written consent.

(g) It is understood and agreed that the provisions set forth in this Agreement are deemed an additional remedy given to Franchisor and are not deemed to exclude any of the remedies granted in the Franchise Agreement or any other agreement between Franchisor and Franchisee and shall be cumulative with the remedies therein and elsewhere granted to Franchisor, all of which remedies are enforceable concurrently or successively. No exercise by Franchisor of any of the rights hereunder will cure, waive or affect any default under the Lease or default under the Franchise Agreement. No inaction or partial exercise of rights by Franchisor will be construed as a waiver of any of its rights and remedies and no waiver by Franchisor of any such rights and remedies shall be construed as a waiver by Franchisor of any future rights and remedies.

(h) This Agreement and all provisions hereof shall (i) be binding upon Franchisee, its successors, assigns and legal representatives and all other persons or entities claiming under them or through them, or either of them, (ii) shall inure to the benefit of Franchisor and Franchisor's assigns or successors; and (iii) shall be binding upon Landlord and Landlord's successors and assigns. The term "Franchisee" when used herein shall include all such persons and entities and any others liable for payment of amounts under the Lease or the Franchise Agreement. All individuals executing on behalf of corporate

entities hereby represent and warrant that such execution has been duly authorized by all necessary corporate and shareholder authorizations and approvals.

(i) Franchisee agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Franchisor. Any attempt at termination, modification or amendment of any of the terms without such written consent is null and void.

(j) Franchisee agrees to indemnify and hold Franchisor and its stockholders, partners, members, directors, officers and representatives harmless from and against any and all losses, liabilities, claims, proceedings, demands, damages, judgments, injuries, attorneys' fees, costs and expenses, that they incur resulting from any claim brought against any of them or any action which any of them are named as a party or which any of them may suffer, sustain or incur by reason of, or arising out of, the Franchisee's breach of any of the terms of the Lease, including the failure to pay rent or any other terms and conditions of the Lease.

(k) Franchisee represents and warrants to Franchisor that it has full power and authority to so assign the Lease and its interest therein and that Franchisee has not previously assigned or transferred, and is not obligated to assign or transfer, any of its interest in the Lease or the Premises demised thereby.

(l) All notices and communications provided for hereunder shall be given in accordance with the notice provisions of the Franchise Agreement to which Franchisee and Franchisor are parties or the notice provisions of the Lease to which Franchisee and Landlord are parties. Landlord agrees to provide an additional notice to Franchisor of all notices sent to Franchisee within the time periods provided for in the Lease. Prior to Landlord exercising any rights contained in the Lease to terminate the Lease, such as by sending a notice of termination to Franchisee, Landlord shall provide fifteen (15) days' notice of such intent to Franchisor, within which time Franchisor may exercise its right to take this Assignment by written notice to Landlord delivered within that fifteen (15) day period, which shall nullify any termination notice.

(m) If any provision of this Agreement (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(n) This Agreement shall be governed by the laws of the State of New York without recourse to New York (or any other) choice of law or conflict of law principles.

(o) The parties agree to institute any litigation arising out of or related to this Agreement, any breach of this Agreement, the relations between the parties, and, any and all disputes between the parties, whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction which is either a New York state court in,

New York, New York or the United States District Court for the Southern District of New York in New York, NewYork. The parties agree that any dispute as to the venue for any litigation the Franchisee institutes will be submitted to and resolved exclusively by either a New York state court as described herein or the United States District Court for the Southern District of New York in New York, New York. The parties hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue indicated above.

(p) Franchisee authorizes Franchisor and its affiliates to record a copy of this Agreement (or a memorandum concerning this Agreement) and any other documents required by Franchisor. Franchisee shall execute all such documents necessary to record the same and shall cooperate with Franchisor in all respects with the recording of the same. Franchisee explicitly affirms and recognizes the value of the lease for the Franchised Business location and Franchisee agrees that any non-compliance by Franchisee with Franchisor's right (but not obligation) to take possession of the Franchised Business location and assume all of Franchisee's rights, title and interest in the lease will cause irreparable damage to Franchisor, the System and other Lovely Bride franchisees for which no adequate remedy at law will be available.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

FRANCHISOR: Lovely Franchising LLC

_____

By: _____

Its: _____

FRANCHISEE: _____

_____

By: _____

Its: _____

LANDLORD: _____

_____

By: _____

Its: _____

FRANCHISE AGREEMENT
EXHIBIT 6

CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT

This Confidentiality, Non-Use and Non-Competition Agreement ("Agreement"), dated this_____day of _____, _____, by and between Lovely Franchising LLC ("Franchisor") having an address at 182 Duane Street, New York, New York 10013 and _____ having an address at _____ ("Franchisee"); and Franchisee's owners _____ having an address at _____ _____ ("Owners").

W I T N E S S E T H:

WHEREAS, Franchisor is principally engaged in the business of developing and selling franchises operating under the name Lovely Bride®. Franchises will operate a bridal shop selling wedding gowns, occasion dresses and accessories; and

WHEREAS, Franchisee is an individual or enterprise which has entered into a Franchise Agreement with Franchisor dated ("Franchise Agreement") for the operation of a Lovely Bride® bridal shop ("Franchised Business");

WHEREAS, if Franchisee is an enterprise, Franchisee's Owners agree to be bound by the terms and conditions of this Agreement; and

WHEREAS, during the course of the relationship between Franchisor and Franchisee certain information has been and/or will be provided to and received by Franchisee and its Owners relating to the Franchisor, including without limitation, certain knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law regarding Franchisor and its affiliates and the development, management and operation of Lovely Bride® franchised businesses, which Franchisor and its affiliates consider proprietary, (collectively "Confidential Information"), including without limitation:

(a) Site selection criteria;

(b) Training and operations materials and manuals including but not limited to the Confidential Operating Manual;

(c) Methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating the System;

(d) Marketing, advertising and promotional programs including but not limited to Advertising Materials, Social Media Materials and use of Social Media Platforms;

(e) Database material, customer lists, records, files, instructions and other proprietary information;

(f) Identity of suppliers and knowledge of supplier discounts, specifications, processes, services, procedures and equipment, contract terms, pricing for authorized

products, materials, supplies and equipment;

(g) Computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials;

(h) Knowledge of the operating results and financial performance of the System other than the Franchised Business; and

(i) Graphic designs and related intellectual property.

NOW, THEREFORE, for One Dollar ($1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgments

(a) Franchisee and its Owners acknowledge that Franchisee and its Owners have been and/or will be given access to Confidential Information during the course of the relationship between Franchisee and Franchisor.

