FRANCHISE DISCLOSURE DOCUMENT

BLOOMFULLY, LLC
a Utah limited liability company
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As a Singers Company franchisee, you will operate a non-competitive musical dance performing studio for girls ages 3 to 12.

The total investment necessary to begin operation of a Singers Company franchised business is $4,650 and $31,650. This includes the $2,500 to $26,100 that must be paid to the franchisor.

This disclosure document summarizes certain provisions of your director's 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 governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient to you. To discuss the availability of disclosures in different formats, contact Katie Parker at katie@singerscompany.com and 949-212-4021.

The terms of your contract will govern your franchise relationship. Don't rely on this disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this document to an advisor, like an attorney 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 be laws on franchising in your state. Ask your state agencies about them.

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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 "C."
How much will I need to invest?	Items 5 and 6 list fees that 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 "B" 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 Singers Company business in my area?	Item 12 and the "territory" provisions in the director's agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Singers Company franchisee?	Item 20 or Exhibit "C" 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 director's 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 director's 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 director's agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your director's 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 director's 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 "E."

Your state may also have laws that require special disclosures or amendments be made to your director's 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 director's agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Utah. 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 Utah than in your own state.

2. **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.

TABLE OF CONTENTS

Item No.		Page No.
1.	The Franchisor and any Parents, Predecessors, and Affiliates	7
2.	Business Experience	8
3.	Litigation	9
4.	Bankruptcy	9
5.	Initial Fees	9
6.	Other Fees	11
7.	Estimated Initial Investment	15
8.	Restrictions on Sources of Products and Services	17
9.	Franchisee's Obligations	20
10.	Financing	21
11.	Franchisor's Assistance, Advertising, Computer Systems, and Training	22
12.	Territory	31
13.	Trademarks	32
14.	Patents, Copyrights and Proprietary Information	34
15.	Obligation to Participate in the Actual Operation of the Franchise Business	35
16.	Restrictions on What the Franchisee May Sell	36
17.	Renewal, Termination, Transfer and Dispute Resolution	37
18.	Public Figures	40
19.	Financial Performance Representations	40
20.	Outlets and Franchisee Information	41

Item No. Page No.

21. Financial Statements 44

22. Contracts 45

23. Receipts.....45

Addenda of State Regulations

EXHIBITS

A. Director's Agreement and its Exhibits:
B. Financial Statements
C. Schedule of Franchisees
D. List of Agents for Service of Process
E. List of State Agencies Responsible for Franchise Disclosure and Registration Law
F. Table of Contents for Director's Handbook
G. Deposit Agreement
H. Release Agreement
I. Installment Agreement
J. Signing Checklist

RECEIPTS

FRANCHISE DISCLOSURE DOCUMENT

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

The name of the franchisor is Bloomfully, LLC. In this disclosure document Bloomfully, LLC is referred to as "we" or "us" or "our" or "Singers Company"; "franchisee" "you" or "yours" means the person or persons, individually and collectively, who buys the franchise from us and includes the current and future owners of a franchisee that is a corporation, partnership, or other entity.

Our limited liability company was organized on June 30, 2011 in the state of Utah under the name Singers Company, LLC. We changed the name to Bloomfully, LLC in January of 2022. Our principal place of business is 9012 N. Timphaven Rd., RR3 Box A15, Provo, Utah 84604. Our agents for service of process in various states are disclosed in Exhibit "D."

Franchisor Business Activities

We do not have any other business activities other than franchising the Singers Company system, and we do not do business under any names other than Bloomfully, LLC and Singers Company. Our principal officer operates a business similar to the one you will operate, but we do not operate a business of the type offered to you in this disclosure document. Our principal officer, Katie Parker, has been using the Singers Company concept for approximately 20 years.

As of the date of this disclosure document, we have not offered for sale or sold franchises in any other line of business. In addition, we began offering or selling Singers Company franchises in August 2011. Prior to franchising, our principal officer previously trained an independent operator in the use of the Singers Company concept but did not license the use of the Singers Company name and trademark.

Parents, Predecessors and Affiliates

Our parent, Surf&Sing, Inc., was incorporated on August 1, 2013 in the state of California. Its principal business address is 1705 N. El Camino Real, San Clemente, California 92672. Surf&Sing, Inc. does not offer, nor has it sold franchises in this or any other line of business. We have no other affiliates, parents or predecessors required to be disclosed in this item.

Franchise Offered

We license and train others to operate Singers Company businesses. As a Singers Company business, you will operate a non-competitive musical dance performing studio for girls ages 3 to 12. The grant of a franchise authorizes you to engage in our complete system under the name Singers Company and other proprietary marks. Our system includes, among other things, a confidential director's handbook and other confidential business information, show scripts, specific music and dance, props, teaching methods, standards, merchandising, marketing, sale of products and services, specifications, and procedures as we may develop.

You (and your director if you will not be the director) will be required to pass a background check before you can purchase a Singers Company franchise. As a Singers Company franchisee, you will have the opportunity to use the Singers Company system for regular practices only at a specific location. Dress

rehearsals and performances may be at different locations, but you cannot hold a dress rehearsal or performance in another franchisee's territory without our prior written approval.

You will be required to purchase specific materials, supplies and equipment and to strictly follow our standards, methods, policies and procedures in the operation of your franchised business, that are described in more detail in our director's agreement, attached as Exhibit "A" to this disclosure document.

We also offer an alternative concept, which is not part of this offering, where we contract with you as an independent contractor to act as the director for a Singers Company location owned by us (or an affiliate) in your area. You would be required to sign an independent contractor agreement instead of a director's agreement. Under that agreement, we do not charge you any upfront fees, and we cover the costs of marketing and advertising. We also reimburse you for preapproved expenditures. You would earn a commission of 40% of the total revenues less our business expenditures in connection with us performing our obligations under the independent contractor agreement. We currently have 8 independent contractors.

General Description of Market and Competition

The general market for musical dance performing groups is well developed and competitive. You will typically compete with other established musical dance and theater production businesses and other after school programs. There are many of these competitors from large national chains to small independent operators. You may also encounter competition from other Singers Company franchises operated by us or other franchisees outside of your territory. Your primary customers will be your students, girls ages to 3 to 12, and their parents or guardians. The focus of our classes and curriculum is geared towards young girls; however, in certain circumstances where there is enough demand in a director's territory, we may allow a director to permit boy participation in the spring semester.

Laws and Regulations

You may be required to obtain a business license in your state. You are required to follow all laws and regulations that apply to business generally, including the American Disabilities Act. However, there are no specific laws or regulations that govern this industry.

ITEM 2
BUSINESS EXPERIENCE

Katie M. Parker, President and CEO

Katie Parker is our founder and has been the CEO of Bloomfully, LLC since our inception in June 2011. She developed the Singers Company concept and has directed children's performing groups for approximately 20 years in Ladera Ranch, California.

Matthew Parker, Chief Marketing Officer

Matthew Parker is the Chief Marketing Officer for Bloomfully, LLC and has been since our inception in June 2011. Mr. Parker has also been the principal and Creative Director of Album Creative Studios, Inc. located in San Clemente, California since 2003.

Becky Fife, Officer

Becky Fife has been an officer for Bloomfully, LLC since the end of 2013, but she has been involved with Singers Company since our inception in June 2011. Since March of 2022, Becky has been an officer with

Bloomfully Group, LLC that provides motivation programs for teenage girls and women. Since January 2009, Becky has also been the Director of Marketing for David C. Fife D.D.S. in Las Vegas, Nevada. Becky has taught dance and music for many years and is currently a Singers Company franchisee in Las Vegas, Nevada and a certified yoga instructor and fitness trainer.

Carrie Damitz, Officer

Carrie has been an officer for Bloomfully, LLC since the beginning of 2015. Carrie has been involved with Singers Company since 2011 and currently owns 2 franchises in California (Huntington Beach and Carlsbad). Since September 2014, Carrie has been an Italian teacher at the Oxford Preparatory Academy in Oceanside, California.

Isabel Malherbe, Mentor Program Director

Isabel has been the Mentor Program Director for Singers Company since 2016. She provides support for all new directors with marketing strategies, initial training, and performance training. Isabel also owns a Singers Company franchise in Spanish Fork, Utah that she has successfully directed since 2011.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

No bankruptcies are required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

On the signing of the director's agreement, all franchisees pay an initial franchise fee based on the number of groups purchased and the amount of royalties chosen, as follows:

Groups[1]	Standard franchise fee	No franchise fee option
1st Group (up to 20 girls)	$12,000	$0
2nd Group (up to 40 girls)	$8,500	$0
3rd Group (up to 60 girls)	$6,000	$0
4th Group +	$0	$0
Royalty	10% of gross sales	50% of gross sales
Minimum Royalty	$77/mo.	$320/mo.

[1] Groups have 16 to 20 girls. There is no upfront fee for a 4th, 5th or 6th group, etc., if the groups are for an approved studio within your territory.

The initial franchise fee is due at the time of signing the director's agreement. In certain circumstances, we will allow you to pay the initial franchise fee in installments.

Additional Franchise Purchases

We offer a 20% discount on the initial fee for additional groups if purchased at the time of signing the director's agreement. For example, if you were to purchase a standard franchise with 3 groups, you would pay $12,000 for your 1st group (standard fee, no discount), $6,800 for your 2nd group, and $4,800 for your 3rd group. You also have the option to purchase additional groups as your groups grow, but no discount will apply. Groups consist of 16 to 20 students, and once a group exceeds 20 students, a second group must be started, but we will give you the option to pay for the additional group over a 1-year period from the time of starting your additional group.

Initial fees are only due for the first 3 groups at your studio. However, if you want to open a new studio inside your territory to accommodate the new groups, you need to get our prior written approval to do so. If you want to open a studio outside your territory, you need to purchase an additional franchise for a new territory.

Deposit Agreement

In addition, you may sign a deposit agreement (Exhibit "G") to reserve your franchise for up to 30 days. The non-refundable deposit fee is $1,000 and is applied to the initial franchise fee if you purchase a franchise. This option is available only after you have had this disclosure document for at least 14 calendar days or 10 business days as applicable.

Required Purchases from the Franchisor or an Affiliate

In addition, all franchisees initially purchase a startup director's packet at a cost of $2,500 that must be purchased at least 3 weeks prior to your first class. The startup director's packet includes a PA system, microphone, cords and other electronic accessories, electronic marketing files, miscellaneous class equipment, a tablet computer, director's shirt, sign, and the creation of your webpage and other onboarding matters.

Initial Training

The cost of the training is included in the initial franchise fee for the first attendee, and the cost is $500 for an additional person to be trained. This fee is non-refundable and paid to prior training. You are responsible to pay any costs associated with training for your attendees during training, directly to the supplier.

Uniformity and Refunds

Other than the discounts listed above, these costs and fees are uniform and are non-refundable for all franchisees as described above. However, in 2022, we sold franchises at the price for groups that we offered at in 2021.

ITEM 6
OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Successor Franchise Fee[1]	$1,000 per group	Prior to your entering into a successor director's agreement	A successor director's agreement is available to you only if you meet each of the requirements described in the director's agreement at the time of your timely election to enter into a successor agreement.
Royalty[1]	Depending on the initial fee and royalty program chosen, your royalty will be 10% or 50% of gross sales per month or a minimum royalty due of $77 to $320 per group, per month, whichever is greater.	Payable monthly to be received by 5pm PST on the 15th day of the month	Gross sales include all revenue from the franchise business but do not include sales tax.
Late Charges[1]	$50 per day	Payable with royalty or on demand	Charges begin to accrue after the due date of any required payment or report (up to $500 per late fee).
Interest on Late Fees and Reports[1]	18% interest or maximum rate permitted by state law	Payable with royalty or on demand	Interest begins to accrue on the total amount (fee plus any later charge) after the due date of any required payment or report.
Non-Sufficient Funds Fees[1]	$50 per bounced check or insufficient or disputed draft	Payable with royalty or on demand	Or maximum allowed by state law (see state specific addendum).
Sales or Use Tax[1]	Sum equal to tax imposed	Upon demand	If a sales, use, or value added tax is assessed on fees you pay to us, you must also pay us the applicable tax when invoiced.
Costume Fees[1,4]	50% of the uncollected costume costs	As incurred	

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Costume Shipping Costs[1,4]	The cost of shipping, currently estimated at $40 to $50 per show	As incurred	You will be charged the cost of shipping the costumes purchased for your groups. This amount may increase at any time. In the past, we have assisted in shipping costs for franchisees located in Hawaii and Alaska.
Marketing Fee[1,3]	2% of gross sales, if implemented	Payable monthly to be received by 5pm PST on the 15th day of the month	
Advertising Cooperative[3]	1% of gross sales payable to the co-op, if established by us	Payable in accordance with the advertising cooperative's governing documents	If we form a local advertising co-op in your area, any advertising expenditures you make through the co-op are credited towards fulfilling your local advertising obligation.
System non-compliance fines and charges[1, 6]	Amounts to be specified in our director's handbook, currently ranging between $250 and $5,000	As incurred	See Note 6.
Technology-Related Fees[1]	$20 to $40/mo., if implemented	Upon billing	Payable in connection to our maintenance of your webpage and emails. This fee is for use of our designated technology suite and will be updated periodically in our manuals to account for increased costs and new technologies, if applicable.
Consumer Complaint Resolution Fee[1,2]	$250 per incident, plus the cost to resolve issue	As incurred	
Operational Assistance or Training at Your Franchise Business Premises [1]	$500 per day	As incurred	We provide additional training at your studio for $500 per day, per representative. You must also pay our travel, lodging, food and other expenses during training.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Insurance Reimbursement Fee[1]	Varies	Upon demand	You are required to hold and maintain your own insurance, but in the event you fail to do so, we have the right to obtain insurance on your behalf, and you are required to reimburse us the premium payments.
Conference or Seminar Fee[1]	Currently, $0	At time of registering for the conference or seminar	You will be required to pay all travel, lodging, food, and other expenses for each of your attendees. We have the right to charge an attendance fee in the future.
Audit Charge[1]	Cost of audit	On billing	Payable only if an audit shows an understatement of 2% or more of gross sales for the time period audited, or records are unorganized or unavailable
Interim Management Fee[1,2]	$500 per class day, per representative	Time of service	Payable if we elect to operate your business during your unapproved closing, unapproved absence, incapacity, death, or after you have been given a notice of default and failed to cure. You must also pay all travel, lodging, food, and other expenses for our representative(s) and other expenses that may be incurred by us to perform such services, plus royalties, advertising fees, and other applicable fees. The interim management period will not last more than 6 months unless otherwise agreed between us.
Dormancy Fee	$200 per year	Upon billing	Payable if we approve your franchise to be dormant for a period of time.
Supplier Evaluation Fee[1]	$500, plus reasonable expenses	The set fee is due before we evaluate potential suppliers.	Payable if you want to have unapproved suppliers evaluated for our approval.
Fees on Defaul[1,2]	Our costs associated with your default	On demand, as incurred	Paid in addition to other payments to us

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Post-Termination Fees[1,2]	Varies	As incurred	You will be responsible to pay us any post-termination expenses, including without limitation, attorney's fees and costs to enforce your post-term obligations.
Director's Agreement Transfer Fee[1,5]	$2,500	At time of approved transfer	Payable when you sell your franchise and prior to our signing any approval or new agreement. All guarantors will remain guarantors unless otherwise released by us.
Transfer Training Fee[1,5]	$500 per person to attend the initial training	At time of approved transfer	The transferee will be required to pay this initial training fee to have us train the transferee.
Indemnification[1,2]	Varies	As incurred or on demand	See Note 2 below.
Dispute Resolution Fees[1]	Varies	As incurred or on demand	You are required to pay half of the mediation and/or arbitration fees. Additionally, the prevailing party will be entitled to reimbursement of its legal fees and expenses.

NOTES

[1] Royalty and Fees. Except as shown in the remarks column, all fees are uniformly imposed and payable to us. All fees payable to us or an affiliate are non-refundable. You should verify with third-party payees whether such payments, deposits or fees are refundable or not.

We have the right to require you to establish a bank sweep, draft or other similar type of electronic funds transfer ("EFT") account in which you must deposit the gross sales of your studio (not including local sales and use taxes), which account we may automatically access for any payment due to us. You must pay all service charges and fees charged to you by your bank so that we may electronically debit your bank account. You cannot close or terminate any EFT account without receiving our prior written consent. You must collect monthly student tuition payments by the 10th of each month. Payment is due to us 5 days later on the 15th of each month in accordance with our EFT program. We also have the right to direct the merchant provider to withhold all payments due to us from your account/transactions.

In special circumstances where a franchisee has put forth substantial effort but is unable to achieve more than 15 students in their group, we have provided a 1-year, royalty-free grace period in order to build the franchisee's business. Most franchisees are able to get at least 16 students and start paying normal royalties after the 1-year grace period, but one franchisee was not able to achieve the minimum group enrollment, and her franchise was terminated in 2014.