(b) Franchisee and its Owners acknowledge that (i) Franchisor and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor and its affiliates a competitive advantage; (iii) the Franchisor and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Franchisee and its Owners regarding the System is disclosed in confidence; (v) Franchisee and its Owners have no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Franchisee and its Owners will not acquire any ownership interest in the System; and (vii) the use or duplication of the System or any part of the System by Franchisee and its Owners in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information

(a) Franchisee and its Owners pledge and agree that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisor, they: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisor's use; (iv) will not reproduce or use the Confidential Information; (v) will have a system in place to ensure that all recipients who require access to the Confidential Information, execute the Confidentiality, Non-Use and Non-Competition Agreements Form in the form attached to the Franchise Agreement as Exhibit 7.

(b) Confidential Information provided by Franchisor to Franchisee and its

Owners in the course of the parties' relationship shall be returned to Franchisor immediately upon termination or expiration of the Franchise Agreement. Franchisee and its Owners shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

3. Covenants

(a) Franchisee and its Owners acknowledge that Franchisor has granted it the franchise in consideration of and reliance upon the agreement by Franchisee and its Owners to, among other things: (i) deal exclusively with Franchisor; (ii) to maintain the confidentiality of all of the Confidential Information; (iii) to ensure that all recipients with access to the Confidential Information execute the Confidentiality, Non-Use and Non-Competition Agreement in the form attached hereto as Exhibit 7; (iv) to refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Section 2 above; and (v) to protect and preserve the goodwill of the Franchisor.

(b) Franchisee and its Owners further acknowledge and agree that: (i) pursuant to the Franchise Agreement, they will have access from the Franchisor and its affiliates to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee and its Owners under the Franchise Agreement are of substantial and material value; (iii) in developing the System, Franchisor and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) the Franchisor would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Lovely Bride® franchises if franchisees were permitted to hold interests in Competitive Businesses; and (v) restrictions on the right of Franchisee and its Owners to hold interests in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder their activities.

(c) Accordingly, Franchisee and its Owners covenant and agree that during the term of the Franchise Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of the cause of termination) or expiration of the Franchise Agreement; (ii) a Transfer, as defined in the Franchise Agreement; or (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Franchisee and each of its Owners shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(1) Divert or attempt to divert any actual or potential business or customer of the Lovely Bride® System to any competitor;

(2) Take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

(3) Employ, recruit or seek to employ any person who is then employed or who was employed within the immediately preceding twenty-four (24) months, by Franchisor, its affiliates or any Lovely Bride® franchisee, or otherwise directly or indirectly induce such person to leave his or her employment without obtaining the employer's prior written permission;

(4) Solicit, encourage or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor or its affiliates to terminate or diminish their relationship with Franchisor or its affiliates; or

(5) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (as defined below). Notwithstanding the foregoing, equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection.

(d) During the term of the Franchise Agreement, there is no geographical limitation on these restrictions, meaning that Franchisee and each of its Owners shall not engage in the conduct referred to in subsection 3(c) at any location. During the two (2) year period following the later of: (i) termination (regardless of the cause of termination) or expiration of the Franchise Agreement; (ii) a Transfer, as defined in the Franchise Agreement; or (iii) the date of a final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

(1) at the location of the Franchised Business;

(2) within the Territory assigned to the Franchisee and within ten (10) miles of the outer boundaries of the Territory assigned to the Franchisee;

(3) within ten (10) miles of the location of any other Lovely Bride® store; and

(4) within the territory assigned to any other Lovely Bride® store and within ten (10) miles of the outer boundaries of the territory assigned to any other Lovely Bride® store;

owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates (i) as of the date of the Franchise Agreement, (ii) as of the date of (a) a termination (regardless of the cause of termination) or expiration of the Franchise Agreement or (b) a Transfer of the franchise, or (iii) as of the date of any

final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(e) Franchisee and its Owners further covenant and agree that for a period of two (2) years following the expiration, or termination of the Franchise Agreement or a Transfer, Franchisee and its Owners will not either directly or indirectly for itself or through, on behalf of or in conjunction with any person, firm, partnership, corporation or other entity, sell, assign, lease or transfer the Franchised Business location to any person, firm, partnership corporation or other entity that Franchisee or its Owners know or has reason to know intends to operate a Competitive Business at the Franchised Business location.

(f) Franchisee and its Owners covenant not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination (regardless of the cause of termination) or expiration of this Agreement.

(g) Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 3 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

(h) Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor and its affiliates. Franchisee and its Owners also agree and acknowledge that Franchisor's legitimate business interests include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchisee's former Franchised Business location, within the Territory assigned to Franchisee and within the territorial boundaries of the restrictive covenant described above in subsection 3(d); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee and its Owners; and (v) protecting the System as a whole including the franchisee network. If any provision of this Confidentiality, Non-Use and Non-Competition Agreement (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(i) Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant contained in this Section 3 effective immediately upon the receipt by Franchisee and its Owners of written notice and Franchisee and its Owners agree to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

4. Enforcement

Franchisee and its Owners acknowledge and agree that Franchisor has a compelling interest in protecting the System and that the provisions of Section 3 protect Franchisor's System. Franchisee and its Owners. Franchisee and its Owners acknowledge that violation of the covenants contained in this Agreement would result in immediate and irreparable injury to Franchisor and its affiliates for which no adequate remedy at law will be available. Accordingly, Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions of this Agreement without the need of a bond. Franchisee and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through my unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee and its Owners may have against Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisor and/or its affiliates. Franchisee and its Owners further agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

5. Definitions

(a) The term "affiliates," (with respect to Franchisee) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee, including but not limited to subsidiaries, parents and sibling entities.

(b) The term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity to which referred.

(c) The term "Competitive Business" means (1) any business involving the establishment and/or operation of a bridal shop selling wedding gowns, occasion dresses and accessories, or (ii) any business granting franchises or licenses to others to operate such a business (other than a franchised business operated under a franchise agreement with Franchisor).

(d) The term "Owners" shall mean any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of over five percent (5%) in Franchisee, (or at such later time as they assume such status) whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of over five percent (5%) in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity.

(e) Any capitalized term that is not defined in this Agreement shall have the meaning given to it in the Franchise Agreement.

6. Miscellaneous

(a) Franchisor and/or its affiliates make no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Franchisee and shall not be liable, directly or indirectly, to Franchisee, its Owners or any of Franchisee's affiliates as a result of any use of the Confidential Information by or on behalf of Franchisee, its Owners and/or its affiliates. Franchisee and its Owners specifically waive any and all claims for any loss or damage suffered by them due to their use of the Confidential Information and agree to indemnify and hold Franchisor and its affiliates harmless for any claims made against Franchisor and/or its affiliates based upon the provision by Franchisee or its Owners of the Confidential Information to third parties.

(b) This Confidentiality, Non-Use and Non-Competition Agreement shall be binding upon and shall inure to the benefit of Franchisee, its Owners, Franchisor and their respective subsidiaries, affiliates, successors and assigns.