[2] Indemnification. You must defend, indemnify, and hold us harmless from any and against any and all losses, liabilities, damages, costs and expenses, including reasonable attorney's fees arising out of or related

to, or in any way connected with you or your acts, errors or omissions in the operation of your franchise business or your franchise business generally, and including any allegation that you are our employee, or that we are a joint employer or otherwise responsible for the acts or omissions relating to your employees, and other laws regarding public accommodations for persons with disabilities. You are not required to indemnify us for liability caused by our willful misconduct or gross negligence.

[3] Marketing Fees. The marketing fee may be used by us for one or more national or regional marketing and brand development programs, as we choose. In addition, if implemented, you must spend at least 1% of gross sales to advertise your business locally. We may increase the required local marketing amount upon 60 days' prior written notice to you. However, the increase will not be more than 2% of gross sales. You must submit an itemized report to us documenting proof of expenditures for local marketing in a form we may require. These fees are uniformly imposed.

[4] Costume Fees. We can require that you cover up to 50% of the costume costs for your students who do not fully pay for their costumes. These amounts are due within 30 days of receiving an invoice from us. You must also pay the cost of shipping the costumes for your groups.

[5] Transfer Fee. This fee is payable when you sell your franchise and prior to our signing any approval or new agreement. You only need to reimburse our legal fees if you transfer less than 40% and your current owners maintain control. If you move and would like to open a franchise in your new city, if available, we may waive the transfer fee and allow you to assign your old franchise to us in exchange for us waiving the initial fees for your new franchise. However, all guarantors will remain guarantors unless otherwise released by us.

[6] System Non-Compliance. We may issue you a fine for certain violations of the franchise agreement and/or manuals. The amount of the fine will be set forth in the manuals and are paid to us to reimburse us for our administrative and management costs for us to address the violation. If you do not correct the violation within the time required by us, we can put you in default. All fines are to be paid in accordance with our electronic funds transfer or automatic withdraw program.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial franchise fee[1]	$0 - $23,600	Lump sum	Upon singing the franchise agreement	Us
Initial training travel, lodging, food and other expenses while training[2]	$0 - $1,500	As incurred	Prior to and during training	Us, suppliers and your employees
Real estate and improvements[3]	$100 - $500	As incurred	As negotiated	Suppliers
Rent[3]	$0 - $300	As incurred	As negotiated	Landlord

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Equipment, furniture, fixtures, décor and supplies[4]	$2,550	As incurred or leased	Before opening if paid to us or an affiliate or as negotiated	Us and suppliers
Misc. opening costs[5]	$1,500 - $2,000	As incurred	As incurred	Suppliers, government departments, utilities, etc.
Opening inventory[6]	$300 - $500	Lump sum	As negotiated	Us and suppliers
Advertising (3 months)[7]	$100 - $400	As incurred	As negotiated	Suppliers
Additional funds (3 months)[8]	$100 - $300	As incurred	As incurred	Hired suppliers, accountants, employees, etc.
TOTAL[9]	$4,650 - $31,650			

NOTES

[1] Initial Franchise Fee. The initial franchise fee is $0 to $23,600 depending on the number of student groups authorized under your director's agreement and the type of initial fee and royalty structure chosen. The initial franchise fee is paid at the time you sign the director's agreement. It is not refundable. In certain circumstances, we may allow you to pay the initial franchise fee in installments.

[2] Training. Training is provided online. We do not anticipate that it will cost you anything to attend the online training, but you may incur fees on your end to have the proper equipment. You are responsible to pay any costs associated with training for your attendees during training, directly to the supplier. You may choose to have one additional person attend your training. The cost is $500 for the additional trainee. This fee is non-refundable and paid prior to training. This additional trainee must sign a non-disclosure and non-competition agreement prior to training.

[3] Real Estate Improvements and Rent. You must have a suitable location for your studio. The studio must meet our specifications and be approved by us. Most of our franchisees currently operate out of their home, a church, or a community center. A few of our franchisees rent commercial dance studios for a few hours a week. The estimated cost of rent to lease commercial space is approximately $25 per hour or $100 per month, per class. You might have to arrange a studio in a local community center if your home cannot accommodate the studio. The studio may need some basic improvements in order to meet our specifications. This may include painting the walls, re-surfacing the garage floor, or having a rug for the garage floor. Your space will vary depending on your needs, but we estimate you will need between 250 and 400 square feet. You must find a studio location prior to beginning classes. We do not provide standard plans for construction and improvements.

[4] Equipment and Supplies. This estimate includes the cost of high-speed Internet and the startup director's packet required to open and operate your franchise. The startup director's packet includes microphone, cords and other electronic accessories, electronic marketing files, miscellaneous class equipment, a tablet computer, director's shirt, sign, and the creation of your webpage and other onboarding matters. This

estimate also includes small supplies and treats. If you do not already have high-speed Internet access, you must have it installed at your studio or pay for wireless service to your tablet computer. This may increase your costs. For any items purchased from us, we require immediate payment, and no payments are refundable. We will have independent access to any information or reports generated by your franchise.

[5] Miscellaneous Opening Costs. These miscellaneous costs include legal fees, business entity organization expenses, employee training, deposits, insurance and licenses. The cost of insurance may vary depending on the insurer, the location of your franchise business, and your claims history. We strongly recommend that you hire a lawyer, accountant or other professional to advise you on this franchise offering. Rates for professionals can vary significantly based on locale, area of expertise and experience.

[6] Opening Inventory. Opening inventory items may include license fees for music used in the end of semester programs and props designated by us.

[7] Advertising. This estimates the cost of advertising for the first 3 months of operations.

[8] Additional Funds. At all times, you must have adequate working capital sufficient to keep your business in operation for at least 3 months. Employee compensation is between you and your employee and may vary widely. You will also need to account for merchant processing fees for credit card transactions, usually 2.5% to 3% of the transaction amount. We relied on the experience of our principals and franchisees to compile these estimates.

[9] Total. These figures are estimates for a Singers Company™ franchise studio with up to 3 groups, and we cannot guarantee that you will not have additional expenses starting your franchise business. You should review these figures in this Item 7 carefully with a business advisor before making any decision to purchase the franchise. All purchase agreements or leases must be negotiated with suppliers. For any items purchased from us or an affiliate, we require immediate payment. All fees payable to us or an affiliate are non-refundable. You should verify with third-party payees whether such payments, deposits or fees are refundable or not. All fees and payments payable to us or an affiliate are non-refundable. Your lease security deposit and utility deposits will usually be refundable unless you owe money to the landlord or utility provider. You should verify with third-party payees whether such payments, deposits, or fees are refundable or not.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Approved Suppliers and Proprietary Products

You must operate your franchise business according to our system, including purchasing or leasing certain items or services according to our specifications or from approved suppliers. You must not deviate from these methods, standards and specifications without our prior written consent.

You must purchase or lease the following products and services from us, or other sources designated or approved by us, or according to our specifications as set forth in the manuals:

Item or Service	Is the franchisor or an affiliate an approved supplier of this item?	Is the franchisor or an affiliate the only approved supplier of this item?
Equipment	Yes	Yes
Music and Props	Yes	No
Startup Director's Packet	Yes	Yes

Costumes, Outfits and T-Shirts	Yes	Yes
Credit Card Processing	No	No
Special Marketing Materials	Yes	Yes
Insurance	No	No

You will be required to purchase/license new songs for every show. The shows occur 2 to 3 times per year. We estimate this cost to be between $200 and $300 per show. Additionally, your students must purchase their costumes for each show, t-shirts, and other Singers Company specific items from us. We reserve the right to require that all items used in the operation of your business be purchased from sources approved by us.

Insurance

You must at all times during the entire term of the director's agreement and at your own expense keep in full force, by advance payment(s), the following minimum insurance policies, obtained from a company rated "A-" or better by A.M. Best & Company, Inc., which minimums may be adjusted from time to time in our sole discretion:

Type of Insurance	**Minimum Required Amount(s)**
Commercial general liability insurance	$1,000,000 per occurrence and $2,000,000 in the aggregate, whichever is greater
Government required insurances	You must maintain and keep in force all worker's compensation and employment insurance on your employees that is required under all federal and state laws.

These policies (excluding worker's compensation) will insure you, us and our officers, directors and nominees as additional insureds against any liability that may accrue by reason of your ownership, maintenance or operation of the franchise business. These policies will stipulate that we will receive a 30-day written notice prior to cancellation, or termination, and we must receive a 30-day notice of any modification. Original or duplicate copies of all insurance policies, certificates of insurance, or other proof of insurance acceptable to us must be furnished to us together with proof of payment prior to you beginning operations. Our insurance coverage requirements are only minimums. You may choose to secure higher coverage amounts. You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate.

If you fail to obtain or maintain insurance, we may obtain insurance for you, and you will pay us the premium. We may periodically modify or adjust the amounts of coverage required and/or require different or additional coverage. We recommend you consult with your insurance agent prior to signing the franchise agreement.

Approved Suppliers

We may enter into contracts with suppliers for items or services purchased by our franchisees. Pursuant to these contracts, you will be required to purchase items or services from approved suppliers.

We will provide you with a list of all approved products, materials and suppliers. We consider our specifications to be of critical importance to the success of the system. As to these matters, you must deal only with suppliers approved by us. You must receive our prior written approval to deviate in any manner from our specifications.

None of our officers have an ownership interest in any of our suppliers.

Proportion of Required Purchases and Leases

We estimate that the proportion of required purchases or leases will represent approximately 90% to 100% of your overall purchases in opening your franchise business and 90% to 100% of your overall purchases in operating your franchise business.

Revenue to Us and Our Affiliates from Required Purchases

We derive income from the sale of goods or services sold or provided by us to you. We also receive compensation when our franchisees purchase certain goods and services from designated sources. In the year ending December 31, 2022, our revenues from the sale of these products and services purchased by our franchisees from required sources was approximately $5,000 or 1.2% of our total revenues of $407,754.

Non-Approved Suppliers

Except for certain trademark and private label items and designated source items described above, if you desire to use a particular supplier and if that supplier meets the specifications and requirements of our system, at our discretion, we may approve that supplier to become an approved supplier.

You may establish suppliers on the approved list by making an appropriate application to us. The following general criteria is used in considering whether a supplier will be designated as an approved source: the ability of the supplier to make the product to our standards and specifications; a willingness by the supplier to cooperate and work with you and other franchisees; the supplier's production and delivery capabilities; price and quality; reputation of the supplier; quality assurance systems; the financial condition of the supplier; the ability and willingness of the supplier to train you and us on the effective and safe use of the product and the suppliers' professional competence and performance abilities. We will use our best judgment in setting and modifying specifications to maintain quality and integrity of the franchise system. You will bear all reasonable expenses incurred by us in connection with determining whether we will approve an item, service or supplier.

If you desire to purchase any of the items listed in this Item 8 from an unapproved supplier, you will submit to us a written request for this approval or request the supplier itself to do so. We may require you to submit sufficient information and data to permit us to ascertain whether a supplier meets our specifications. Before beginning our evaluation, you will be required to pay the supplier evaluation fee of $500. The evaluation fee and other costs are not refundable regardless of whether or not we approve of a supplier. We will notify you in writing within 30 days' of completing our evaluation as to whether the supplier has been approved or disapproved. We may make changes or alterations in the standards and specifications for approving suppliers that may result in the revocation of an approved supplier. At our discretion, we may revoke our approval from an approved supplier upon 30 days' written notice to you.

Standards and Specifications

We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our manuals and/or issuing new written directives (which may be communicated to you by any method we choose).

Other than as stated above, there is no obligation for you, under the terms of the director's agreement, to purchase or lease any goods or services regarding the establishment or operation of the franchise business from approved sources.

Negotiated Arrangements

We have negotiated purchase arrangements with certain suppliers, including price, terms for the benefit of franchisees for such things as credit card processing and props, and we have negotiated purchase arrangements for the costumes purchased by the students.

Benefits Provided to You for Purchases

We do not provide material benefits to franchisees based on the franchisee's purchase of particular products or services or use of particular suppliers (e.g., grant renewals or additional franchises based on your purchases). We currently do not have any affiliates that sell or lease products or services to you. At this time, there are no purchasing or distribution cooperatives.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise 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	Section in Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	Section 4.1 and 4.2	Item 11
b.	Pre-opening purchases/leases	Section 5.1 and paragraphs 6.1.7, 6.1.10 and section 8.1	Item 8
c.	Site development and other pre-opening requirements	Sections 4.1 and 4.2	Items 7 and 11
d.	Initial and ongoing training	Paragraphs 6.1.3 and sections 7.2 and 7.3	Item 11
e.	Opening	Section 4.2	Item 11
f.	Fees	Article V	Items 5, 6 and 7
g.	Compliance with standards and policies/operating manual	Sections 6.1 and 6.2	Items 8 and 11
h.	Trademarks and proprietary information	Article III	Items 13 and 14
i.	Restrictions on products/services offered	Sections 8.1 – 8.3	Item 8
j.	Warranty and customer service requirements	Paragraph 6.1.2 and section 8.4	Item 11
k.	Territorial development and sales quotas	Section 1.1	Item 12

	Obligation	Section in Agreement	Disclosure Document Item
l.	Ongoing product/service purchases	Article VIII	Item 8
m.	Maintenance, appearance and remodeling requirements	Paragraph 6.2.1	Item 11
n.	Insurance	Paragraph 6.1.7	Item 8
o.	Advertising	Article X	Items 6, 7 and 11
p.	Indemnification	Section 15.2	Item 6
q.	Owner's participation/ management/staffing	Paragraphs 6.1.4 and 6.2.2	Items 11 and 15
r.	Records and reports	Article V	
s.	Inspections and audits	Paragraph 6.2.1(ii)	Items 6 and 11
t.	Transfer	Article XIV	Item 17
u.	Renewal	Section 2.2	Item 17
v.	Post-termination obligations	Articles XII and XVI	Item 17
w.	Non-competition covenants	Article XVI	Items 14, 15 and 17
x.	Dispute resolution	Article XVII	Item 17
y.	Compliance with government regulations	Paragraph 6.1.1	Item 12
z.	Guarantee of franchisee obligations	Section 6.3	Item 15

ITEM 10
FINANCING

In special circumstances where a potential franchisee cannot qualify for a loan, at our sole discretion, we may allow the initial fee or the purchase of a subsequent group to be paid in installments. The total initial franchise fee is to be paid as follows: the initial fee for the first group within 12 months of signing the director's agreement; the initial fee for the second group within 2 years of signing the director's agreement; and the initial fee for the third group within 3 years of signing the director's agreement. All payments for each year must be paid in 12 equal monthly installments (per year), but you may pay the balance early, and there are no prepayment penalties. The first monthly installment payment is due at signing of the director's agreement or first month of operating a new group, as applicable. All remaining payments are due by the 15th of each month in accordance with the Installment Agreement attached as Exhibit "I" to this disclosure document, which includes a promissory note with a personal guaranty and a security agreement securing the assets of your business. We have the right to require you to establish a bank sweep, draft or other similar type of electronic funds transfer account in which you must deposit the required monthly payment, which account we may automatically access for any payment due to us. No interest will be charged unless you are late on a payment. If you are late in paying your fees, a $50 per day late fee (up to $500 per late fee) and a

monthly interest late charge equal to the maximum rate permitted under the state law or 1.5% per month (whichever is less) shall be payable on the payment due, calculated from the due date until paid in full. If you have not paid the initial fee, plus any fees or interest charges, at the end of the applicable 12-month pay period, or if you are late on 3 or more payments, we may accelerate the remaining balance due, plus a monthly interest late charge equal to the maximum rate permitted under the state law or 1.5% per month (whichever is less), and if you fail to pay the balance in full, we may terminate your franchise. You will also be responsible to pay our court costs and attorney's fees incurred in collecting the amount owing.

If we allow you to pay the initial fee in installments as set forth above, and you are in a market that only allows you to charge $40 tuition per student per month, in our discretion, we can waive your royalty payments for the first year or until you have paid the initial fee in full, whichever comes first. The Temporary Royalty Waiver is attached as Exhibit "I-3" to the Installment Agreement.

Any individual who owns a 5% or greater interest in your franchise business must personally guarantee the performance of all your obligations under the Installment Agreement with its attached documents and agree to be personally bound by, and liable for, the breach of every provision of the Installment Agreement and its attached documents.

The Installment Agreement with its attached documents requires you and any guarantor to waive presentment, demand, protest and extension of time with or without notice (to the maximum extent permitted by applicable law) of any kind in connection with the promissory note, or the security agreement, and any statute of limitation and marshalling of assets with regards to the promissory note.

Other than allowing for monthly installment payments, neither we nor any agent or affiliate offers direct or indirect financing to you, receives any compensation for placing you with a lender, 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, Bloomfully, LLC is not required to provide you with any assistance.

Pre-Opening Assistance

Before you open your franchise business, we will:

1) Designate your territory [director's agreement section 1.1].

2) Approve your studio location. However, we do not assist in locating an appropriate studio—that is your responsibility. Other than providing you with the general specifications, we do not assist you with the construction, remodeling or decorating of your studio [director's agreement section 4.1].

3) Make available general written specifications for those items listed in Item 8. For purchase, delivery, and installation, you are required to work directly with the manufacturer or supplier of these items. We do not offer assistance in delivery or installation of any of these items [director's agreement section 7.1].

4) Provide you with the names of approved suppliers [director's agreement section 7.1].

5) Provide you with a startup director's packet at a cost of $2,500 [director's agreement section 5.1].

6) Loan you a copy or provide electronic access to our confidential director's handbook containing mandatory policies, operating procedures and other information. The director's handbook is confidential, will remain our property, and may only be used by you only in association with the Singers Company franchise and only during the term of the director's agreement. You must keep the contents of all manuals confidential. The master copy of the manuals maintained by us will be controlling in the event of a dispute relative to the contents of the manuals. You may not copy any part of the director's handbook, either physically or electronically. The table of contents of the director's handbook is included as Exhibit "F" to this disclosure document. Our director's handbook is electronic, but it is equivalent to approximately 42 pages of a printed director's handbook [director's agreement section 9.1].

7) We provide an initial training program for your operating principal and director, described at the end of this Item 11 [director's agreement paragraph 7.3].

Studio Site Approval and Commencing Operations

You will have 45 days from signing your director's agreement to have a studio selected and approved for your franchise business. You select your franchise business studio site within your territory, but we must approve the site. The studio can be in your home or other location. Our approval is based upon the following general criteria: access, square feet, safety, general appearance, elementary schools in the area, the number of competing businesses in the territory, and general vicinity. We do not prepare demographic studies or otherwise evaluate the potential success of your proposed site, nor do we provide you with a site checklist or other similar information. Site approval or disapproval should be completed by us, and notice provided to you in writing within 30 days after you have submitted a prospective location to us. You must submit digital photos of all angles of the room and from where the instructor will be located and from the location of the students in the studio [director's agreement sections 4.1 and 4.2].

Improvement and approval of your studio must be completed at least 2 weeks prior to beginning classes. Operation of your franchise business must begin within 60 days from the date of signing your director's agreement. You must give us at least 2 weeks written notice before opening your franchise business [director's agreement sections 4.1 and 4.2].

Failure to have an approved location for your studio or to begin operations by the above listed times will result in termination of your franchise agreement, and you will not receive a refund for any fees or expenses. However, you may be granted a 3-month extension at our discretion if you demonstrate a good faith effort in finding an approved studio and completing the required improvements [director's agreement paragraph 4.2.2].

Estimated Length of Time Before Operation

It is estimated that the length of time between the signing of the director's agreement with the accompanying payment of the initial franchise fee and the opening of your franchise business is 2 weeks to 2 months (in some cases it may take longer to open your studio, but you will still be actively promoting your studio and recruiting students from the time you sign the director's agreement until your studio is opened). Factors affecting this length of time usually include finding enough girls to form a group, obtaining and setting up your studio to conform to any safety or local ordinance compliance, financing arranging, and the ordering of products and supplies.

Assistance During Operation

During the operation of your franchise business, we will:

1) Provide you with updates to the director's handbook, which updates may be in the form of emails, newsletters, announcements, technical bulletins, or other written directives through means determined by us. We have the right to modify the director's handbook to reflect changes in the system including the development of or change in products and services [director's agreement section 9.1]. The modifications may obligate you to invest additional capital in your franchise business and to incur higher operating costs. You must incorporate all such modifications within the time periods that we specify. Other than modifications due to health or government mandates or guidelines, or public concerns, we will not obligate you to invest additional capital at a time when the investment cannot, in our reasonable judgment, be amortized during the remaining term of the director's agreement [director's agreement paragraph 6.2.1(i)]. We will keep the director's handbook current, which may be provided to you online or in electronic format.

2) At your reasonable request or at our discretion, provide assistance either remotely or in person. If you need in-person training, you will be charged our standard rate in effect at the time. We currently charge a fee of $500 per day, per representative, payable in advance, or as otherwise agreed for training at your studio. You must also pay the cost of travel, lodging, food and meals and other expenses of your attendees or our representatives [director's agreement section 7.2].

3) Provide you with show programs and specify required products and music for the shows [director's agreement section 7.5].

4) Maintain our website for the Singers System brand that will include your business information and telephone number for your studio and an online ordering payment system. We may charge a maintenance fee for this service in the future [director's agreement section 7.4].

During the operation of your franchise business, we may:

5) Hold conferences to discuss improvements, new developments, mutual concerns and business issues. At this time, attendance is not mandatory, but this policy may change at some time in the future. Currently, there is no conference fee, but you must pay all your travel, lodging, food and other expenses. We reserve the right to charge a conference fee in the future. These conferences will be held at various locations chosen by us [director's agreement paragraph 6.1.12].

6) Ask for digital photographs or video or make periodic inspections of your franchise business for compliance, consultation, assistance, and guidance in all aspects of the operation and management of the franchise business. Additional guidance, at our sole discretion, will be furnished in the form of our confidential director's handbook, bulletins or other written materials, telephone consultations, email and/or consultations online or at your franchise business in combination with an inspection of your franchise business. We have the right to communicate directly with your director concerning all matters of an operational nature [director's agreement paragraphs 6.1.11 and section 7.2].

7) Conduct additional seminars, which may be done through online webinars, videos, live video conferencing or other electronic media, phone conference or in person, to discuss improvements, new developments, mutual concerns and business issues, sales, personnel training, performance standards and advertising programs. We do not train you on accounting or bookkeeping [director's agreement paragraph 6.1.12].

8) Provide you with such continuing assistance in the operation of the franchise business, as we deem advisable [director's agreement section 7.2].

9) To the degree permitted by law, suggest prices and specify maximum and minimum pricing above and below which you will not provide any goods or services. You must honor all coupon, price reductions and other programs established by us [director's agreement section 6.1.8].

10) Provide you with an email address which must be used in all correspondence and communications involving your franchise business. You are not allowed to use a non-approved email for business purposes involving the franchise business [director's agreement paragraph 6.2.1(iii)].

11) Refine and develop products or services that you will offer to your customers [franchise agreement paragraph 6.2.1(i)].

Employment Matters

Other than providing training to your director, we do not assist you in the hiring or training of employees. You are solely responsible for the hiring of all employees, along with the management, supervision and oversight of your employees, and for the terms and conditions of their employment and compensation [director's agreement paragraph 6.1.6].

Advertising and Promotion

We may provide you with samples of marketing materials developed by us and provide new marketing techniques as developed [director's agreement section 10.3].

You may develop advertising, marketing and promotional materials for your use, at your cost, but all advertising, marketing and promotional material developed or used by you must have our prior written approval. Any advertising you create becomes our property and will be considered a "work-made-for-hire" that can be used by us and other franchisees without compensation to you. If you do not receive written approval or disapproval within 14 days of the date we received your submission of advertising materials, the materials submitted are deemed disapproved. We can revoke our approval of any marketing materials at any time in our sole discretion [director's agreement sections 3.11 and 10.4 - 10.5].

Advertising Fund

Although, under the terms of the director's agreement we are not obligated to conduct advertising for the franchise system, or to spend any amount on advertising in your territory, we may institute and administer a national advertising, marketing and development fund (referred to as the "marketing fund") for local, regional or national marketing or public relations program as we, in our sole discretion, may deem necessary or appropriate to advertise and promote the franchise system. We may utilize the marketing fund to develop and test various media and technologies for potential utilization and/or improvement of the system and marketing of the system [director's agreement section 10.1].

If implemented, you must contribute to the marketing fund. We will direct all uses of the marketing fund, with sole discretion over: (1) the creative concepts, materials, endorsements and media used regarding these programs (which may include television, Internet, radio, print, apps, social media, and other media and advertising formats as developed over time, as funds permit); (2) the source of the advertising or public relation efforts (which may be in-house or through an outside agency located locally, regionally or nationally); (3) the placement and allocation of these programs (which will be local or regional); and (4)

the composition of all geographic territories and market areas for the development and implementation of these programs [director's agreement section 10.1].

We may make the marketing materials available to you for your use locally, but we do not provide for placement of local advertising. If implemented, we reserve the right to use fees from the marketing fund to place advertising in national or regional media (including broadcast, print or other media). Marketing funds are used to promote services provided by the franchisees but may be used directly in advertising for the sole purpose of soliciting new franchises and promoting the brand. At our sole discretion, some funds may be allowed back to franchisees for approved advertising. We also reserve the right to require you to spend 1% of your gross sales on local advertising [director's agreement section 10.1].

If implemented, we will be responsible for administering the marketing fund. We may receive payment for providing goods or services to the marketing fund. We are not required to spend any amount on advertising directly in the area or territory where you are located. Any unused marketing funds in any calendar year will be applied to the following years' fund. The marketing fund is unaudited. You may request an unaudited annual report of advertising expenditures 90 days after of the end of each fiscal year [director's agreement section 10.1].

Advertising Expenditures in the Last Fiscal Year

Because we have not yet implemented a marketing fund, we do not have an accounting of the use of marketing funds in our prior fiscal year.

Advertising Fund Council

No franchisee advertising council is anticipated at this time. However, we have the power to require an advertising council to be formed, changed, or dissolved at any time [franchise agreement 10.2].

Advertising Cooperative

We may cause the formation of local and/or regional cooperative advertising associations covering those areas as we, in our sole discretion, deem appropriate, and we may disperse those funds, as we believe appropriate from the marketing fund to any local and/or regional cooperative advertising associations for local and/or regional advertising.

You are required to participate in a local or regional advertising cooperative if established. The area of any cooperative advertising association will be based on regions determined by us. Upon the formation of a local or regional cooperative advertising association, you will be deemed to be a member of that association as covers the area where your franchise is located and will be bound by any decisions made by the association upon a majority vote by voting members. Voting will be based on one vote per franchise business in good standing or company-owned outlet in the association. You and other franchisees in the cooperative will be responsible for the administration of the association. Governing documents will be provided by us or by the cooperative and approved by us. You will be required to contribute marketing fees to any local or regional cooperative advertising associations as determined by the cooperative members, but any contribution will not exceed 1% of annual gross sales (unless all voting members of the cooperative decide to exceed the limit) and will be credited toward your local advertising obligation. All franchisees or company owned franchises, if any, within the advertising cooperative area will be required to join and contribute to the fund on the same basis or rate. If we or an affiliate control voting in a cooperative, the fees payable to the cooperative will not be more than 1% of gross sales. The cooperative will be required to prepare annual financial statements, and these will be available to all franchisees in the cooperative, and us,

for review. We have the power to require cooperatives to be formed, changed, dissolved or merged at any time [director's agreement section 10.2].

Other Marketing Funds

At this time, you are not required to participate in any other marketing funds.

Internet

You may not create a website for your franchise business. However, we may allow you to place pre-approved information concerning your franchise business on our website, as developed by us. You cannot engage in marketing on the Internet, including posting for re-sell, items on third party re-sell or auction-style websites such as eBay, Craigslist or Amazon without our prior written permission. You may not claim any web listing on sites such as Yelp. We have the right (but not the obligation) to manage and control all online reviews for your franchise [director's agreement section 10.6].

Social Media

We will own the social media accounts related to the brand, but we may provide you access to the social media account for your location for certain management responsibilities and functions, but you may only use information and content from our website and as otherwise approved by us. Our franchisees may also participate with us in the creative content of our Facebook and Instagram accounts. You may not change any login/password information without our prior written approval, and you must supply us with all changed/updated login/password information. All social media for our brand must strictly comply with our policies and procedures. We can alter, remove, or require that you alter or remove a post. You must sign the Digital and Social Media Authorization for Assignment as part of your franchise agreement. We reserve the right to restrict your use of social media in the future [director's agreement section 10.6.2].

Customer Relation Management Software (CRM) and Other Software

We can require that you use and pay for designated CRM and other software in the operation of your franchise [director's agreement paragraph 6.1.10(i)].

Computer and Payment System

You are not required to purchase a point of sale system, but all payments from your students must be made through our website. You will be required to pay all transaction fees. You are also required to have high-speed Internet access at your studio location. All students are required to pay registration, tuition and costume and clothing payments with a valid credit card. Students (or their parents) are not allowed to pay in any other way. Monthly student tuition payments will be automatically deducted from their credit card each month on the 10th day of the month that the student is enrolled in the program [director's agreement paragraph 6.1.10].

Our online payment system will provide:

- A customer/student database
- Calendaring
- Web based ordering
- Credit card payment
- Management and purchase tracking

A tablet computer is included in your startup director's packet. We may require updates and upgrades to your tablet computer hardware or software during the term of the director's agreement. We do not anticipate any costs to update the software, but you may be required to upgrade your tablet. We anticipate the upgrade costs to the tablets to be $350 to $700. Any and all upgrades, repairs and maintenance to your hardware and software are at your expense. We require updates and upgrades to your hardware and software as it becomes available. There are no contractual limitations to the frequency and cost of the obligation to upgrade the system. We do not provide technical support, and we are not required to maintain or repair the system. We will have independent access to reports and information generated by your merchant account, but we will not have independent access to your tablet computer [director's agreement paragraph 6.1.10]. For defective equipment, products, software or other items purchased by you, you must deal directly with that manufacturer [director's agreement section 8.4].

Loyalty Programs

You are required to participate in the loyalty, gift card, discount, and coupon programs we develop [director's agreement paragraph 6.1.8].

Miscellaneous

We may approve exceptions to our changes in the uniform standards for you or any other franchise that we believe are necessary or desirable based on particular circumstances. You have no right to object to such variances [director's agreement section 20.13].

Initial Training

We provide an initial training program. Your operating principal and your director, if different from your operating principal, are required to attend and successfully complete our initial training program. The length of training depends on the prior experience of your attendees but should last approximately 2 to 4 days. Our initial training program consists of a series of online training videos, which you will continue to have access to after you have completed the initial training [director's agreement paragraph 6.1.3].

Your "operating principal" is: a) if the franchisee is an individual, that individual; or b) if the franchisee is an entity, an individual that owns at least 50% of the ownership and voting interests in the franchisee entity (unless you obtain our written approval of a lower percentage), has authority over all business decisions related to the franchise business, and has the power to bind the franchise business in all dealings with us. The operating principal must be involved with the business as described in Item 15 [director's agreement article XXI].

We will have a phone or video conference after the initial training to answer any additional questions you may have regarding the material covered during the initial training. This phone call will take place at least 1 week prior to your opening. The cost of the training is included in the initial franchise fee for the first attendee, and the cost is $500 for an additional person to be trained. Because the initial training is mostly done online, the online training program is available as often as needed. However, you need to schedule your phone or video conference with us at least 1 week in advance [director's agreement paragraph 6.1.3].

Successful completion by your operating principal and any additional trainee will be determined to our satisfaction but includes demonstrating competence in several areas of running the franchise business. These areas include knowledge of motivation and teaching skills, dance, vocal and music skills, problem solving, marketing, group leading and instruction. All trainees must successfully complete training within 30 days from the date of signing your director's agreement and no less than 1 week prior to opening your

franchise business [director's agreement paragraph 6.1.3]. Failure to meet these deadlines may result in termination of your director's agreement.

All attendees to any training must sign a non-disclosure agreement acceptable to us before attending training [director's agreement paragraph 6.1.3(iv)]. Below is a table listing the subjects taught and the amount of classroom and onsite training provided as part of the initial training.

TRAINING PROGRAM[1]

Subject	Hours Of Classroom Training	Hours Of On – The - Job Training	Location
Teaching Methods and Philosophies	1-2	0	Online
Policies for Parents	15 minutes	0	Online
Equipment	1-2	0	Online
Recruiting and Forming a Group	1	0	Online
Making the Magic (Optional)	1-2	0	Online
Registration	15 minutes	0	Online
Managing your Group	1	0	Online
Shows, Music and Directing Techniques	2	0	Online
Practices	1-5	0	Online
Performances	1-5	0	Online
Social Media	30 minutes	0	Online
Total	9-20 hours	1 -2 hours	

[1] The training program for franchisees may be changed due to updates in materials, methods, manuals, and personnel without notice to you. The subjects and time periods allocated to the subjects actually taught to you and personnel may vary based on the experience of those persons being trained.

The initial training is provided by instructors whose experience is described below and in Item 2 if the trainer is part of management.