(c) This Confidentiality, Non-Use and Non-Competition Agreement shall be governed by the laws of the State of New York without recourse to New York (or any other) choice of law or conflict of law principles.

(d) This Agreement contains the complete understanding of Franchisee and Franchisor with respect to the Confidential Information and this Confidentiality, Non-Use and Non-Competition Agreement shall not be amended without the prior written consent of the parties.

(e) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.

7. Choice of Law and Venue

(a) This Agreement is to be exclusively construed in accordance with and/or governed by the laws of the State of New York without recourse to New York (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New York, and if the Franchised Business is located outside of New York and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, “implied covenant," unfair competition, fiduciary or any other doctrine of law of the State of New York or any other state, which would not otherwise apply.

(b) Franchisee and its Owners agree to institute any litigation arising out of or related to this Agreement or the Franchise Agreement; any breach of the Franchise Agreement; the relations between the parties; and any and all disputes between the parties,

whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction which is either a New York state court in New York, New York or the United States District Court for the Southern District of New York in New York, New York. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). The undersigned further agree that Franchisor may institute any litigation that it commences arising out of or related to this Agreement or the Franchise Agreement; any breach of this Agreement or the Franchise Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, in any court of competent jurisdiction, wherever situated, that Franchisor selects. The undersigned agree that any dispute as to the venue for the litigation Franchisor institutes will be submitted to and resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue where any such litigation is commenced.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

FRANCHISOR: Lovely Franchising LLC

_____

By: _____

Its: _____

FRANCHISEE: _____

_____

By: _____

Its: _____

_____

Owners

FRANCHISE AGREEMENT
EXHIBIT 7

CONFIDENTIALITY, NON-USE AND NON-COMPETITION AGREEMENT FORM

This Confidentiality, Non-Use and Non-Competition Agreement ("Agreement"), dated this_____ day of _____, _____, by and between _____ ("Franchisee") having an address at _____and _____ having an address at _____ ("Recipient"),

W I T N E S S E T H:

WHEREAS, Franchisee is principally engaged in the business of operating a bridal shop under the name Lovely Bride® (the "Franchised Business") pursuant to a franchise agreement with Lovely Franchising LLC ("Franchise Agreement");

WHEREAS, Recipient is an individual or enterprise who is about to be employed by Franchisee, has entered into some form of contractual relationship with Franchisee or is considering the same; and

WHEREAS, during the course of the relationship between Franchisee and Recipient certain information, knowledge, know-how, methods and procedures some of which constitute trade secrets under applicable law has been and/or will be provided to and received by Recipient regarding the Franchisor and its affiliates and the development, management and operation of Lovely Bride® franchised businesses, which Franchisor and its affiliates consider proprietary, (collectively "Confidential Information"), including without limitation:

(a) Site selection criteria;

(b) Training and operations materials and manuals including but not limited to the Confidential Operating Manual;

(c) Methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating the System;

(d) Marketing, advertising and promotional programs including but not limited to Advertising Materials, Social Media Materials and use of Social Media Platforms;

(e) Database material, customer lists, records, files, instructions and other proprietary information;

(f) Identity of suppliers and knowledge of supplier discounts, specifications, processes, services, procedures and equipment, contract terms, pricing for authorized products, materials, supplies and equipment;

(g) Computer software or similar technology which is proprietary to Franchisor or its affiliates, including without limitation digital passwords and identifications and any source code, as well as data, reports and other printed materials;

(h) Knowledge of the operating results and financial performance of the System other than the Franchised Business; and

(i) Graphic designs and related intellectual property.

NOW, THEREFORE, for One Dollar ($1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgment

i. Recipient acknowledges that Recipient has been and/or will be given access to the Confidential Information during the course of the relationship between Franchisee and Recipient.

ii. Recipient acknowledges that (i) Franchisor and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor and its affiliates a competitive advantage; (iii) the Franchisor and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Recipient regarding the System is disclosed in confidence; (v) Recipient has no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Recipient will not acquire any ownership interest in the System; and (vii) Recipient's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information

i. Recipient pledges and agrees that for a period commencing on the date of the Franchise Agreement and continuing thereafter, in the absence of prior written consent by Franchisee: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any unauthorized person or entity; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisee's use; and (iv) will not reproduce or use the Confidential Information.

ii. Confidential Information provided by Franchisor, its affiliates and/or Franchisee to Recipient in the course of the parties' relationship shall be returned to Franchisee immediately upon termination or expiration of Recipient's relationship with Franchisee. Recipient shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract or other reproduction, whether in paper or electronic form, of the Confidential Information and shall not retain any copy, note or extract of such Confidential Information, except as the parties hereto may agree in writing.

3. Covenants

(a) Recipient acknowledges that Franchisee has entered into the relationship described above in consideration of and reliance upon among other things, Recipient's

agreement to: deal exclusively with Franchisee; maintain the confidentiality of all of the Confidential Information; refrain from using any Confidential Information in any manner not permitted by Franchisor, its affiliates and/or Franchisee in accordance with Section 2 above; and protect and preserve the goodwill of the Franchisor.

(b) Recipient further acknowledges and agrees that (i) pursuant to its relationship with Franchisee, it will have access from the Franchisor, its affiliates and/or Franchisee to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Recipient pursuant to its relationship with Franchisee are of substantial and material value; (iii) in developing the System, Franchisor and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Lovely Bride® franchises if recipients were permitted to hold interests in Competitive Businesses; and (v) restrictions on Recipient's right to hold interest in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder Recipient's activities.

(c) Accordingly, Recipient covenants and agrees that during the term of the Recipient's relationship with Franchisee and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of the cause of termination) or expiration of Recipient's relationship with Franchisee; or (ii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Recipient shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

a. Divert or attempt to divert any actual or potential business or customer of Lovely Bride® to any competitor;

b. Take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

c. Employ, recruit or seek to employ any person who is then employed or who was employed within the immediately preceding twenty-four (24) months, by Franchisor, its affiliates, Franchisee or any Lovely Bride® franchisee, or otherwise directly or indirectly induce such person to leave his or her employment without obtaining the employer's prior written permission; or

d. Solicit, encourage or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor, its affiliates or Franchisee to terminate or diminish their relationship with Franchisor, its affiliates or Franchisee; or

e. Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection).