Katie Parker

Katie Parker, our founder, has been involved in musical dance theater all her life. She earned her Bachelor of Arts degree from Brigham Young University in Communications with an emphasis in Public Relations. She has directed a children's performing group for approximately 20 years in Ladera Ranch, California. She has extensive experience in working with young girls. Katie founded Bloomfully, LLC in 2011 and has been our CEO since its inception.

Isabel Malherbe

Isabel has been involved with singing and dancing her entire life. Her mother owned and directed a ballet school in their home, exposing Isabel to all the facets of running a dance company: lesson planning, tuition collection, and so on. As a young woman, she took years of piano lessons and was instructed in classical voice for almost a decade under Mrs. Flora Nielsen of the BYU School of Music. In 2009, she received an Associate of Science Degree in Legal Studies from Utah Valley University. She also graduated with a Bachelor of Arts Degree in Political Science from Brigham Young University.

In 2011, Isabel was the first franchisee of Singers Company and received in-depth training and mentoring from the founder and CEO, Katie Parker. Her group in Spanish Fork, Utah has grown to be large and successful. Over the years, she has gained valuable experience in directing and advertising. She currently serves as Mentor Program Director, providing support for all new directors with marketing strategies, initial training, and performance training.

Kathy Tonas

Kathy Tonas started directing in January 2012 as one of the first directors in the Singers Company franchise. She directed 2 successful groups for 6 years. Kathy currently mentors new directors in marketing, classroom, and performance training.

A summary of each trainer is included in the following table:

Trainer	Subject(s) Taught	Length of Experience in the Field	Length of Experience with the Franchisor	Experience Relevant to Subject(s) Taught and Franchisor's Operations
Katie Parker	All Director Handbook items	25+ years	12 years	Katie has directed a Singers Company for approximately 20 years and is the creator of the program.
Isabel Malherbe	All Director Handbook items	9 years	9 years	Isabel was the very first franchisee and has demonstrated excellence from the beginning.
Kathy Tonas	All Director Handbook items	8 years	8 years	Kathy became a director one year into franchising and still is the greatest example of instant growth and success.
Heidi Terry	Mini Singers	6 years	6 years	Heidi is a current Singers Company franchisee and has run the system's most successful mini Singers groups (pre-school age)

Replacement Training

We must approve of your director, and any new director must also complete the initial training before they can be a director. As the initial training is through online videos, there is no cost to this additional director training unless you request in-person training [director's agreement paragraph 6.1.3(i)].

Refresher and In-Person Training
After the initial training, if you request for us to visit your site for additional in-person and refresher training, our fee for this additional training is $500 per day, per representative. You must also bear the costs of our travel, food, and lodging during this training [director's agreement paragraph 6.1.3(ii) and (iii)].

Additional Trainings

At this time, no additional trainings or refresher courses are required but may be required in the future, at our sole discretion. You may be charged a fee for this additional training.

ITEM 12
TERRITORY

Exclusive Territory

You will be assigned an exclusive territory for your franchise business meaning that we will not establish another franchise, affiliate or company owned studio using the Singers Company trademark within your territory.

Grant of Territory

Under the director's agreement, we will grant you the right to use the system and proprietary marks solely at a studio within a specific geographic area, the boundaries of which will be negotiated prior to signing the director's agreement and are described in the director's agreement.

Size of Your Territory

The specific size of your territory is negotiable between you and us based upon the population density, whether your studio is in a metropolitan or rural area, and other comparable factors, but generally territory will include the school boundaries for 2 to 5 elementary schools. The written boundaries of your territory will be included in your director's agreement.

Adjustment of Territory Boundaries

Your territory may change based upon changes to school boundaries or the addition of one or more elementary schools.

Territory Restrictions

Neither you nor other franchisees may actively recruit outside your territory, but students are not restricted as to which groups they attend. You may accept students from other territories and other franchisees may accept students from your territory. There is no compensation given to a franchisee if this occurs.

You have the right to operate your franchise business for regular practices only from a single approved studio within the territory. Dress rehearsals and performances may be held at different locations, buy you

cannot hold a dress rehearsal or performance in another franchisee's territory without our prior written approval.

Relocation

You must obtain our prior written permission if you want to relocate your studio, and you must also be able to demonstrate to us that you have the financial ability to relocate. Approval to relocate is based on the then-current criteria used in approving a new franchisee's proposed studio. We have the right to deny any relocation request, and we have no obligation to approve any request for relocation.

Options to Acquire Additional Franchises

You do not receive the automatic right or option to acquire additional franchises.

Minimum Requirements

Your territory is dependent upon maintaining a minimum of 16 students per group. If you are unable to maintain 16 students per group, at our discretion, we may terminate your franchise or your territory.

Your Rights to Use Channels of Distribution

You do not have the right to sell products or services through other channels of distribution, including the Internet, via apps or social media.

Advertising Within and Outside the Territory

You must actively market, promote, develop and sell your franchise business services in your territory. Other franchisees may not advertise within your territory, and you may not advertise within other franchise or affiliate owned territories.

Our Rights to Use Channels of Distribution in Your Territory

We and our affiliates reserve the right to market and sell and distribute products and services under Singers Company and Bloomfully and other marks or brands both within and outside your territory using distribution channels and other direct sales methods, through the Internet, social media and apps, etc., without providing your any compensation. You may not solicit orders via the Internet other than through our website.

Competition by Us Under Different Trademarks

Neither we, nor an affiliate operates, franchises or has plans to operate or franchise a business that sells or will sell goods or services similar to those sold in your franchise under a different trademark, but we reserve the right to do so in the future. However, in that case we would target a different customer base.

ITEM 13
TRADEMARKS

Non-Exclusive Grant of the Trademark

We grant you the non-exclusive right to use certain of our trademarks in the operation of your franchise business. You may also use future trademarks in the operation of your franchise business as we designate.

You will not at any time acquire any rights, title or interest in the trademarks. By trademarks we mean our trade names, trademarks, commercial symbols, service marks and logos.

Registered Trademarks

The following trademarks, service marks, trade names, logotypes or other commercial symbols listed below have applications pending with the United States Patent and Trademark Office to be registered on the Principal Register, or we have not yet registered the trademark but claim common law rights in the trademark. All required affidavits and renewals have been filed.

Registration/ Serial Number	Mark	Registry	Registration/Filing Date	Status
4,118,088	Singers Company® (composite mark)	Principal	March 27, 2012	Registered
6960264	BLOOMFULLY (word mark)	Principal	January 24, 2023	Registered

Although we have federally registered our design mark (logo), we do not have a federal registration for our principal trademark (word mark). Therefore, our trademark (word mark) does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark (word mark) is challenged, you may have to change to an alternative trademark, which may increase your expenses.

Registered Domain Names

We have registered the Uniform Resource Locator (domain names) www.singerscompany.com. You may not register or own a domain name using our trademark or any derivative of our trademark in a domain name, and you may not create or register any domain name in connection with your franchise business or the franchise system without our prior written permission.

Use of the Trademark

You must use all trademarks in strict compliance with our director's handbook and the Singers Company system. You must promptly modify or discontinue the use of a trademark at your cost, if we modify or discontinue it, and you have no rights to compensation or otherwise under the franchise agreement if we require you to modify or discontinue using a trademark. You cannot make application for registration for any of our marks or any deviation of our marks. You cannot use the name "Singers Company" as part of your corporate name, but you must use the name Singers Company as part of an assumed business name or dba ("doing business as") registered with the applicable governmental authority. This use is non-exclusive. You cannot make application for registration or other protection of Singers Company names or derivatives, or any other trademark used by us.

You may only use the trademarks with the letters "TM" or "SM" or "®" as appropriate. You cannot use any trademark in the sale of any unauthorized product or service. You must follow all security procedures required by us for maintaining the secrecy of proprietary information.

Government Determinations Regarding the Trademarks

There are presently no effective determinations by the United States Patent and Trademark Office, Trademark Trial and Appeal Board, the trademark administrator of any state or any court nor pending interference, opposition or cancellation proceeding, nor pending material litigation involving the trademarks. There are no agreements currently in effect that significantly limit our rights to use or license the use of the trademarks.

Superior Prior Rights and Infringing Uses

We are unaware of any superior rights in, or infringing uses of the trademarks that could materially affect your use of the trademarks in your territory.

Protection Against Infringement

You are obligated to immediately notify us when you learn about an infringement of or challenge to your use of our trademarks. We will have the discretion to take the action we deem appropriate. We are not obligated to protect any rights that you have to use the trademarks or to protect you against claims of infringement or unfair competition. You are given the right to protect yourself, at your sole cost, from any of these claims if we elect not to prosecute the claim of infringement or unfair competition; however, we have the right to control any administrative proceedings or litigation involving the trademarks, and you will proceed in strict coordination and oversight by us. You may not act contrary to our rights in the marks. We are not required to defend or indemnify you for expenses or damages if you are party to an administrative or judicial proceeding involving the licensed trademarks. You may not contest, directly or indirectly, our right and interest in our trademarks, names or marks, trade secrets, methods, and procedures, that are part of our business. Any goodwill associated with the trademarks or system belongs to us.

ITEM 14
PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents

You do not receive the right to use an item covered by a patent, and we do not have any pending patent applications with the United States Patent and Trademark Office. We do not own rights to, or licenses in, any patent that is material to the franchise system.

Copyrights

We have not registered the director's handbook or logos with the United States Copyright Office, but we claim a copyright and consider the information proprietary, and we or our parent or affiliate claim protected trade secrets and copyrights in parts of our franchise system.

We claim other copyrights in sales literature and marketing materials that we, or our franchisees, develop for our use and for use by our franchisees, and your use of these materials will be limited to the uses required or allowed by us.

We or an affiliate may develop software or apps. In such cases, we claim copyright protection on all items.

Proprietary Information

You may only use the proprietary information in our director's handbook, and then only in connection with your franchise business. The manual may not be copied. The director's handbook must be returned to us or permanently deleted by you upon termination, transfer or non-renewal of your director's agreement. Portions of the "system," including our shows, scripts, choreography, manuals, customer lists, etc., are a trade secret or confidential and proprietary to us. You must also promptly tell us when you learn about unauthorized use of our copyrights, the director's handbook and any other proprietary information. We are not obligated to take any action but will respond to this information, as we believe appropriate. If applicable, we have the right to control any administrative proceedings or litigation. We are not required to defend or indemnify you for any damages from a proceeding based on patents or copyright. You must modify or discontinue the use of any copyright, at your cost, if we modify or discontinue it, in our reasonable discretion.

With regards to our proprietary information, the director's agreement also provides that you will: (a) strictly follow all confidential security procedures required by us, (b) disclose this information to your employees only as needed to market our products and services; (c) not use this information in any other business; (d) exercise the highest degree of diligence to maintain this information as confidential; and (e) promptly notify us if you learn of any unauthorized use of our trade name, trade secrets or proprietary information. Your use of our proprietary information is limited to the uses required or allowed by us.

Improvements to the System

Any improvements you make to the system will be owned by us and considered a "work-made-for-hire" and will belong to us.

Superior Prior Rights and Infringing Uses

We are unaware of any superior rights in, or infringing uses of the copyrights or patents that could materially affect your use of the copyrights or patents in your territory.

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

Participation and "On Premise" Supervision

Your operating principal must personally participate in the direct operation of the franchise business. Although we strongly encourage your operating principal to be the director of your student groups, it is not required. We require on-premises supervision by your director. Your operating principal is not required to work a certain or minimum number of hours; however, your operating principal must dedicate sufficient time to prepare for and adequately service each of your groups.

Although we do not require your operating principal to be the director for your franchise, your operating principal is required to participate in your franchise business as follows: (i) be directly responsible for overseeing all accounting, reporting bookkeeping, merchant provider account management, and all financial components of the franchise business; (ii) attend and complete all training and retraining courses required by us; (iii) attend any annual or special meetings of franchisees required by us; (iv) be directly involved with site selection and the purchasing of props, costumes, music, etc.; and (v) be directly involved in all personnel decisions affecting the franchise business.

Who Must Attend and Successfully Complete Initial Training

Your operating principal and your director (and any subsequent director) must attend and successfully complete our initial training to manage and direct your franchise business.

Restrictions on the On-Premises Supervisor

Due to the nature of the business and the environment that we feel is best for the system and the students, we require that our franchisees, operating principals, and directors be females. Your on-premises supervisor is not required to have an equity interest in the franchise business.

No Competing Enterprises

Neither you, your operating principal, nor your directors can have an interest in, or business relationship with, any competing children's singing or dancing business during the term of the director's agreement and must keep free from activities that would be detrimental to or interfere with the operation of your franchise business or detrimental to the franchise system. You, your partners, owners, operating principal, and your directors and other principal employees will be required to sign our standard brand protection agreeing to protect and keep confidential our trade secrets and confidential information and to conform with the covenants not to compete described in Item 17 (director's agreement exhibit A-4). Your employees will also be required to sign a brand protection agreement (director's agreement exhibit A-5). Some states may impose certain restrictions on non-competition agreements. We provide you this form, but it is your responsibility to conform this agreement to the laws and regulations of your state.

Required Operations

You must operate the franchise business at least one day per week throughout the school year in your area (unless waived in writing by us) but depending on the markets and location of your studio and changes to our system, we reserve the right to require you to operate more than one day per week.

Personal Guarantees

Any individual who owns a 5% or greater interest in your franchise business must personally guarantee the performance of all your obligations under the director's agreement and agree to be personally bound by, and liable for, the breach of every provision of the director's agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must perform and carry only those products and services specified and approved by us in writing. No product or service may be added to, altered or discontinued by you or your franchise business unless it is first approved by us in writing. You must offer all products and services required by us. We reserve the right to add, modify or delete products and/or services that you will be required to offer. There are no limits on our right to do so. You must strictly follow our policies, procedures, specifications, methods and techniques concerning all of our products and services.

Neither you nor other franchisees may actively recruit outside your territory, but students are not restricted as to which groups they attend. You may accept students from other territories and other franchisees may accept students from your territory. There is no compensation given to a franchisee if this occurs.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP[1]

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

	Provision	Section in Franchise or other Agreement	Summary
a.	Length of the franchise term	Section 2.1	The term is 5 years. The franchise term will begin upon signing the director's agreement.
b.	Renewal or extension of the term	Section 2.2	If you are in good standing at the end of the franchise term, you can enter into a successor director's agreement for an additional term of 5 years. Your successor agreement may also provide an option to enter into a subsequent successor director's agreement. If we allow you to renew at a time when you do not have any active groups, you must have an active group within 2 years of first going dormant.
c.	Requirements for franchisee to renew or extend	Section 2.2	In order to renew, you must, among other things, not be in default, pay a successor franchise fee, modernize your franchise business to the then-current standards, and sign the then-current director's agreement. When renewing, you may be required to sign a contract with materially different terms and conditions than the original contract. You are required to give us notice of your intent to renew within no more than 6 months and no less than 45 days of expiration of your director's agreement (subject to state law).
d.	Termination by franchisee	Section 11.4	There are no provisions in the director's agreement that permit you to terminate the director's agreement. However, some states may allow you to terminate as permitted by state law.
e.	Termination by franchisor without cause	Section 11.1	Not applicable

	Provision	Section in Franchise or other Agreement	Summary
f.	Termination by franchisor with cause	Paragraph 11.1(A-Q), and sections 11.2-11.3	We can terminate if you materially breach and fail to cure. There are certain breaches for which we can terminate without giving you an opportunity to cure (see (h) below).
g.	"Cause" defined – curable defaults	Paragraph 11.1 M-Q	You have 5 days to 30 days to cure certain material defaults of the director's agreement.
h.	"Cause" defined - non-curable defaults	Paragraph 11.1 A-L	Non-curable defaults include insolvency, bankruptcy, conviction of a felony, fraud, repeated defaults even if cured, harm or threat of harm to the public, abandonment, and trademark misuse, etc.
i.	Franchisee's obligations on termination / non-renewal	Sections 12.1-12.3	Obligations include complete de-identification, payment of amounts due, and compliance with the brand protection agreement (see also (r) below).
j.	Assignment of contract by franchisor	Section 14.1	There are no restrictions on our right to assign.
k.	"Transfer" by franchisee - defined	Section 14.2-14.6	The definition of transfer includes assignment and transfer of contracts, security interests, transfer of ownership interest, the sale of substantially all of your assets, etc.
l.	Franchisor approval of transfer by franchisee	Section 14.2	We must approve all transfers, but we will not unreasonably withhold approval.
m.	Conditions for franchisor approval of transfer	Sections 14.2-14.6	Conditions to transfer include, you are not in default, all fees are current, new franchisee qualifies, transfer and training fees are paid, purchase agreement is approved, training for new transferee arranged, new transferee signs the then-current director's agreement, a release is signed by you, etc. These conditions are subject to state law (see state specific addenda).
n.	Franchisor's right of first refusal to acquire franchisee's business	Sections 14.7	We can match any offer for your franchise business or business assets within 60 days of written notice to us of the offer.

	Provision	Section in Franchise or other Agreement	Summary
o.	Franchisor's option to purchase franchisee's business	Sections 13.1	Upon termination or expiration of the director's agreement, we can elect to buy all or part of your business assets at fair market value within 45 days.
p.	Death or disability of franchisee	Section 14.8	Within 120 days or death or disability of your majority owner, your personal representative must be approved, and a new director must be trained, if applicable, or the franchise must be assigned to an approved buyer. We have the right to operate your franchise business until a trained director is in place for which fees will apply.
q.	Non-competition covenants during the term of the franchise	Section 16.1-16.2	No involvement in competing business anywhere without our written consent. Non-competition provisions are subject to state law. Non-competition provisions are subject to state law.
r.	Non-competition covenants after the franchise is terminated, transferred or expires	Sections 12.4 and 16.2-16.6	No competing business for 2 years within your former territory or within 25 miles of your territory or within 20 miles of any other Singers Company franchise or company or affiliate owned business (including after assignment). If you compete within the time period, then this non-compete time period will be tolled for the period of your competition. Non-competition provisions are subject to state law. For a period of 3 years from termination, transfer, or expiration of your franchise agreement, you must not solicit to or on behalf of a competing business any former student of your franchise business that you serviced as a Singer Company franchisee, or a customer of ours or of an affiliate with whom you interacted during the term of the franchise agreement.
s.	Modification of the agreement	Section 20.9	Modifications must be made in writing and signed by both parties, but policies and procedures and the director's handbook are subject to change by us.

	Provision	Section in Franchise or other Agreement	Summary
t.	Integration/merger clause	Section 20.9	Only the terms of the director's agreement are binding (subject to state law). All representations and promises outside the disclosure document and director's agreement may not be enforceable. No provision in the director's agreement is intended to disclaim the express representations made in this franchise disclosure document. Any representations or promises made outside of the franchise disclosure document and other agreements may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Article XVII	Except for certain claims, for all disputes there must be a face-to-face meeting, mediation and arbitration (see state specific addenda). All disputes must be resolved by arbitration in Utah (subject to applicable state law).
v.	Choice of forum	Sections 17.7	All dispute resolution must be held in Salt Lake City, Utah (subject to state law).
w.	Choice of Law	Section 17.7	Utah law, the Federal Arbitration Act, and the United States Trademark Act apply (subject to applicable state law).

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

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 any such representations either orally or in writing. If you are purchasing an existing franchise, however, we may provide you with the actual records of that franchise. If you receive any other

financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Katie Parker at 9012 N. Timphaven Road, RR3 Box A15, Provo, Utah 84604, (949) 212-4021, or katie@singerscompany.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2020 to 2022

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised[1]	2020	66	61	-5
	2021	61	62	+1
	2022	62	59	-3
Company or Affiliate Owned	2020	6	4	-2
	2021	4	8	+4
	2022	8	8	0
Total Outlets	2020	72	65	-7
	2021	65	70	+5
	2022	70	67	-3

Table No. 2
Transfers of Outlets from Franchisees to New Owners
(other than to the Franchisor)
For Years 2020 to 2022

State	Year	Number of Transfers
California	2020	1
	2021	0
	2022	1
Colorado	2020	0
	2021	1
	2022	0
Nebraska	2020	0
	2021	0
	2022	1
Nevada	2020	0
	2021	0
	2022	1
Texas	2020	0
	2021	0
	2022	1
Utah	2020	0
	2021	2
	2022	1

Total	2020	1
	2021	3
	2022	5

Table No. 3
Status of Franchised Outlets
For Years 2020 to 2022[1]

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
Alaska	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Arizona	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	2	0	2
	2022	2	1	0	1	0	0	2
Arkansas	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
California	2020	15	0	0	0	0	1	14
	2021	14	2	0	0	0	0	16
	2022	16	1	0	0	0	2	15
Colorado	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	2	0	0	1
Hawaii	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Idaho	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	1	0	0	0	0	2
Illinois	2020	2	0	0	1	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Iowa	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Kentucky	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	1	0	0	0
Nebraska	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	1	0
Nevada	2020	6	0	0	0	0	1	5
	2021	5	0	0	0	0	0	5
	2022	5	2	0	0	0	1	6

New Jersey	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
North Carolina	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	1	0	0	0
Oregon	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Texas	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	1	0	0	0	0	6
Utah	2020	20	0	0	0	0	1[1]	19
	2021	19	1	0	0	0	1	19
	2022	19	2	0	2	0	1	18
Virginia	2020	1	0	1	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
Washington	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Totals	2020	66	0	1	1	0	3	61
	2021	61	4	0	0	2	1	62
	2022	62	9	0	7	0	5	59

[1] This franchisee combined two of her studios into one.

Table No. 4
Status of Company-Owned Outlets
For Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Arizona	2020	0	0	0	0	0	0
	2021	0	0	2	0	0	2
	2022	2	0	0	0	0	2
California	2020	3	0	0	0	0	3
	2021	3	2	0	0	0	5
	2022	5	0	0	0	1	4
Colorado	2020	1	0	0	1	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Florida	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
Washington	2020	1	0	0	1	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0

Totals	2020	6	0	0	2	0	4
	2022	4	2	2	0	0	8
	2022	8	0	0	0	0	8

Table No. 5
Projected Openings as of December 31, 2022

State	Director's 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
Arizona	0	1-2	0
Montana	0	1-2	0
Nevada	1	0	0
Oklahoma	1	0	0
Tennessee	0	1-2	0
Utah	1	0	0
Total	3	3-6	0

List of Franchisees

Exhibit "C" contains a list of our current franchisees and affiliate owned units. Exhibit "C" also contains a list of franchisees have been terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under the director's agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the issuance date. If you buy this franchise, your contract information may be disclosed to other buyers when you leave the franchise system.

Confidentiality Agreements

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

Disclosure of Franchisee Information

If you buy this franchise, your contact information and financial information may be disclosed in our disclosure document.

Franchisee Organizations

We do not know of any trademark specific franchisee organization associated with our system, that is required to be disclosed in this item.

ITEM 21
FINANCIAL STATEMENTS

Our audited financial statements dated December 31, 2022, December 31, 2021, and December 31, 2020, and our unaudited financials dated January 1, 2022 through March 31, 2023 are attached as Exhibit "B." Our fiscal year ends on December 31 of each year.

ITEM 22
CONTRACTS

We have attached the following contracts: as Exhibit "A," the Director's Agreement and its Exhibits; as Exhibit "G," Deposit Agreement; as Exhibit "H," Release Agreement; and as Exhibit "I," Installment Agreement. All other contracts and agreements are to be entered into with persons of your choice and therefore cannot be attached.

ITEM 23
RECEIPT

The last 2 pages of this disclosure document contain a receipt, in duplicate. The receipt is a detachable acknowledgement that you have received this franchise disclosure document. Both receipts should be signed and dated by you, and one copy should be returned to us. If you do not sign this receipt via our electronic signature platform, then you need to send us a signed and dated copy. You may return the signed and dated receipt by emailing it to us at katie@singerscompany.com.

ADDENDUM TO THE SINGERS COMPANY FDD
STATE REGULATIONS

STATE REGULATIONS
FOR THE STATE OF CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

Special Risks to Consider about This Franchise

THE DIRECTOR'S AGREEMENT REQUIRES THAT YOU MAINTAIN A MINIMUM OF 16 STUDENTS PER GROUP. YOUR DIRECTOR'S AGREEMENT MAY BE TERMINATED IF YOU HAVE LESS THAN 16 STUDENTS PER GROUP. ONLY ONE FRANCHISEE HAS DROPPED BELOW 16 STUDENTS, AND THE FRANCHISOR PROVIDED A 6-MONTH GRACE PERIOD FOR THE FRANCHISEE TO OBTAIN 16 STUDENTS, AND THE FRANCHISEE DID SO WITHIN THE ALLOTTED GRACE PERIOD.

1. The California Franchise Investment law requires that a copy of all proposed agreements relating to the sale of the franchise be delivered together with the disclosure document.

2. The California Franchise Relations Act, Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the director's agreement contains a provision that is inconsistent with California law, California law controls.

3. The director's agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.)

4. The director's agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be fully enforceable under California law.

5. The director's agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

6. The director's agreement requires binding arbitration. The arbitration will occur at Salt Lake City, Utah with the costs being borne by you for travel to, and lodging in, Salt Lake City, Utah and other costs associated with arbitration. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and Federal laws (this or these as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 128a, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

7. The franchise agreement requires application of the laws of Utah, but the California franchise laws may prevail in some instances. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California laws.

8. You must sign a general release if you transfer, renew or terminate your franchise. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

9. Neither franchisor nor any person listed in Item 2 of the disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling this or these persons from membership in such association or exchange.

10. Section 31125 of the California Corporations Code requires the Franchisor to give the franchisee a disclosure document, in a form and containing such information as the Commissioner may by rule or order require, before a solicitation of a proposed modification of an existing franchise.

11. Our website at www.singerscompany.com has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of the website may be directed to the California Department of Financial Protection and innovation at www.dfpi.ca.gov.

12. The director's agreement provides for waiver of a jury trial. This may not be enforceable in California.

13. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

14. Item 6 under Late Fees is amended to include the following: "The highest interest rate allowed in California is 10% annually."

ADDENDUM TO THE FDD
FOR THE STATE OF WASHINGTON

ITEM 3 is amended to add the following:

> In November 2019, Bloomfully, LLC entered into an Assurance of Discontinuance ("AOD") with the State of Washington. The AOD provides that Bloomfully, LLC will not engage in employee anti-poaching between its franchisees or between franchisees and the franchisor.

ITEM 5 is amended to add the following:

> In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchise has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the director's agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the director's agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the director's agreement or elsewhere are void and unenforceable in Washington.

Article XIII of the director's agreement will be interpreted in accordance with RCW 19.100.180.

The time limitations to initiate a claim as set forth in Section 17.2.3(iii) of the director's agreement are hereby amended and extended to the time limits allowed under RCW 19.100.

Section 17.3(viii) of the director's agreement is here by amended as follows:

> Federal Arbitration Act. You and We mutually agree that all issues relating to arbitrability are governed exclusively by the Federal Arbitration Act and the federal common law of arbitration to the exclusion of any state statutes or common law and will be decided by the arbitrator. All provisions of this Agreement pertaining to venue, choice-of-laws, dispute avoidance and resolution will be strictly enforced (subject to state law).

Section 20.12 of the director's agreement is not enforceable in Washington.

Section 2 of the Form General Release Agreement (Exhibit "H" to the franchise disclosure document) is hereby omitted and not applicable in the state of Washington.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____.

FRANCHISOR:
BLOOMFULLY, LLC

By: _____
(Signature)

Name: _____

Title: _____

FRANCHISEE:
_____

By: _____
(Signature)

Name: _____
Title: _____

INDIVIDUALS:

Signature: _____
Print Name: _____

Signature: _____
Print Name: _____

EXHIBIT "A"
TO THE FDD

DIRECTOR'S AGREEMENT

DIRECTOR'S AGREEMENT

By and Between

Bloomfully, LLC

and

_____

(Franchisee)

© 2023, The Franchise & Business Law Group, LLC
This Agreement and the Schedules and Exhibits attached hereto are subject to the copyright of The Franchise & Business Law Group, LLC

SINGERS COMPANY
DIRECTOR'S AGREEMENT

TABLE OF CONTENTS

ARTICLE		PAGE
I.	Award of Franchise	3
II.	Term and Successor Franchise	4
III.	Intellectual Property	5
IV.	Construction, Commencement of Operations and Lease	8
V.	Fees and Reports	8
VI.	Franchisee's Operational Covenants	11
VII.	Franchisor Operational Assistance	15
VIII.	Purchase of Products	16
IX.	Director's Handbook	17
X.	Marketing	17
XI.	Breach and Termination	19
XII.	Obligations of Franchisee Upon Termination	21
XIII.	Purchase Option	23
XIV.	Sales or Transfers of the Franchise	24
XV.	Relationship of the Parties	25
XVI.	Covenants Not to Compete	26
XVII.	Dispute Resolution	27
XVIII.	Representations	29
XIX.	Notices	30
XX.	Miscellaneous	30
XXI.	Definitions	33

Exhibits

A-1	Territory
A-2	Company Representations and Warranties
A-3	Fee Chart
A-4	Principal Brand Protection Agreement
A-5	Employee Brand Protection Agreement
A-6	Studio Location Agreement
A-7	Authorization Agreement for Direct Payments (ACH Debits)
A-8	Initial Fee & Ongoing Royalty Addendum
A-9	Digital, Social Media, and Listings Authorization for Assignment
A-10	State Addenda

DIRECTOR'S AGREEMENT

This Director's Agreement ("Agreement") is entered into and made effective as of _____, by and between Bloomfully, LLC, a Utah limited liability company ("Franchisor" or "We", "Us" or "Our") and _____ ("Franchisee" or" "You," "Your" or "Yourself").

WHEREAS, We have developed a system for operating non-competitive musical dance performing groups for girls ages 3 to 12 ("Franchise Business"); and

WHEREAS, You are desirous of entering into an agreement with Us so as to be able to obtain the rights to operate a Franchise Business using the System; and

WHEREAS, Article XXI contains certain definitions which apply to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, recitals, agreements, obligations, terms and conditions herein contained, and the acts to be performed by the respective parties hereto, the parties hereto agree as follows:

ARTICLE I
AWARD OF FRANCHISE

1.1 Award of Franchise. We hereby grant to You, and You accept, subject to the terms, conditions and obligations herein, the non-exclusive, non-sublicensable personal right to establish and conduct a Franchise Business as a franchisee and the right to use the System and the Marks only as specifically set forth herein. This right is granted for use only at a single location approved by Us ("Studio") within Your Territory listed on Exhibit "A-1" ("Territory"). You must operate the Franchise Business only at the Studio and only within the Territory in strict compliance with the terms and conditions of this Agreement and Our Director's Handbook. Your territorial rights are exactly, and only, as expressly set forth in this Agreement. Regular practices may only be held at Your Studio, but dress rehearsals and performances may be held at different locations, but You cannot hold a dress rehearsal or performance in another franchisee's territory without Our prior written approval.

1.1.1 Territory Rights. During the term of this Agreement, We will not establish or operate a company-owned studio or grant to any person or entity a franchise within Your Territory using the same or similar System as that licensed by this Agreement.

1.1.2 Territory Adjustment. We have the right to adjust the boundaries of Your Territory if Your Territory increases by one or more elementary school as measured from the date of this Agreement.

1.2 Scope of Franchise Operations. You shall at all times comply with Your obligations hereunder and shall continuously use best efforts to promote and operate Your Franchise Business.

1.3 Our Reservation of Rights. All rights not specifically granted to You in this Agreement are reserved to Us. You expressly acknowledge and agree that the license to use the Marks and System are non-exclusive, and that We retain, among other rights, the right, in Our sole discretion: 1) to establish and license

others to establish and operate Singers Company businesses outside Your Territory; and 2) to operate and license others to operate businesses anywhere that do not operate under the Singers Company brand name.

1.4 Restriction of Rights. The rights and privileges granted to You under this Agreement are personal in nature. This Agreement is granted solely for the operation of one Franchise Business within the Territory and do not extend to the operation of another Singers Company business or any other use of the System within or outside Your Territory or in any other manner. You are not permitted to Market in another franchisee's territory. Nonetheless, students are not restricted as to which groups they attend. You may accept students from other territories and other franchisees may accept students from Your Territory. There is no compensation given to a franchisee if this occurs.

1.5 Rights to Use Channels of Distribution. Except for the rights expressly given to You, there will be no limitation on Our rights to deal with potential or actual customers located anywhere. We and Our affiliates expressly reserve the right Market in Your Territory and elsewhere under the Singers Company brand and other brand and trademarks using Marketing strategies and distribution channels Including websites, the Internet, Social Media, apps, direct marketing, telemarketing, direct sales, etc. You may not sell Our products and/or services using such reserved Marketing strategies and distribution channels without Our prior written permission. We do not pay You for soliciting or accepting orders for any products or services We make inside Your Territory.

ARTICLE II
TERM AND SUCCESSOR FRANCHISE

2.1 Term. This Agreement shall be effective when executed by both You and Us. The term is for a period of 5 years unless terminated earlier pursuant to Article XI herein. If We are required by law to give You notice before the Termination of this Agreement and fail to do so, this Agreement will remain in effect from month to month until We have given the required notice.