(d) During the term of the Recipient's relationship with Franchisee, there is no geographical limitation on these restrictions, meaning that Recipient shall not engage in the conduct referred to in subsection 3(c) at any location. During the two (2) year period following the later of: (i) the termination (regardless of the cause of termination) or expiration of the Recipient's relationship with Franchisee; or (ii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

(i) at the location of the Franchisee's Franchised Business;

(ii) within the Territory assigned to the Franchisee and within ten (10) miles of the outer boundaries of the Territory assigned to the Franchisee;

(iii) within ten (10) miles of the location of any other Lovely Bride® store; and

f. within the territory assigned to any other Lovely Bride® store and within ten (10) miles of the outer boundaries of the territory assigned to any other Lovely Bride® store;

owned, in operation, under development or to be developed by Franchisor, its affiliates or franchisees of Franchisor and/or its affiliates (1) as of the date of this Agreement; (2) as of the date of termination (regardless of the cause of termination) or expiration of the Recipient's employment or contractual relationship with Franchisee; and (3) as of the date of any final non-appealable judgment or order of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(e) Recipient further covenants and agrees that for a period of two (2) years following the expiration or termination of Recipient's relationship with Franchisee, Recipient will not either directly or indirectly for itself or through, on behalf of or in conjunction with any person, firm, partnership, corporation or other entity, sell, assign, lease or transfer the Franchisee's Franchised Business location to any person, firm, partnership corporation or other entity that Recipient knows or has reason to know intends to operate a Competitive Business at the Franchised Business location.

(f) Recipient covenants not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination of the Recipient's relationship with Franchisee.

(g) Recipient expressly acknowledges that his or her skills and abilities are of a general nature and Recipient has other opportunities for exploiting these skills. Consequently, the enforcement of the covenants made in this Section 3 will not deprive Recipient of his or her personal goodwill or ability to earn a living.

(h) Recipient agrees and acknowledges that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor, its affiliates and Franchisee. Recipient also agrees and acknowledges that the reputation, goodwill and foregoing are legitimate business interests of Franchisor, its affiliates and Franchisee and they require the protection of the covenants contained herein. The legitimate business interests of Franchisor, its affiliates and Franchisee also include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchisee's Franchised Business location, within the Territory assigned to the Franchisee and within the territorial boundaries of the restrictive covenant described above in subsection 3(d); (iii) preventing potential customer confusion; (iv) protecting Franchisee and other franchisees from competition from Recipient; and (v) protecting the System as a whole including the franchisee network. If any provision of this Confidentiality, Non-Use and Non-Competition Agreement Form (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed and this Agreement modified to the extent necessary to render it valid and enforceable.

(i) Franchisor, its affiliates and Franchisee shall have the right to reduce the scope of any covenant contained in this Section 3 effective immediately upon Recipient's receipt of written notice and Recipient agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

4. Enforcement

Recipient acknowledges that violation of the covenants contained in this Agreement would result in immediate and irreparable injury to Franchisee, Franchisor and its affiliates for which no adequate remedy at law will be available. Accordingly, Recipient hereby consents to the entry of an injunction procured by Franchisee, Franchisor and/or its affiliates prohibiting any conduct by Recipient in violation of the terms, covenants and/or restrictions of this Agreement without the need of a bond. Recipient expressly agrees that it may conclusively be presumed in any legal action that any violation of the terms of these terms, covenants and/or restrictions was accomplished by and through my unlawful utilization of the Confidential Information. Further, Recipient expressly agrees that any claims Recipient may have against Franchisee, Franchisor and/or its affiliates will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisee, Franchisor and/or its affiliates. Recipient further agrees

to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisee, Franchisor and/or its affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

5. Definitions

i. The term "affiliates") (with respect to Recipient) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Recipient, including but not limited to subsidiaries, parents and sibling entities.

ii. The term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

iii. The term "Competitive Business" means: (i) any business involving the establishment and/or operation of a bridal shop selling wedding gowns, occasion dresses and accessories, or (ii) any business granting franchises or licenses to others to operate such a business (other than a Franchised Business operated under a franchise agreement with Franchisor).

(c) The term "Owner" means any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of five percent (5%) or more in Recipient (or at such later time as they assume such status), whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of five percent (5%) or more in any partnership, corporation or limited liability company that holds a controlling interest in the Recipient entity.

6. Miscellaneous.

(a) Franchisee, Franchisor and its affiliates make no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Recipient and shall not be liable, directly or indirectly, to Recipient or any of Recipient's subsidiaries or affiliates as a result of any use of the Confidential Information by or on behalf of Recipient and/or its subsidiaries or affiliates. Recipient specifically waives any and all claims for any loss or damage suffered by it due to its use of the Confidential Information and agrees to indemnify and hold Franchisee, Franchisor and its affiliates harmless for any claims made against Franchisee, Franchisor and/or its affiliates based upon Recipient's provision of the Confidential Information to third parties.

(b) If all or any portion of the covenants not to compete set forth in this Agreement are held unreasonable, void, vague or illegal by any court or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator or agency will be empowered to revise and/or construe the covenants to fall within permissible legal

limits, and should not by necessity invalidate the entire covenants. Recipient acknowledges and agrees to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenants were separately stated in and made a part of this Agreement.

(c) This Agreement shall be binding upon and shall inure to the benefit of Franchisee and Recipient and their respective subsidiaries, affiliates, successors and assigns.

(d) This Agreement shall be governed by the laws of the State of New York without recourse to New York (or any other) choice of law or conflicts of law principles.

(e) This Agreement contains the complete understanding of Recipient and Franchisee with respect to the Confidential Information and this Agreement shall not be amended without the prior written consent of the parties.

(f) Recipient acknowledges that Franchisor, its affiliates, successors and assigns are third-party beneficiaries under this Agreement and may enforce this Agreement. Recipient further acknowledges that: (i) a copy of this Agreement is being delivered to Franchisor; (ii) Franchisor is relying on the parties' compliance with this Agreement; and (iii) this Agreement may not be amended, or terminated nor any rights or obligations of Recipient waived hereunder without the prior written consent of the Franchisor.

(g) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.

7. Choice of Law and Venue

(a) This Agreement is to be exclusively construed in accordance with and/or governed by the laws of the State of New York without recourse to New York (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of New York, and if the Franchised Business is located outside of New York and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary or any other doctrine of law of the State of New York or any other state, which would not otherwise apply.

(b) Recipient and Franchisee agree to institute any litigation that the undersigned may commence arising out of or related to this Agreement or the Franchise Agreement; any breach of the Franchise Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction in a New York state court in New York, New York or the United States District Court for the Southern District of New York in New York, New York. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise

inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). The undersigned further agree that Franchisor may institute any litigation that it commences arising out of or related to this Agreement or the Franchise Agreement; any breach of this Agreement or the Franchise Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, in any court of competent jurisdiction, wherever situated, that Franchisor selects. The undersigned agree that any dispute as to the venue for the litigation Franchisor institutes will be submitted to and resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue where such litigation is commenced.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Recipient: _____

_____

Franchisee: _____

_____
By: _____
Its: _____

FRANCHISE AGREEMENT
EXHIBIT 8

LIST OF INITIAL SUPPLIERS

The following Suppliers are designers approved by Lovely Franchising LLC as of the date of the Franchise Agreement entered into by and between Lovely Franchising LLC and _____ ("Franchisee") dated _____, which have agreed to supply wedding gowns, occasion dresses, accessories, goods, services, supplies, materials, equipment and/or other products to Franchisee:

_____
_____
_____
_____
_____
_____
_____
_____

Franchisee agrees and acknowledges that Franchisor cannot and does not warrant, guaranty, represent or assure that the above referenced designers will remain approved Suppliers throughout the entire term of the Franchise Agreement. Franchisee agrees and acknowledges that Franchisor cannot and does not warrant, guaranty, represent or assure that such designers will supply Franchisee with wedding gowns, occasion dresses, accessories, goods, services, supplies, materials, equipment and/or other products throughout the entire term of the Franchise Agreement.

Agreed and Acknowledged by
Franchisee: _____

_____
By: _____
Its: _____

FRANCHISE AGREEMENT
EXHIBIT 9

ASSIGNMENT OF TELEPHONE AND INTERNET LISTINGS AND ADVERTISEMENTS

Pursuant to its obligations under a certain franchise agreement dated _____, _____, by and among Lovely Franchising LLC as Franchisor and _____ as Franchisee (the "Franchise Agreement"), for good and valuable consideration the receipt and sufficiency is hereby acknowledged, does hereby assign, sell, transfer and convey to Lovely Franchising LLC all of Franchisee's right, title and interest as of the date hereof in and to all telephone, facsimile and other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, web based platform and program accounts, including but not limited to Social Media Platform (as defined in the Franchise Agreement) accounts and other media in which the Franchised Business is listed or the Principal Trademarks displayed (collectively "Telephone and Internet Listings and Advertisements") in existence as of the date of the expiration or termination of the Franchise Agreement.

Without limitation, the Telephone and Internet Listings and Advertisements include the following:

Telephone, facsimile and other numbers: _____
_____
_____

Telephone directory listings: _____
_____
_____
_____
_____

Email addresses: _____
_____
_____

Domain names: _____
_____
_____

Website addresses: _____
_____
_____

URLs:_____

_____

_____

Internet and website directory listings: _____

_____

_____

_____

_____

Web based platform and program accounts, including but not limited to Social Media Platform accounts: _____

_____

_____

_____

Other Media referencing the Franchised Business: _____

_____

_____

_____

Upon the expiration or termination of the Franchise Agreement, Franchisor shall have the right but not the obligation, and is hereby authorized to take possession of the Telephone and Internet Listings and Advertisements and assume all of the rights, title and interest of the Franchisee in the Telephone and Internet Listings and Advertisements.

Franchisee represents and warrants to Lovely Franchising LLC that it is the lawful owner of the Telephone and Internet Listings and Advertisements, and that Franchisee has the right to assign the Telephone and Internet Listings and Advertisements free and clear of any interest therein.

Franchisee hereby appoints Lovely Franchising LLC and/or its successors and assigns as attorney-in-fact for Franchisee to execute such documents as are necessary or desirable to effect the assignment of the Telephone and Internet Listings and Advertisements to Lovely Franchising LLC Franchisee authorizes Lovely Franchising LLC and/or its successors and assigns as attorney-in-fact to insert references to those Telephone and Internet Listings and Advertisements in existence as of the date of the expiration or termination of the Franchise Agreement where applicable above at such times as Franchisor may determine, including but not limited to upon the expiration or termination of the Franchise Agreement. Franchisee will, at any time and from time to time after the date hereof, upon the reasonable request of Lovely Franchising LLC, do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged or delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney or assurances as may be required for transferring, assigning, conveying and confirming to Lovely Franchising LLC, or for aiding and assisting in reducing to possession by Lovely Franchising LLC, any of the Telephone and Internet Listings and Advertisements or rights

being assigned hereunder, or to vest in Lovely Franchising LLC good, valid and marketable rights to such Telephone and Internet Listings and Advertisements.

This Assignment of Telephone and Internet Listings and Advertisements shall inure to the benefit of Lovely Franchising LLC and shall be binding upon Franchisee and its successors and assigns.

IN WITNESS WHEREOF, Franchisee has caused this Assignment of Telephone and Internet Listings and Advertisements to be duly executed this _____ day of _____, ____.

ASSIGNOR:

By: _____
Its
Duly Authorized

STATE OF _____)
) ss.:
COUNTY OF _____)

On _____, ____ before me _____

personally came _____, to me known, who, by me duly sworn, did depose and say that deponent resides at _____, that deponent is the _____ of Franchisee, the corporation described in the foregoing Assignment of Telephone and Internet Listings and Advertisements, and which executed said Assignment of Telephone and Internet Listings and Advertisements, that deponent knows the seal of the corporation, that the seal affixed to the Assignment of Telephone and Internet Listings and Advertisements is the corporate seal, that it was affixed by order of the board of directors of the corporation; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

_____
Notary Public

My Commission expires:

FRANCHISE AGREEMENT
EXHIBIT 10

GUARANTEE

In consideration of the execution by Franchisor of the Franchise Agreement (the " Agreement") dated the _____day of _____, 20 _____ , between Lovely Franchising LLC ("Franchisor") and _____ ("Franchisee") and for other good and valuable consideration, each of the undersigned, for themselves, their heirs, successors and assigns, do jointly, individually and severally hereby absolutely and unconditionally guarantee the payment of all amounts and the performance of all covenants, terms, conditions, agreements and undertakings contained and set forth in said Agreement and in any other agreement(s) by and between Franchisee and Franchisor.

1. If more than one person has executed this guarantee ("Guarantee"), the term "the undersigned", as used herein, shall refer to each such person, and the liability of each of the undersigned hereunder shall be joint and several and primary as sureties.

2. The undersigned, individually and jointly, hereby agree to be personally bound by each and every covenant, term, condition, agreement and undertaking contained and set forth in said Agreement and any other agreement(s) by and between Franchisee and Franchisor, and agree that this Guarantee shall be construed as though the undersigned and each of them executed agreement(s) containing the identical terms and conditions of the Agreement and any other agreement(s) by and between Franchisee and Franchisor.

3. The undersigned hereby agree that without the consent of or notice to any of the undersigned and without affecting any of the obligations of the undersigned hereunder (a) any term, covenant or condition of the Agreement may be amended, compromised, released or otherwise altered by Franchisor and Franchisee, and the undersigned do guarantee and promise to perform all the obligations of Franchisee under the Agreement as so amended, compromised, released or altered; (b) any guarantor of or party to the Agreement may be released, substituted or added; (c) any right or remedy under the Agreement, this Guarantee or any other instrument or agreement between Franchisor and Franchisee may be exercised, not exercised, impaired, modified, limited, destroyed or suspended; and (d) Franchisor or any other person may deal in any manner with Franchisee, any of the undersigned, any party to the Agreement or any other person.

4. Should Franchisee be in breach or default under the Agreement or any other agreement(s) by and between Franchisee and Franchisor, Franchisor may proceed directly against any or each of the undersigned without first proceeding against Franchisee and without proceeding against or naming in such suit any other Franchisee, signatory to the Agreement or any others of the undersigned.