2.2 Successor Franchise. You have the right to be awarded a successor franchise ("Successor Franchise") upon the expiration of the original term for an additional term of 5 years if all the following conditions are met at the time You elect to renew: 1) You are not in default of this Agreement; 2) You have complied with and timely met material terms and conditions of this Agreement throughout the initial term; 3) You have complied with Our material operating and quality standards and procedures; 4) You have timely paid all monetary obligations owed to Us during the term of this Agreement; 5) You are not subject to any pending litigation or governmental proceeding which could have a material adverse effect upon You or Your Franchise Business; and 6) You give Us written notice of Your intent to renew at least 45 days and not more than six months prior to the expiration of the applicable term. Your failure to give such notice shall constitute an election not to enter into a Successor Director's Agreement. If You fail to enter into a Successor Director's Agreement for any reason but continue to operate Your Franchise Business, at Our election, You will be deemed to have renewed on a month-to-month basis, requiring You to abide by Our then-current Fees. In addition to Our rights to terminate as set forth in Article XI, Your month-to-month Franchise Business may be terminated by Us upon 30 days' prior written notice for any reason whatsoever.

2.2.1 Commencement Date for Successor Franchise Term. Unless another date is specified in any Successor Director's Agreement, which date will supersede, said Successor Franchise term, Including, any month-to-month term, will commence on the day following the expiration date of the initial or applicable Successor Franchise term.

2.2.2 Notice of Non-Approval. Upon receiving Your election to enter into a Successor Franchise, We will have 45 days to provide written notice in the event You do not qualify for a Successor Franchise or as otherwise required by law.

2.2.3 Successor Director's Agreement. If approved as a Successor Franchise, You shall pay the Successor Franchise Fee listed as Exhibit "A-3" and must execute the then-current form of Our Director's Agreement ("Successor Director's Agreement"). The Successor Director's Agreement Includes personal guarantees and a general release of all claims against Us arising from this Agreement, the relationship created herein, and Your Franchise Business. If You fail to execute such a release, the signing of the Successor Director's Agreement will be the equivalent of the granting of such a release. The Successor Director's Agreement will supersede in all respects the terms and conditions of this Agreement, and You shall pay royalties and other continuing Fees at the then-existing levels required to be paid by new franchisees. You must sign and return to Us the Successor Director's Agreement prior to the expiration of this Agreement, or You will, at Our election, be deemed to have withdrawn Your request to enter into a successor agreement and the franchise shall terminate at the expiration of the term then in effect. **You acknowledge that You will be bound by the form of Successor Director's Agreement which may contain Fees and charges, territorial, and other changes in material provisions from those contained in this Agreement, Including terms affecting payments to Us or Our affiliates.**

2.2.4 Active Groups. If We allow You to enter into a Successor Director's Agreement at a time when You are in a permitted dormancy, then You must have an active and compliant group within two years of the time You originally went into dormancy. Failure to do so may result in the termination of Your Successor Director's Agreement.

ARTICLE III
INTELLECTUAL PROPERTY

3.1 Intellectual Property and Confidential Information. You acknowledge that: 1) as between You and Us, We have the sole rights in and to the Intellectual Property and Confidential Information; 2) Your right to use the System is granted by Us solely pursuant to the terms of this Agreement; and 3) as between You and Us, We have the sole right to license and control Confidential Information and Intellectual Property. Our Intellectual Property and Confidential Information provided to You by or through Us will remain Our sole property. You acknowledge that Our Confidential Information and Intellectual Property are unique and/or confidential and contains trade secrets and other material proprietary to Us.

3.2 Use of Confidential Information and Intellectual Property. You have a non-exclusive right to use the Confidential Information and Intellectual Property and only in connection with Your Franchise Business. You understand and agree to use the Our Confidential Information, Intellectual Property and System only in connection with the operation of Your Franchise Business and only in the manner allowed by this Agreement. You understand and agree that the use of the Our Confidential Information, Intellectual Property, and goodwill are all temporary benefits and expire with the Termination of this Agreement. You expressly covenant that during the term of this Agreement and any Successor Franchise or renewal, and after the Termination thereof, not to: 1) directly or indirectly contest nor aid in contesting the validity of Our ownership, of our rights in, the Confidential Information or Intellectual Property; 2) in any manner interfere with or attempt to prohibit Our use of the Confidential Information or Intellectual Property and derivatives thereof or any other name that is or becomes a part of Our System; or 3) interfere with the use of the Intellectual Property by Our other franchisees or licensees at any time.

3.3 Our Marks. You acknowledge that as between You and Us, the Marks and derivatives thereof are valid trademarks, service marks and trade names owned by Us.

3.4 Use of Marks and System. You have the non-exclusive right to use Our Marks and the System as directed by Us. You shall only use Our Marks licensed by this Agreement only with the letters "TM", "SM" or "®", as appropriate, approved and as instructed by Us. You shall not use Your own name or any other name service or product in connection with any of Our Marks without Our prior written consent. You agree to use the Marks only in connection with the operation of Your Franchise Business and then only in the manner allowed by this Agreement and the operational standards established by Us from time to time. You agree not to use any Mark in connection with the performance or sale of any unauthorized service or product. You cannot use the Marks or System in any manner, or otherwise take any action (or inaction) that would or may cause the Marks or the System to be subject to any ill repute or negative publicity. You agree not to use Our Marks nor any other name similar thereto in the name of any entity owned or formed by You, whether to own or operate Your Franchise Business or otherwise. However, You are required to file a DBA as set forth in Section 3.9. Additionally, You will not use the Marks on any inter-company documents to identify Your Franchise Business or entity (Including in or on employee manuals, handbooks, emails, letterhead) or on business checks or bank accounts. All communications with Your employees must be under Your entity name.

3.4.1 Use in Marketing. The use of the Marks in Marketing is set forth in Article X.

3.4.2 Modification of Marks. We have the right, in Our reasonable discretion, upon 45 days prior written notice to You, to require You to modify or change or discontinue the Marks or to use one or more additional trademarks, service marks, logos and/or other symbols in connection with the operation of Your Franchise Business. You must bear the cost of using such additional or modified Marks or items in accordance with Our reasonable directives.

3.4.3 No Registration. You cannot make application for registration, domain name, or other protection of any of the Marks, or any other trademarks, service marks, symbols, names, slogans, logos, trade names or any items that are similar thereto without Our prior written consent and then only upon the terms and conditions specified by Us in connection therewith.

3.5 Copyrights. All right, title and interest in and to Copyright Materials are Our sole and exclusive property and cannot be reproduced or replicated either during or after this Agreement. You have no rights to make any direct or indirect use of the Copyrighted Materials except as allowed under this Agreement.

3.6 Director's Handbook. You agree that the Director's Handbook and other materials and documents provided to You by or through Us shall remain Our sole property and cannot be downloaded, copied, printed, or otherwise duplicated, and any materials provided to You by or through Us will remain Our sole property. You acknowledge that the contents of the Director's Handbook and any other manuals provided to You by or through Us, Including Your knowledge of the System, are secret, unique and confidential and contain trade secrets and other material proprietary to Us. Unless otherwise in the public domain, You agree not to disclose the contents of the Director's Handbook, other manuals, the System or proprietary items and to use Your best efforts to prevent unauthorized disclosure to any person. You agree such disclosure would cause irreparable harm. You agree to return the Director's Handbook and all copies of all or any parts thereof and all other documents containing Confidential Information to Us upon Termination of this Agreement or at such times as may otherwise be directed by Us.

3.7 Sole Control. As between You and Us, We will have the sole control over any legal or administrative action concerning the Confidential Information or Intellectual Property. You shall promptly notify Us in writing of any claim, demand or suit by any person, corporation or other entity based upon or in connection with any of the Confidential Information and Intellectual Property. In the event We undertake the defense or prosecution of any litigation pertaining to any such Confidential Information or Intellectual Property, You must execute any and all documents and do such acts and things as may, in the opinion of Our counsel, be necessary to carry out such defense or prosecution. If We fail to undertake action within a reasonable time after receipt of Your notice regarding any such claim, demand or suit, then You may with Our prior written consent (but You shall not have obligation) to undertake the defense of any such proceeding and shall do so at Your sole cost and in strict coordination and oversight with Us, You may not do any act or make any claim which is contrary to or in conflict with Our rights in the Confidential Information and Intellectual Property.

3.8 Goodwill. You acknowledge that We have invested and continue to invest time and capital into promoting the System and that such promotion creates goodwill and customer association which benefits Us, You, and all other franchisees in the System. Furthermore, even goodwill associated with Your Franchise Business, the Marks and the System, that might be deemed to have arisen through Your activities, is Our sole property and inures directly and exclusively to Our benefit.

3.8.1 Customer Data. All Customer Data is Our sole property and inures directly and exclusively to Our benefit. You have a royalty-free non-exclusive right to use the Customer Data during the term of this Agreement. You must gather, upload, and/or store all Customer Data as required by Us. To the extent that We do not otherwise have access, You must provide Us copies of all Customer Data upon request. You must abide by all applicable laws pertaining to the privacy of consumer, employee and transaction information, and do not contact laws. If We allow You to use the Customer Data to transmit advertisements to customers and potential customers, You are solely responsible to comply with the laws pertaining to calling or texting customers, the sending of emails, or any other transmission of information, Including any anti-spam legislation.

3.9 Use of Name. Within 30 days of signing this Agreement, You must file for a certificate of assumed or fictitious name or a "doing business as" name ("DBA") in the manner approved by Us and required by state law so as to notify the public that You are operating Your Franchise Business as an independent business. Failure to do so is a default of this Agreement. You must send us a copy of this filing.

3.10 Changes to the System. You shall fully disclose all Innovations to Us, without disclosing the Innovation to others and will obtain Our written approval before using or implementing an Innovation. All Innovations are owned by Us and considered a "work-made-for-hire." If all or part of any Innovation that You create is for any reason deemed not to be a work-made-for-hire, then You hereby irrevocably transfer and assign to Us or Our affiliate all right, title, interest and ownership, Including license rights, in the Innovation, and You agree to execute any document necessary to effectuate the transfer and assignment. To the extent You have any moral or similar rights in an Innovation or derivative, You expressly waive those rights. Any Innovation may be used by Us and all other franchisees without any obligation to compensate You. We reserve the right to make application for and own Intellectual Property relating to any Innovation, and You shall cooperate with Us in securing these rights. We may also consider an Innovation as part of Our trade secrets. At Our discretion, We may authorize You to utilize Innovations that may be developed by You, Us, or other franchisees.

3.11 Association with Causes; Co-Branding. You cannot, in the name of the Franchise Business, (i) donate money, products, or services to any charitable, political, social, religious, or other organization, cause, or position, or (ii) act in support of or against any such organization, cause or position, without Our prior written approval. You may not "co-brand" or associate any other business activity with the Franchise Business in a manner which is likely to cause the public to perceive the activity to be related to the brand or System.

ARTICLE IV
CONSTRUCTION, COMMENCING OPERATIONS AND LEASE

4.1 Studio Location. You must select a site within the designated search area listed on Exhibit "A-1" ("Search Area"). The location of Your Studio must be located within Your Search Area, and You must bear the cost of finding an approved location. If You have sufficient space and meet Our safety requirements, Your Studio may be located in Your home's family room or garage. You may also establish Your Studio at a school, church or community center or other similar location. However, the location of Your Studio is limited to one location. You shall not commit to, purchase or lease any real property or commence modification of Your Studio unless and until You have Our written approval of the proposed location. If You want to open a studio outside Your Territory, You need to purchase an additional franchise for a new territory.

4.1.1 Location Approval. We must approve Your proposed Studio location. Location approval or disapproval should be completed by Us no less than 30 days after You have notified Us that You have selected a prospective location. You must submit digital photos of all angles of the room and from where instructor will be located and location of the students in the Studio for Our approval. Any improvements mandated by Us must be completed at least two weeks prior to beginning classes. We do not prepare demographic studies or otherwise evaluate the need for Our products and services in Your Territory, nor do We provide You with a site checklist or other similar information.

4.2 Studio Selection. You will have 45 days from signing this Agreement to have a Studio selected and approved for Your Franchise Business.

4.2.1 Commencing Operations. Unless waived by Us, You are required to commence operations within 60 days of signing this Agreement. You must give us at least two weeks written notice before opening Your Studio.

4.2.2 Failure to Meet Deadlines. Failure to have an approved location for Your Studio or to begin operations by the above listed times will result in Termination of this Agreement, and You will not receive a refund for any Fees or expenses. However, You may be granted a three-month extension at Our discretion if You demonstrate a good faith effort in finding an approved Studio and completing the required improvements. If such extension is granted, You must sign the Studio Location Agreement, attached as Exhibit "A-6."

ARTICLE V
FEES AND REPORTS

5.1 Initial Franchise Fee; Startup Packet. You shall pay Us the initial franchise fee as listed on Exhibit "A-8" in one lump sum at the time of execution of this Agreement unless You are otherwise allowed to pay in installments, as determined at Our sole discretion. The initial franchise fee is fully earned by Us and is

non-refundable. No rights or privileges under this Agreement exist until the initial fee is paid in full. You shall also purchase a startup director's packet from Us for the Fee listed on Exhibit "A-3," payable in a lump sum upon signing this Agreement.

5.1.1 Additional Groups. You also have the option to purchase additional groups as Your groups grow for the Fees listed on Exhibit "A-8." Groups generally consist of 16 to 20 students, and once a group exceeds 20 students, a second group must be started. However, You may pay for the additional group in 12 monthly installments, the first payment being due the first month Your additional group is started. You must sign Our standard installment agreement if We allow You to pay a Fee in installments. Initial Fees are only due for the first three groups. However, if You want to open a new Studio inside Your Territory to accommodate the new groups, You need to get Our prior written approval to do so, which approval process will be similar to Our approval of Your first location as set forth in Article IV above. If You want to open a Studio outside Your Territory, You need to purchase an additional franchise for a new territory. You will be required to sign Our then-current director's agreement, which may have terms different from this Agreement.

5.2 Royalty. You shall pay Us a non-refundable on-going, monthly royalty based on Your monthly Gross Sales. The royalty amount is listed on Exhibit "A-8." The royalty is in consideration of Your right to use the Intellectual Property and the System in accordance with this Agreement and not in exchange for any specific services We render.

5.2.1 Change in Law. In the event there is a change in the law or a discovery of a law affecting the collection of payments to Us, You agree to allow Us to modify the definition of "Gross Sales" and the calculation of other Fees due to Us in order to comply with the law. However, in no event will the modification of the term "Gross Sales" or the calculation of other Fees due to Us result in Your payment in excess of the Fees listed in Exhibit "A-3" and Exhibit "A-8."

5.2.2 Payment Due Date and Operating Account. All royalties and other applicable Fees are due and payable and must be received by Us or credited to Our account by pre-authorized bank debit and automatically withdrawn from Your operating account not later than 5:00 p.m. PT on the 15th day of each month in accordance with Our then-current electronic funds transfer, ACH or other automatic withdrawal program or as specifically directed by Us. Our current ACH agreement is attached hereto as Exhibit "A-7" and may be modified by Us at any time in Our sole discretion. We also have the right to direct the merchant provider to withhold and pay to Us all payments due to Us from Your account/transactions. At all times, You must maintain adequate working capital sufficient in Your operating account to keep Your business in operation for at least three months, even after You pay royalties and other Fees to Us. You agree not to have more than one operating account associated with the Franchise Business.

5.2.3 Late Fees; Interest. You will be charged a late Fee if a required Fee, payment to Us or an affiliate, or report is not timely received by Us or an affiliate, and You will be charged per bounced check or insufficient funds transfer. See Exhibit "A-3." These fines are immediately due upon notice to You and may be adjusted by Us from time to time. In addition, all Fees not paid when due will be assessed and accrue interest from the due date to the date of payment, both before and after judgment at the rate of 18% per annum or the maximum rate allowed by law, whichever is less. In no event will any amounts be charged as interest or late fees or otherwise that exceed or violate any applicable legal restrictions. Unpaid interest charges will compound annually.

5.2.4 Taxes. If there is hereafter assessed any nature of sales tax or use tax or other tax on Fees or other sums previously or hereafter received by Us under this Agreement ("New Tax"), then in addition to all Fees and other payments to be made by You as provided in this Agreement, You shall also pay Us or the taxing authority, a sum equal to the amount of such New Tax. Any New Tax paid to Us shall be paid when due to the taxing authority.

5.2.5 Uncollected Payments. We can require You to cover up to 50% of the uncollected amounts due to Us from Your students for purchases of costumes, t-shirts, and other items Your students purchase from Us. Fees are due within 30 days of invoicing.

5.2.6 Costume Shipping Costs. You will be charged the cost of shipping the costumes purchased for Your groups. The shipping costs must be received by Us or credited to Our account by pre-authorized bank debit and automatically withdrawn from Your operating account not later than 5:00 p.m. PT on the 15th day of the following month in which the costumes were shipped.

5.3 Marketing Fees.

5.3.1 Marketing Fund. In the event We, in Our sole discretion, institute a Marketing Fund as set forth in Article X below, You shall pay Us a monthly advertising Fee for Our Marketing programs as listed on Exhibit "A-3."

5.3.2 Local Advertising. We reserve the right to require You to spend the amount listed on Exhibit "A-3" on local advertising. We may increase the required local Marketing amount upon 60 days' prior written notice to You. However, the increase will not be more than 2% of Gross Sales. You must submit an itemized report to Us documenting proof of expenditures for local Marketing in a form We may require.

5.3.3 Advertising Cooperative. In the event a local or regional advertising cooperative is formed, You will be required to contribute to the advertising cooperative as established and assessed by the advertising cooperative. See Section 10.2 below.

5.4 No Refunds. The Fees set forth in this Agreement are not refundable.

5.5 System Non-Compliance Fines. As an alternative to putting You in default, We may issue You a fine for certain violations of this Agreement and/or the Director's Handbook. The fines are set forth in the Director's Handbook for non-compliance and are paid to Us to reimburse Us for Our administrative and management costs for Us to address the violation. If You do not correct the violation within the time required by Us, We have the right to put You in default. All fines and charges are to be paid upon billing or in accordance with Our electronic funds or automatic withdrawal program, if established. See Exhibit "A-3." Such fines are not Our sole remedy. Our decision to impose, or not to impose, a fine for Your non-compliance does not constitute a waiver of any other right that We may have under this Agreement, Including Termination of this Agreement.

5.6 Technology Related Fees. We have the right to charge You a Fee for Our maintenance of Your webpage and emails. If implemented, this Fee will be updated periodically in the Director's Handbook to account for new or additional technologies and increased costs. See Exhibit "A-3."

ARTICLE VI
FRANCHISEE'S OPERATIONAL COVENANTS

6.1 Business Operations. In addition to other obligations, requirements, and covenants set forth in this Agreement, You must:

6.1.1 Compliance with Applicable Laws. You must adapt, at Your expense, the specifications to Your Franchise Business in accordance with local, state and federal laws, rules and ordinances. You are solely responsible for ensuring compliance with all other applicable laws, ordinances and regulations or ruling of every nature whatsoever which in any way regulate or affect the operation of Your Franchise Business.

(i) Permits and Licensing. You shall obtain and maintain all required permits and licenses for the operation of Your Franchise Business. You agree that We have not made, and You have not relied on any representation that no permits or licenses, or only certain licenses, permits, etc., are necessary in connection with the operation of Your Franchise Business.

6.1.2 Brand Image. You agree to establish and maintain an image and reputation for Your Franchise Business consistent with the standards set forth in this Agreement, in the Director's Handbook, or as otherwise specified by Us and not to engage in any activity or practice which results, or may reasonably be anticipated to result, in any public criticism of Your Franchise Business, Our System, Our goodwill, or any part thereof. If We receive a customer complaint regarding Your Franchise Business, You agree that We have the right to resolve the issue and may charge You a Fee. See Exhibit "A-3."

6.1.3 Training. Your Operating Principal and director, if other than Your Operating Principal, are required to complete Our online training program within 30 days of signing this Agreement and no less than one week prior to opening Your Franchise Business. We will have a phone or video conference after You complete the online initial training videos to answer any additional questions You may have regarding the material covered during the initial training. This phone call will take place at least one week prior to Your opening. There is no Fee for Your Operating Principal to attend the initial training, but We charge a Fee for each additional attendee (see Exhibit "A-3"), and each additional attendee is subject to Our prior approval. We do not provide training to You on bookkeeping or accounting. We do not provide opening assistance at Your Studio.

(i) Replacement Training. Any new Operating Principal or director must also complete the initial training before they can be an Operating Principal or director. We must approve or disapprove of any director You may designate. As the initial training is done through online videos, there is no cost to this additional training unless You request in-person training.

(ii) In-Person Training. If requested, and depending on Our availability, We will train Your Operating Principal and/or director at Your Studio for a Fee (see Exhibit "A-3"), plus travel, lodging, food, and other expenses incurred by Us.

(iii) Refresher Training. Refresher training classes or in-person training may be required as determined by Us if We reasonably believe Your Operating Principal or director(s) are in need of additional training for which You may be charged a Fee. See Exhibit "A-3."

(iv) Non-Disclosure. All attendees at any training must sign a non-disclosure agreement acceptable to Us before attending a training.

6.1.4 Management. Your Franchise must be managed by Your Operating Principal. Although We strongly encourage Your Operating Principal to be the director of Your student groups, it is not required. We require on-premises supervision by Your Operating Principal or Your director. We must approve of Your Operating Principal and any replacement Operating Principal.

(i) Your Operating Principal must devote their primary attention to the Franchise Business. Although we do not require Your Operating Principal to be the director for Your Franchise Business, Your Operating Principal is required to participate in Your Franchise Business as follows: (i) be directly responsible for overseeing all accounting, reporting, bookkeeping, merchant account management, and all financial components of the Franchise Business; (ii) attend and complete all training and retraining courses required by Us; (iii) attend any annual or special meetings of franchisees called by Us; (iv) be directly involved with site selection and the purchasing of props, costumes, music, etc.; and (v) be directly involved in all personnel decisions affecting the Franchise Business.

(ii) You, Your Operating Principal, and Your directors shall keep free from conflicting enterprises or any other activities that would be detrimental to or interfere with the operations of the Franchise Business. You are not allowed to have absentee management of Your Franchise Business.

6.1.5 Days of Operation. You shall operate Your Franchise Business not less than one day per week each school semester but depending on the markets and location of Your Studio and changes to Our System, We reserve the right to require You to operate more than one day per week.

6.1.6 Your Employees. You, Your principals, Your director, and Your employees are not Our employees. You are solely responsible for the hiring, firing, compensation, benefits, managing and training of Your employees. Other than management training, We do not assist You in employment related decisions, or in creating any policies or terms and conditions related to the management of Your employees or their employment.

6.1.7 Insurance.

(i) Minimum Limit Requirements. You shall at all times during the entire term of this Agreement and at Your own expense keep in full force, by advance payment(s), the following minimum insurance policies, obtained from a company rated "A-" or better by A.M. Best & Company, Inc.

Type of Insurance	**Minimum Required Amount(s)**
Commercial General Liability Insurance	$1,000,000 per occurrence and $2,000,000 in the aggregate, whichever is greater
Government Required Insurances	You must maintain and keep in force all worker's compensation and employment insurance on your employees that is required under all federal and state laws.

(ii) Policy Requirements. Other than worker's compensation, these polices shall insure both You and Us and Our officers and directors and nominees as additional insureds, without regard to any other insurance program that We may have in effect, against any liability that may accrue against them by

reason of the ownership, maintenance, or operation by You of the business licensed by this Agreement wherever it may be located. Said policies must stipulate that We will receive a 30-day written notice of cancellation, modification, or termination. Original or duplicate copies of all insurance policies, certificates of insurance or other proof of insurance acceptable to Us shall be furnished to Us together with proof of payment within 30 days of issuance thereof. In the event You fail to obtain insurance and keep the same in full force and effect, We may obtain this insurance at Our discretion, and You must reimburse Us the premium costs, plus and administration fee for Our time (see Exhibit "A-3"). Notwithstanding the foregoing, Your failure to obtain said insurance constitutes a material breach of this Agreement entitling Us to terminate this Agreement. These insurance coverage requirements are only minimums. You need to make an independent determination as to whether increased amounts or additional types of insurance are appropriate. We may raise insurance limit requirements by written notification or amendment to Our Director's Handbook.

6.1.8 Pricing. We may to the degree permitted by law, suggest retail prices and specify maximum and/or minimum pricing You may charge for products and services. You will honor all coupons, price reductions and other programs established by Us.

6.1.9 Show Programs. You are required to use the show programs, Including the products and music that We provide to You. You must purchase the music and products specified by Us for the show programs.

6.1.10 POS System. You are not required to purchase a point of sale system at this time, but all payments from customers must be made through Our website and via credit card or as directed by Us in the future. We will have access to information and reports generated by Your merchant provider.

(i) Computer Systems. If You do not already have high-speed Internet access, You must have it installed at Your Studio or pay for wireless service to Your computer tablet. We will not have independent access to Your tablet computer, but We will have independent access to reports and information generated through Your merchant account. We may require updates and upgrades to Your computer tablet hardware or software during the term of this Agreement. Any and all upgrades, repairs and maintenance to Your hardware and software are at Your expense, and We do not provide technical support. We require updates and upgrades to Your hardware and software as it becomes available. There are no contractual limitations to the frequency and cost of the obligation to upgrade Your tablet. We also have the right to require You to use and pay for software systems, Including a CRM, and We have the right to have independent access to such systems.

6.1.11 Digital Inspections. At Our discretion, We may ask for digital photographs or video or make periodic inspections of Your Franchise Business for compliance, consultation, assistance, and guidance in all aspects of the operation and management of Your Franchise Business.

6.1.12 Conferences and Seminars. At Our discretion, We may hold conferences or seminars to discuss improvements, new developments, mutual concerns and business matters. At this time, attendance is not mandatory, but this policy may change at some time in the future. These conferences and seminars will be held at various locations chosen by Us. We may conduct additional online or videoconference seminars to discuss improvements, developments, business issues, advertising, performance standards, etc. At present, there is no conference fee, but You will also be required to pay all travel, lodging, food and other expenses for each of Your attendees, and We reserve the right to charge a conference fee in the future.

6.2 Quality Control.

6.2.1 System Compliance. You shall strictly follow the System, Director's Handbook and other manuals as reasonably developed by Us. You may not alter, change, or modify the System in any way without Our prior written consent.

(i) Modifications. We have the right, in Our sole discretion, to make systematic and other changes to the System, products and services, Intellectual Property, Confidential Information, Manuals, and Business, and You agree to accept, comply with, be bound by, use, not object to, and implement any such changes to the System, products and services upon 30 days' prior written notice to You. You will make whatever expenditures are reasonably required to implement such charges or modifications. The modifications may obligate You to invest additional capital in Your Franchise Business and to incur higher operating costs. We shall have complete ownership and control of any changes, modifications, enhancements or suggestions whether made by Us or You. You must incorporate all such modifications within the time periods that We specify. Other than modifications due to health or government mandates or guidelines, or public concerns, We will not obligate You to invest additional capital at a time when the investment cannot in Our reasonable judgment be amortized during the remaining term of this Agreement.

(ii) Inspections and Visits. You hereby consent to reasonable inspections during normal business hours of Your Studio wherever located at reasonable intervals by Our duly authorized representative for compliance with the System and the standards and procedures set forth in Director's Handbook. We or Our certified public accountants or other duly authorized agent, have the right during normal business hours to verify compliance with the System, to conduct computer and other audits, and to examine and make copies of Your books, records, financial statements and sales and income tax returns, bank accounts, Venmo or similar accounts, and You shall keep complete and accurate books and records of Your operation of the Franchise Business. In the event that any audit or investigation discloses a deficiency of 2% or more of the Gross Sales in the computation or payment of the royalty or advertising fee due Us, You shall reimburse Us for the total expense of the audit or investigation, Including the charges for the accountant and the travel expenses, room, board and other costs incurred in connection with the audit. Your failure to report Gross Sales for any time period or Your failure to retain and have available, organized and legible records shall be deemed an understatement by more than 2%.

(iii) Email Address. You shall at all times maintain a valid email address, known and available to Us and frequently checked by You to facilitate Our communications, We must approve of Your email account, or We may provide an email address to You, which will be the only email address You can use for Your Franchise Business related matters. If We provide You with an email account/address, We have the right to access Your email account at any time and without notice to You, and You understand and acknowledge that You have no expectation of privacy in the assigned email accounts.

6.2.2 Interim Management. If We give You notice of default and You fail to cure (or as otherwise set forth in Section 14.8), We have the right to step in to manage Your Franchise Business for up to six months, as We deem advisable for a Fee. See Exhibit "A-3." You will be responsible to cover the cost of Our travel, food, and lodging during this time, and You will continue to pay and remain responsible for all royalties and other Fees required by this Agreement. All accounts must remain in Your name during the Interim Management Period, but You shall add Us or Our representative as a co-signer on certain accounts. You will cooperate with Us in communicating with all vendors and suppliers related to Our interim management.

6.3 Personal Guarantees. If Your Franchise Business is owned by a business entity, each individual owner, partner, shareholder, and member, respectively, who own a 5% or greater interest, must each personally sign an agreement not to compete and must personally guarantee the performance of all Your obligations under this Agreement and agree to be personally bound by, and liable for, the breach of every provision of this Agreement.

6.4 Non-Contravention; Non-Disparagement. You shall not undertake any action or inaction to circumvent, contravene, or undermine the purposes of this Agreement. Additionally, during and after the term of this Agreement, You shall not, in any way, form, or medium, disparage Us, the System, the brand, or Our officers, owners, partners, directors, members, managers, representatives, agents or employees.

6.5 Non-Delegation. You may not outsource to a third party, any part of Your obligations to Us or services to customers, Including to another franchisee, without Our prior written approval.

6.6 Permitted Dormancy. You may petition Us for the right to take a break from Your Franchise Business for personal reasons, if needed. If approved, You shall pay Us a dormancy Fee for each year You are dormant. See Exhibit "A-3." Additionally, You must have an active group again within two years of the date You start Your permitted dormancy.

ARTICLE VII
FRANCHISOR'S OPERATIONAL ASSISTANCE

7.1 Studio Setup; Suppliers and Products. We shall provide You with general specifications for Your Studio, Including the requirements and dimensions. Other than providing You with the general specifications, We do not assist You with the construction, remodeling or decorating of Your Studio. We shall provide You with a list of specifications for approved products, supplies, props, costumes, songs, Marketing tools and materials. We will also make available general specifications for Your equipment and supplies and the names of approved suppliers. We may add to or discontinue working with any of Our suppliers.

7.2 Operations Assistance. We shall furnish You with guidance relating to the general operation of Your Franchise Business and will make Ourselves reasonably available to consult by telephone, email, or video conferencing with You during the continuing operation of Your Franchise Business. However, We are not required to provide additional training to You. If You feel additional training is necessary (such as management training or motivational training for staff), We shall provide such training to You based on advance notice, availability of personnel, and Your payment of the required Fee (see Exhibit "A-3"). You shall be responsible to cover the cost of travel, food, wages, lodging and other costs incurred by Your trainees or Our representatives, as applicable.

7.3 Initial Training. We shall provide You access to online training videos as part of Your initial training that You will continue to have access to after the initial training. See Paragraph 6.1.3.

7.4 Website Maintenance. We shall maintain a website for the Singer Company brand and online ordering and payment system. The website will include Your business information and telephone number for Your studio. We may charge a monthly or annual Fee for this service in the future.

7.5 Show Programs. At the beginning of each school semester (two to three times per year), We shall provide You with a show program specifying the required products and music for that show. In addition, You will have access a list of products, prices, warranties, and contact information on Our website.

ARTICLE VIII
PURCHASE OF PRODUCTS

8.1 Approved Products and Product Purchases. You shall purchase, use, provide and sell only approved products, curriculum, shows, music, props, and services for Your Franchise Business that meet Our specifications and/or are purchased from Our approved suppliers. You shall timely pay all suppliers, Including Us and Our affiliates for purchased goods and services. The prices, delivery terms, terms of payment, and other terms relating to the sale of such goods and services are subject to change by the supplier (Including Us and affiliates) without prior notice at any time. In no event will We or an affiliate be liable to You for unavailability of or delay in shipment or receipt of merchandise due to temporary product shortages or unavailability, order backlogs, production difficulties, delays in or unavailability of transportation, fire, strikes, work stoppages, or other such causes. A list of approved goods, services, and suppliers may be set forth in Our Manuals, which list We may update from time to time. No product or service may be added to, altered, or discontinued by Your Franchise Business unless it is first approved by Us in writing. Any additional goods or services that are unique to Your area requires written approval from Us before such goods and/or services are offered. For the purpose of this Article, "goods" means any product, good, inventory, supply item, equipment, tool, item, etc. You shall purchase all music and other products specified by Us for each show, each semester.

8.1.1 Delivery and Installation. For delivery and installation, You are required to work directly with the manufacturer or supplier of these items. We do not assist in delivery or installation of any required or approved purchases.

8.2 Supplier Compensation. We or Our affiliate may derive revenue from the sale of required items and services through mark-ups in prices We charge to You for goods and supplies purchased from Us or an affiliate, or We or an affiliate may receive compensation or discounts from the supplier for Your purchase of such items. You agree that We and/or Our affiliates are entitled to such fees and/or other consideration. No compensation is due to You for compensation or discounts We receive from suppliers.

8.3 Unapproved Suppliers. If You desire to purchase any items from an unapproved supplier, You must submit to Us a written request for such approval or request the supplier itself to do so. Prior to Our approval, You shall pay Us a Supplier Evaluation Fee. See Exhibit "A-3." This Fee is not refundable whether or not the requested supplier is approved. We may revoke Our approval of a supplier upon 30 days' prior written notice.