5. Notice to or demand upon Franchisee or any of the undersigned shall be deemed notice to or demand upon Franchisee and all of the undersigned, and no notice or demand need be made to or upon any or all of the undersigned. The cessation of or release

from liability of Franchisee or any of the undersigned shall not relieve any other guarantor from liability pursuant to this Guarantee, under the Agreement, or under any other agreement(s) between Franchisor and Franchisee, except to the extent that the breach or default has been remedied or moneys owed have been paid.

6. Any waiver, extension of time or other indulgence granted by Franchisor or its agents, successors or assigns, with respect to the Agreement or any other agreement(s) by and between Franchisee and Franchisor, shall in no way modify or amend this Guarantee, which shall be continuing, absolute, unconditional and irrevocable.

7. It is understood and agreed by the undersigned that the provisions, covenants and conditions of this Guarantee shall inure to the benefit of the Franchisor, its successors and assigns. This Guarantee may be assigned by Franchisor voluntarily or by operation of law without reducing or modifying the liability of the undersigned hereunder.

8. Governing Law/Consent to Jurisdiction

a. This Guarantee, all relations between the parties and any and all disputes between the parties, whether sounding in contract, tort or otherwise, are to be exclusively construed in accordance with and/or governed by the law of the state of New York without recourse to New York (or any other) choice of law or conflicts of law principles. If, however, any provision of this Guarantee would not be enforceable under the laws of New York, and if the Franchised Business is located outside of New York and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then the provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Section 8 is intended to invoke the application of any franchise, business opportunity, antitrust, “implied covenant," unfair competition, fiduciary or any other doctrine of law of the state of New York or any other state, which would not otherwise apply.

b. The Guarantors and Franchisor agree to institute any litigation that the undersigned may commence arising out of or related to this Guarantee or the Agreement; any breach of this Guarantee or the Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, exclusively in a court of competent jurisdiction which is either in a New York state court in the county in which Franchisor is located or the United States District Court for the Southern District of New York in New York, New York. The undersigned hereby waive and covenant never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). The undersigned further agree that Franchisor may institute any litigation that it commences arising out of or related to this Guarantee or the Agreement; any breach of this Guarantee or the Agreement; the relations between the parties; and any and all disputes between the parties, whether sounding in contract, tort, or otherwise, in any court of competent jurisdiction, wherever situated, that Franchisor selects. The undersigned hereby irrevocably submits itself and is guarantors to the jurisdiction and venue of such courts as Franchisor may select. The undersigned agree that any dispute as to the venue for the litigation Franchisor institutes

will be submitted to and resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. The undersigned hereby waives and covenants never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). All depositions in connection with any litigation between the parties shall be held in the jurisdiction and venue where any such litigation is commenced.

c. Franchisor and the undersigned hereby agree and acknowledge that this Section 8 shall bind the undersigned guarantors, whether or not such guarantors were named parties to the litigation.

d. The undersigned explicitly affirms and recognizes the unique value and secondary meaning attached to the System, the Principal Trademarks, any intellectual property and the Confidential Information. Accordingly, the undersigned agrees that any non-compliance by the undersigned with the terms of this Guarantee, the Agreement and/or the terms of any Confidentiality, Non-Use and Non-Competition Agreement, the undersigned's operation of the franchise post-termination or any unauthorized or improper use of the System, the Principal Trademarks, any intellectual property, or Confidential Information by the undersigned, will cause irreparable damage to the Franchisor, its affiliates and other Lovely Bride franchisees. The undersigned therefore agrees that if it engages in any non-compliant, post-termination operation of the Franchised Business or unauthorized and/or improper use of the System, Principal Trademarks or Confidential Information during or after the period of this Guarantee, Franchisor will be entitled to a declaration, temporary injunctive relief and permanent injunctive relief, without the need of a bond, against the undersigned from any court of competent jurisdiction, wherever situated, as Franchisor may select, in addition to all other remedies which the Franchisor may have at law.

e. The provisions of this Section are intended to benefit and bind certain third party non-signatories (including without limitation the undersigned's Owners and guarantors) and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Guarantee.

9. Should any one or more provisions of this Guarantee be determined to be illegal or unenforceable, all other provisions shall nevertheless be effective.

IN WITNESS WHEREOF, each of the undersigned has executed this Guarantee effective as of the date of the Franchise Agreement.

Attest:

By: _____

_____
Signature

_____
Printed Name

_____

_____
Address

Attest:

By: _____

_____
Signature

_____
Printed Name

_____

_____
Address

FRANCHISE AGREEMENT
EXHIBIT 11

SPOUSAL CONSENT AND WAIVER

The undersigned _____ ("Spouse") hereby represents that he/she is a _____ _____ [state] resident and is the spouse of _____ ("Franchise Owner"). Spouse acknowledges and understands that, contemporaneously herewith, Franchise Owner, or a corporation, partnership or limited liability company in which Franchise Owner is a principal owner (the "Franchisee"), will be entering into a Franchise Agreement with Lovely Franchising LLC ("Franchisor") to acquire a Lovely Bride® franchise and operate a Lovely Bride® store. Spouse hereby consents to this transaction and waives any right, now or in the future, to assert a community property or quasi community property interest in the franchise, the Franchise Agreement, the Lovely Bride® store or in the Franchisee. Spouse understands that in the absence of the Spousal Consent and Waiver, Franchisor, as a condition of granting the Lovely Bride® franchise to Franchise Owner, would have required Spouse to personally enter into the Franchise Agreement or to execute a personal guaranty of all of Franchisee's obligations under the Franchise Agreement. Spouse represents and agrees that the waiver of this condition by Franchisor is sufficient consideration for this Spousal Consent and Waiver. Spouse understands that if Spouse did not wish to provide this Spousal Consent and Waiver, Spouse could have agreed to personally execute the Franchise Agreement or the personal guaranty. Spouse hereby represents and acknowledges that Spouse knowingly and deliberately elected not to do so and to instead provide this Spousal Consent and Waiver. If, notwithstanding this Spousal Consent and Waiver, Spouse claims or is awarded in a legal action a community property interest, quasi community property interest or other ownership interest in the franchise, the Franchise Agreement, the Lovely Bride® store or in the Franchisee, other than by way of a transfer approved in writing by Franchisor as provided in the Franchise Agreement, Spouse hereby agrees, without further action or execution of further instruments to be personally bound by all of the terms of the Franchise Agreement and to be liable for the performance of all obligations thereunder.

Spouse: _____

_____

Date: _____

FRANCHISE AGREEMENT
EXHIBIT 12

FRANCHISE COMPLIANCE CERTIFICATION

As Franchisee knows, Lovely Franchising LLC (the **"Franchisor"**) and Franchisee are preparing to enter into a Franchise Agreement for the establishment and operation of a "Lovely Bride®" franchised business (the "**Franchised Business**"). The purpose of this Franchise Compliance Certification is to determine whether any statements or promises were made to Franchisee that Franchisor has not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions and statements carefully and provide honest and complete responses to each.

I had my first face-to-face meeting with one of Franchisor's representatives on _____, 20__.

Has Franchisee received and personally reviewed the Franchise Agreement and if applicable, each Addendum and related agreement attached thereto?

Yes _____ No _____

Does Franchisee understand all of the information contained in the Franchise Agreement and each Addendum and related agreement provided to Franchisee?

Yes _____ No _____

If no, what parts of the Franchise Agreement, Addendum and/or related agreement does Franchisee not understand? (Attach additional pages, as needed.)

_____
_____
_____
_____

Have Franchisee received and personally reviewed Franchisor's Franchise Disclosure Document (**"FDD"**) that was provided to Franchisee?

Yes _____ No _____

Did Franchisee sign a receipt for the FDD indicating the date Franchisee received it?

Yes _____ No _____

Does Franchisee understand all of the information contained in the FDD and any state-specific Addendum to the FDD?

Yes _____ No _____

If No, what parts of the FDD and/or Addendum does Franchisee not understand? (Attach additional pages, as needed.)

_____
_____
_____
_____

Has Franchisee discussed with an attorney, accountant, or other professional advisor the benefits and risks of establishing and operating a business as a Franchised Business?

Yes _____ No _____

If No, does Franchisee wish to have more time to do so?

Yes _____ No _____

Does Franchisee understand that the success or failure of Franchisee's Franchised Business will depend in large part upon Franchisee's skills and abilities, competition from other businesses, interest rates, inflation, labor and supply costs, lease terms and other economic and business factors?

Yes _____ No _____

Has any employee or other person speaking on behalf of Franchisor made any statement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) concerning the actual or possible revenues, profits or operating costs of a Lovely Bride® Franchised Business operated by Franchisor or any of its franchisees, that is contrary to the information contained in the FDD?

Yes _____ No _____

Has any employee or other person speaking on behalf of Franchisor made any statement or promise to Franchisee (or to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) regarding the amount of money Franchisee may earn in operating a business as a Franchised Business that is not otherwise stated in the FDD?

Yes _____ No _____

Has any employee or other person speaking on behalf of the Franchisor made any statement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity or Franchisee's behalf) concerning the total amount of revenue a business as a Franchised Business will or may generate, that is not otherwise stated in the FDD?

Yes _____ No _____

Has any employee or other person speaking on behalf of the Franchisor made any statement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity or Franchisees behalf) regarding the costs Franchisee may incur in operating a business as a Franchised Business, that is contrary to or different from, the information contained in the FDD?

Yes _____ No _____

Has any employee or other person speaking on behalf of the Franchisor made any statement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) concerning the likelihood of success that Franchisee should or might expect to achieve from operating a business as a Franchised Business?

Yes _____ No _____

Has any employee or other person speaking on behalf of the Franchisor made any statement, agreement or promise to Franchisee (or, to the best of Franchisee's knowledge, information and belief, to any person or entity on Franchisee's behalf) concerning the advertising, marketing, training, support service or assistance that the Franchisor will furnish to Franchisee that is contrary to or different from the information contained in the FDD?

Yes _____ No _____

Has Franchisee entered into any binding agreement with Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

Has Franchisee paid any money to Franchisor concerning the purchase of this franchise prior to today?

Yes _____ No _____

Does Franchisee understand that the territorial rights Franchisee have been granted are subject to limitations and exceptions?

Yes _____ No _____

Does Franchisee understand that Franchisor and its affiliates and subsidiaries retain the right, directly or through others, to develop businesses and franchise other similar franchises or different franchise systems inside or outside of Franchisee's territory?

Yes _____ No _____

Does Franchisee understand that the Franchise Agreement contains the entire agreement between Franchisee and Franchisor concerning the franchise, meaning that any prior oral or written statements not set out in the Franchise Agreement will not be binding?

Yes _____ No _____

If Franchisee has answered "Yes" to any of questions 9-16, please provide a full explanation of each "yes" answer in the following blank lines. (Attach additional pages as needed and refer to them below.) If Franchisee has answered "no" to each of questions 9-16, then please leave the following lines blank.

_____

_____

_____

_____

_____

I signed the Franchise Agreement and Addenda (if any) on _____, 20___, and acknowledge that no Agreement or Addendum is effective until signed and dated by Franchisor.

FRANCHISEE UNDERSTANDS THAT FRANCHISEE'S ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, FRANCHISEE IS REPRESENTING THAT FRANCHISEE HAS CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

FRANCHISEE

By: _____

Name: _____

Date: _____, 20___

FRANCHISE AGREEMENT
EXHIBIT 13

STATE AMENDMENTS TO FRANCHISE AGREEMENT

NEW YORK RIDER TO THE FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the "Agreement"), between Lovely Franchising LLC ("Franchisor") and _____, a _____ _____ ("Franchisee").

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement.

2. Waivers Not Required. Notwithstanding any provision of the Agreement to the contrary, Franchisee is not required to assent to a release, assignment, novation, waiver or estoppel which would relieve A&P or any other person from any duty or liability imposed by New York General Business Law, Article 33 (the "New York Franchise Law").

3. Waivers of New York Law Deleted. Any condition, stipulation, or provision in the Agreement purporting to bind Franchisee to waive compliance by A&P with any provision of the New York Franchise Law, or any rule promulgated thereunder, is hereby deleted.

4. Governing Law. Notwithstanding any provision of the Agreement to the contrary, the New York Franchise Law shall govern any claim arising under that law.

5. Effective Date. This Rider is effective as of the Effective Date.

Agreed to by:

FRANCHISOR:	FRANCHISEE:
Lovely Franchising LLC	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT C

CONFIDENTIAL OPERATING MANUAL TABLE OF CONTENTS

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- A. **Being Lovely-Our Philosophy**
- B. **History**
- C. **Training Program Schedule**

II. **Opening Your Store** **Page 3-10**

- A. **Site Selection**
- B. **Design and Décor**
- C. **Other Set Up Needs**
- D. **Do's and Don'ts**

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- C. **Employee Scheduling**
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B. **Sales Flow**
C. **Closing Techniques**
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C. **Common Terminology**
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EXHIBIT D

LIST OF FRANCHISEES
AS OF DECEMBER 31, 2021

Name	LEGAL NAME	OWNER/MANAGER	ADDRESS	ADDRESS 2	CITY	STATE	ZIP	STORE PHONE	STORE EMAIL	DIRECT EMAIL
Atlanta	Emily Lauren, LLC	Emily Dantus	1000 Marietta Street NW	Suite 104	Atlanta	GA	30318	4049689294	atlanta@lovelybride.com	
Charleston	Emily Lauren, LLC	Emily Dantus	127 King Street		Charleston	SC	29401	8437649560	charleston@lovelybride.com	emilyd@lovelybride.com
Charlotte	Lovely CLT, LLC	ReAnne Moyer	1233 W Morehead Street		Charlotte	NC	28208	9809388578	charlotte@lovelybride.com	reanne@lovelybride.com
Chicago	Dyann Claude, LLC	Heather Hyman	1657 North Wells Street		Chicago	IL	60614	7732996561	chicago@lovelybride.com	heather@lovelybride.com
Cincinnati	S.O. Collective, LLC	Haley Wojahn	2718 Woodburn Avenue		Cincinnati	OH	45206	5138132700	cincinnati@lovelybride.com	haley@lovelybride.com
Dallas	YNBA, LLC	Tory Sperl	2500 Routh Street		Dallas	TX	75201	9728638812	dallas@lovelybride.com	tory@lovelybride.com
DC - Corp	LDCB, LLC	Danielle Anane	1632 Wisconsin Avenue	Second Floor	Washington D.C	DC	20007	2027350674	dc@lovelybride.com	danielle@lovelybride.com
Denver	Hey Kid, LLC	Carly Rowader	2636 Walnut Street	Suite 100	Denver	CO	80205	7204521192	denver@lovelybride.com	carly@lovelybride.com
Houston	YNBA TROIS, LLC	Tory Sperl	2605 Dunlavy Street		Houston	TX	77006	7134850158	houston@lovelybride.com	tory@lovelybride.com
Los Angeles	One Ring, LLC	Rebekah Charles	87 E. Green Street	Suite 206	Pasadena	CA	91105	16263455828	la@lovelybride.com	rebekah@lovelybride.com
Miami - Corp	LFLB, LLC	Carina Romo	175 NW 25th Street		Miami	FL	33127	3053921149	miami@lovelybride.com	carina@lovelybride.com
New York City - Corp	Lovely Bride, LLC	Erica Chasco Smith	182 Duane Street		New York	NY	10013	2129242050	nyc@lovelybride.com	erica@lovelybride.com
Philly	Ivy's Vine, LLC	Ivy Kaplin	237 Market Street		Philadelphia	PA	19106	2156271800	philly@lovelybride.com	ivy@lovelybride.com
Phoenix	YNBA DEUX, LLC	Tory Sperl	7155 E. Main Street		Scottsdale	AZ	85250	4809470006	phoenix@lovelybride.com	tory@lovelybride.com
Rochester	tie Wadhams Bridal, L	Katie Wadhams	72 West Main Street		Victor	NY	14564	5853988597	rochester@lovelybride.com	katiew@lovelybride.com
San Diego	One Ring, LLC	Rebekah Charles	3830 Ray Street		San Diego	CA	92104	6192305003	sd@lovelybride.com	rebekah@lovelybride.com
San Francisco	Dyann Claude, LLC	Heather Hyman	2266 Union Street		San Francisco	CA	94123	4159627415	sf@lovelybride.com	heather@lovelybride.com
Seattle - Corp	LWAB, LLC	Carly Armstrong-Hann	7315 Greenwood Avenue N		Seattle	WA	98103	2067081360	seattle@lovelybride.com	carlyrose@lovelybride.com
London, UK	Lovely Bride Limited		18 Cleveland Street		London		W1T 4HZ	4.42038E+11	london@lovelybride.com	natasha@lovelybride.com

FORMER FRANCHISEES WHO LEFT THE SYSTEM IN 2021

NONE

EXHIBIT E

FINANCIAL STATEMENTS

EXHIBIT F

STATE ADDENDA TO DISCLOSURE DOCUMENT

ADDENDUM TO LOVELY FRANCHISING LLC
DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF 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 THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. 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 WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

REGARDING ITEM 17 (RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION) REFERRING TO ARTICLE 23 OF THE FRANCHISE AGREEMENT, THE CHOICE OF LAW SHOULD NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON THE FRANCHISEE BY ARTICLE 33 OF THE GENERAL BUSINESS LAW OF THE STATE OF NEW YORK, WHERE APPLICABLE.

THE FRANCHISE AGREEMENT CONTAINS TERMINATION RIGHTS FOR THE FRANCHISOR, AS STATED IN ARTICLE 14; THESE FRANCHISOR RIGHTS CAN POSE A RISK TO YOUR ABILITY TO KEEP YOUR FRANCHISE AND YOU SHOULD FAMILIARIZE YOURSELF WITH THEM.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS.

b. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

1. 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.

2. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

3. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period 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.

4. 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.

c. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts

under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

d. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

e. The following is added to the end of the "Summary" sections of Item 17(c), titled **"Requirements for 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; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

f. The following language replaces the "Summary" section of Item 17(d), titled **"Termination by franchisee"**:

You may terminate the agreement on any grounds available by law.

g. The following is added to the end of the "Summary" section of Item 17(j), titled **"Assignment of contract by franchisor"**:

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

h. 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 upon the franchisee by Article 33 of the General Business Law of the State of New York.

EXHIBIT G

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	
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 H

RECEIPT

Lovely Franchising LLC FDD # - _____

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 Lovely Franchising LLC offers you a franchise, it must provide this disclosure document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

[New York and Rhode Island require 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.]

[Michigan, Oregon and Wisconsin require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

[Washington requires that we give you this disclosure document 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.]

If Lovely 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, D.C. 20580 and the State Agencies listed in Exhibit A.

The franchisor is Lovely Franchising LLC, PO Box 5240, Westport CT 06881. Its telephone number is (855) 568-3592.

Issuance Date: August 3, 2022.

The franchise seller(s) for this offering is/are (check all that apply):

☐ Lanie List, Lovely Franchising LLC, PO Box 5240, Westport CT 06881. Her telephone number is (855) 568-3592.

☐ Other (Specify name, company, address and telephone number): _____

_____

Lovely Franchising LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in that particular state.

I have received a Franchise Disclosure Document with an issuance date of August 3, 2022 and with effective date(s) of state registration as described in the FDD. This Disclosure Document included the following Exhibits:

A. State Administrators and Agents for Service of Process
B. Franchise Agreement
C. Confidential Operating Manual Table of Contents
D. List of Franchisees
E. Financial Statements
F. State Addenda to Disclosure Document
G. State Effective Dates
H. This Receipt

Date: _____
(Do Not Leave Blank)

Disclosee: _____

Printed name: _____

Disclosee: _____

Printed name: _____

TO BE RETURNED TO:

You may return the signed receipt either by signing, dating, and mailing it to Lovely Franchising LLC at PO Box 5240, Westport CT 06881 or by emailing the signed and dated receipt to Lovely Franchising LLC at biz@lovelybride.com.

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☐ Other (Specify name, company, address and telephone number): _____

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