8.4 Warranties; Support. The respective manufacturers or suppliers may replace defective items purchased pursuant to the standard limited warranties of the manufacturer or supplier, and You must look

to the manufacturer or supplier for replacement of a defective item. We may replace defective items purchased directly from Us pursuant to Our standard limited warranty, if any.

ARTICLE IX
DIRECTOR'S HANDBOOK

9.1 Director's Handbook. We shall loan You a copy or provide electronic access to Our Director's Handbook, containing mandatory policies, operating procedures, rules, and other information. The Director's Handbook and other manuals as developed by Us are and will remain Our property. Such materials may be used by You only in association with Your Franchise Business and only during the term of this Agreement. The Director's Handbook contains mandatory and suggested specifications, standards and procedures for the operation of Your Franchise Business and may be modified and supplemented periodically. You must keep the contents of the Director's Handbook confidential. You may not copy any part of the Director's Handbook, either physically or electronically.

ARTICLE X
MARKETING

10.1 Marketing Fund Administration. We have the right, in Our sole discretion, at any time upon 60 days' notice, to institute, maintain and administer a national advertising, Marketing and development fund ("Marketing Fund"). If implemented, You shall contribute to the Marketing Fund, but it will not be more that 2% of Gross Sales. If We implement a Marketing Fund, advertising will be accomplished in local or national media of Our choice which can be by promotion, print, direct mail, radio, television, Internet or Social Media, and You agree to participate in all programs. We are responsible for administering the fund, and We may use a professional advertising agency or media buyer to assist in advertising campaigns to promote the System. We will not be liable for any act or omission with respect to the Marketing Fund or otherwise which is inconsistent with this Agreement or which is done in subjective good faith. Any unused portion of the Marketing Fund in any calendar year will be applied to the following year's fund. You may request an annual unaudited report of advertising expenditures after 90 days of the end of each year. The Marketing Fund may be used in advertising for the purpose of soliciting the sale of franchises as well as development of the brand and System. We are responsible for administering the Marketing Fund. We may receive payment for providing goods or services to the Marketing Fund. We are not required to spend any amount on advertising directly in the area or territory where Your Studio is located. We can terminate or postpone the Marketing Fund at any time. Upon termination of the Marketing Fund, the unused funds will either be returned to those that contributed the funds, or We will cease to collect new funds while We spend the remainder of funds within the Marketing Fund.

10.2 Advertising Cooperative. At such time as We determine that there are a sufficient number of franchises in a Marketing Area (defined below), as designated by Us, We may form a local and/or regional Marketing cooperative covering such areas as We, in Our discretion, deem appropriate, and We may disburse such funds as We believe appropriate from the Marketing Fund to any such local and/or regional Marketing cooperative for local and/or regional Marketing. We have the power to require cooperatives to be formed, changed, dissolved or merged at any time.

10.2.1 Governing Documents and Financial Statements. We will develop or approve the governing documents and make them available to all franchisees within the cooperative area. The cooperative will be required to prepare annual unaudited financial statements, and these will be available to all franchisees in the Marketing cooperative for review.

10.2.2 Membership and Voting. Upon the formation of a local or regional Marketing cooperation, You will automatically be deemed to be a member of such association as covers the area in which Your Franchise Business is located and will be bound by any decisions made by the Marketing cooperative upon a majority rule by members voting. Voting will be on the basis of one vote per company or affiliate owned studio group in good standing in the Marketing cooperative. If We or affiliates have a company or affiliate owned studio in the Marketing Area, We or Our affiliate will also become a member of the association. A "Marketing Area" is defined as a market with two or more studios in the same television, radio or newspaper market, as determined by Us.

10.2.3 Contributions. All franchisees within the Marketing cooperative area will be required to join and contribute to the fund pro rata based on the number of studio groups in the cooperative. Contributions to the Marketing cooperative will be credited toward your local Marketing obligation. The cost of Marketing programs will be allocated among the members in the Marketing Area and each member must contribute equally to the local cooperative fund based on a per group basis in the Marketing Area. You will be required to contribute to the Marketing cooperative as determined by its voting members, but such Fees and costs will not exceed 1% of Your annual Gross Sales unless all voting members of the cooperative decide to exceed the limit. If We or an affiliate controls voting in a cooperative, the fees payable to the cooperative will not be more than 1% of Gross Sales.

10.3 Sample Advertising. We may provide You with samples of advertising materials developed by Us.

10.4 Promotional Materials. We may send to You, as available, promotional materials and bulletins on new marketing developments and new or improved techniques.

10.5 Approval of Advertising and Compliance Requirements. You may develop advertising and promotional materials for Your use at Your cost. All such materials must be approved by Us, in writing, in accordance with Our Director's Handbook. You agree that all advertising and promotional activities must be done in strict compliance with Our Director's Handbook and in good taste and must reflect favorably upon Us and the System. You shall submit to Us, prior to publication, copies of all advertising materials, proposed to be used for Our approval. Submitted Marketing materials will be deemed disapproved if You do not receive Our written approval or disapproval within 14 days of the date We receive the submission. We have the right to disapprove previously approved Marketing materials at any time.

10.6 Internet and Social Media. You must strictly comply with Our policies and procedures regarding websites, Social Media sites, and Internet Marketing. We reserve the right to restrict Your use of these mediums in the future.

10.6.1 Use of the Internet. You may not create a website for Your Franchise Business. We will, however, create and administer an individual webpage or listing on Our website for Your Studio over which You may have some administrative control, but You may only use information and content from Our website or as otherwise approved by Us. Additionally, You cannot Market on the Internet, Including posting for re-sell, items on third party resale or auction-style websites such as eBay, Craigslist or Amazon without Our prior written permission. We have the right (but not the obligation) to manage and control all online reviews for Your Franchise Business. You may not claim any web listing on sites such as Yelp.

10.6.2 Social Media. We will own and control all Social Media related to the brand, but We may allow You to manage certain aspects of Social Media related to Your Studio. In all cases, We will have

administrative access, and access to account information, and any other information related to Your Social Media activities related to the Singers Company brand. You cannot change any login/password information without our prior written approval, and You must supply Us with all changed/updated login/password information. We have the right to remove or alter or require You to remove or alter any content We deem inappropriate or inconsistent with the Singers Company brand. Additionally, You must sign the Digital and Social Media Authorization for Assignment attached as Exhibit "A-9."

ARTICLE XI
BREACH AND TERMINATION

11.1 Default and Termination. We may terminate this Agreement before the expiration of its term if You breach this Agreement and fail to cure. If curable, You must cure a default within the times set forth below after receiving notice of default. If the default is one which is incapable of cure, Termination is effective as of the date of the notice of default.

No Cure Period:

A. Insolvency. You become insolvent or commit an act of bankruptcy or make a general assignment for the benefit of creditors, or to an agent authorized to liquidate Your property or assets, or become or are adjudicated bankrupt, or voluntarily file a petition in bankruptcy or for reorganization.

B. Repeated Breaches. You repeatedly (three or more times) breach the same or different conditions of this Agreement or the Director's Handbook within a 12-month period.

C. Unauthorized Use. You duplicate the System or use Our Confidential Information or Intellectual Property other than in connection with the operation of Your Franchise Business.

D. Public Safety. Your maintenance or operation of Your Franchise Business results in a threat or danger to public health or safety, Including the endangerment or harm of a child.

E. Misrepresentations. You make any material misrepresentations relating to the acquisition of Your Franchise Business, or Your misrepresentation to customers, Including deception relating to the source, nature, or quality of goods or services provided.

F. Abandonment. You abandon Your Franchise Business or You state or clearly demonstrate any intent to not operate the Franchise Business.

G. Unauthorized Transfer. You transfer or attempt to Transfer all or any part of this Agreement, Your Franchise Business, or any portion of Your franchisee entity, or any material portion of the property associated with Your Franchise Business, or an unapproved percentage of Your franchise entity, or You sublicense or attempt to sublicense to another any of the rights licensed to You hereunder, or otherwise fail, refuse or neglect to obtain Our prior written consent or approval required hereunder.

H. False Reporting. You knowingly or intentionally conceal revenues, maintain false books or records, (Including purposely uploading or storing incorrect or incomplete information on a designated platform) or submit any false report or payment or otherwise defraud Us.

I. Crimes and Adverse Behavior. You commit or are convicted of or plead guilty or no contest to, or enter into a plea in abeyance, stipulated order of continuance, or related agreement, to a felony, a crime involving moral turpitude or You engage in any conduct or behavior that We believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated the Singers Company brand, or Our interest therein. You make disparaging remarks against Us, Our management, employees, the System, or the Singers Company brand to Our other franchisees or in a public forum, Including radio, television, newspapers, the Internet, or Social Media.

J. Unauthorized Competition. You fail to comply with the covenant not to compete during the term of this Agreement or intentionally or recklessly disclose or use Our Confidential Information or Intellectual Property in violation of this Agreement.

K. Background Check. You fail to pass or provide incomplete, false or misleading information on Your background check.

L. Default of Another Agreement. You, or a related entity to You, default under the terms of any other development agreement with Us.

5-Day Cure Period:

M. Unauthorized Closure or Relocation. Your Franchise Business is closed for a period of three or more consecutive class days without Our prior written approval, which consent will not be unreasonably withheld or delayed.

N. Failure to Use or Provide Access to a Designated Account. You refuse to use, or to enable, or to allow Us access to Your account for a designated platform or software, Social Media account, or branded email account.

15-Day Cure Period:

O. Failure to Pay. You fail to pay for any Fee or other amount due to Us, any of Our affiliates, or other designated, approved or other suppliers or assigns, within the time specified for such payments by this Agreement, the Director's Handbook or an agreement specifying the payment concerned.

P. Failure to Accurately Report. You fail to accurately report or fail to submit any reports or records required under this Agreement or the Director's Handbook.

30-Day Cure Period:

Q. Other Breaches. You fail to comply with any provision of this Agreement or the Director's Handbook.

11.1.1 Adequate Assurance. When reasonable grounds for insecurity arise with respect to the performance of Your obligations under this Agreement, We may demand adequate assurance of due performance, and, until We receive such assurance, We may suspend any performance of Our obligations. Failure to provide Us with adequate assurances within 30 days, when properly demanded, will be considered a default of this Agreement for which no additional cure period will be granted.

11.2 Event of Default. In the event of any default by You, We shall give You written notice of default specifying the default(s) and, if curable, state what You must do to cure the specific default(s) within the cure period. Notwithstanding anything to the contrary herein, We have the right, to be exercised in Our sole discretion, to grant You an extended period of time to cure. Any such extension will not be construed as a waiver of Our rights in the future.

11.3 Failure to Cure. If You fail to cure any default within the time allotted, We may proceed to enforce any or all of the following non-exclusive remedies in accordance with this Agreement and the pursuit of any one remedy shall not be deemed an election or waiver by Us to pursue additional remedies:

11.3.1 Termination. Terminate this Agreement and proceed to enforce Our rights under the appropriate provision(s). Such Termination shall be effective upon delivery of a notice of Termination to You without further action by Us.

11.3.2 Actionable Claim. Bring an action or claim for the balance of any monies due hereunder, Including, penalties and interest as provided for in this Agreement and for all other damages sustained by Us as a result of Your breach of this Agreement. As part of any such action, We may accelerate and bring an action for balance of any outstanding installment obligation due hereunder.

11.3.3 Injunctive Relief. Bring an action for temporary or permanent injunctions and orders of specific performance enforcing the provisions of this Agreement and otherwise stop You from engaging in actions prohibited hereby.

11.3.4 Other Remedies. Seek any other remedy available to Us at law or in equity, Including lost profits.

11.4 No Right of Termination. You may not Terminate this Agreement; however, some states may allow You to terminate as permitted by state law.

11.5 Opportunity to Cure. Prior to taking any action against Us, You must first give Us 60 days' prior written notice and an opportunity to cure any alleged act or omission. If such act or omission cannot be cured within such 60-day period, and We are diligently continuing efforts to attempt to cure such alleged act or omission, You must give Us such additional time as is reasonably necessary to cure.

ARTICLE XII
OBLIGATIONS OF FRANCHISEE UPON TERMINATION

12.1 Upon Termination Agreement for any reason, You will immediately cease to be Our franchisee and shall:

12.1.1 Payments Due. Immediately pay for all product purchases, Fees and other obligations owed or accrued to Us, Our affiliates or designated suppliers.

12.1.2 Cease Use. Not hold Yourself out as a Singers Company™ franchisee or business and immediately and permanently cease to Market or in any way use Our Intellectual Property or Confidential Information provided by or licensed to You by Us or in any way connected with the Franchise Business or System.

12.1.3 Disassociation. Within 10 days of Termination, take all necessary steps to disassociate Yourself from the System and Your Franchise Business, Including removal of signs, destruction or removal of letterheads, Marketing material, the change of Your Franchise Business telephone listings, telephone numbers, email addresses, URLs, Internet websites, and any other property that bears Our brand or is affiliated with Our brand. All such property and listings, excluding Your operating assets and inventory that are associated with and considered part of Our brand, Intellectual Property, and System revert back to Us upon termination of this Agreement. If any of Your Operating Assets and inventory bear Our brand and Marks to Our System, You must take the steps necessary to dissociate it all from Our brand, Marks, and Intellectual Property. You shall assist Us to assign, transfer, or disconnect (at Our option) the telephone listing, telephone numbers, Marketing accounts, email addresses, URL's, Internet sites, web pages, and Social Media to Us. If You fail or refuse to do so, the telephone company, URL and hosting companies, and other listing agencies may accept this Agreement as evidence of Our exclusive rights in and to such telephone number(s), Internet websites, URL's, email accounts, and Social Media and listing and its authority to direct their transfer. You hereby appoint Us as Your attorney-in-fact for the above transfers, which appointment is coupled with an interest. You must not identify any present or future business owned or operated by You as having been in any way associated with Us or the System.

12.1.4 Cancel DBA. Within 10 days of Termination, take such action necessary to amend or cancel any assumed name, fictitious or business name or equivalent registration that contains any trade name or mark of Ours or in any way identifies You as being affiliated with the System.

12.1.5 Notify Suppliers; Communication with Customers. Immediately notify all suppliers, utilities, creditors and concerned others that You are no longer affiliated with Us or the System and provide proof to Us of such notification. All communications with customers must be pre-approved by Us, and We can require that all such communication be handled by or through Us. We also have the right to communicate directly with all customers of the Franchise Business.

12.1.6 Return Materials. Although You are not allowed to have any hard copies of any of Our materials, should You have any such hard copies, at Your expense, You must return to Us by first class prepaid United States Mail, (Including originals and any copies) all Director's Handbooks, training, advertising, and all other printed and electronic materials pertaining to the operation of Your Franchise Business, and You must permanently delete any electronic files of the same.

12.1.7 Pay Damages. Pay to Us all costs, damages and expenses Including post-term expenses and reasonable attorney's fees incurred by Us to enforce the provisions of this Agreement, Including to obtain injunctive or other relief to enforce any provision of this Agreement.

12.1.8 Evidence of Compliance. Furnish evidence satisfactory to Us of compliance with this Article within 30 days after the Termination of this Agreement.

12.1.9 Customer Data. To the extent We do not have access, You shall provide Us with (and then permanently destroy) the Customer Data for all current, prior and expectant customers of the Franchise Business.

12.2 Upon Termination of this Agreement, for any reason:

12.2.1 No Compensation. No payment is due to You from Us or any source on account of any goodwill, intangible assets or other equity claimed by You arising from or relating to Your operation or ownership of Your Franchise Business, or otherwise. All goodwill belongs exclusively to Us.

12.2.2 No Refund. No Fees, charges, or other payments of any kind from You to Us are refundable in whole or in part.

12.2.3 No Equity. You will have no equity or other continuing rights to use the System, Confidential Information, Intellectual Property or goodwill of the Franchise Business.

12.3 Survival of Provisions. All of the provisions of this Agreement, which by implication apply following the Termination of this Agreement are enforceable following Termination of this Agreement, Including Your obligation to indemnify Us and pay all amounts owed and Your obligations to dissociate from Our brand. You shall also still be bound to the confidentiality, brand protection, indemnification, non-disparagement, non-competition, non-solicitation, arbitration and dispute resolution, choice of forum and law selections clauses and other restrictions of this Agreement that have terms or duties owing after Termination of this Agreement.

12.4 Your Continued Operation. If You continue to operate Your Franchise Business or any business offering similar products and services or use any of the Marks or any aspect of the System after Termination of this Agreement, Our remedies Include recovery of the greater of a) all profits earned by You in the operation of Your Franchise Business or similar business after such Termination; or b) all royalties, and other amounts which would have been due if such Termination had not occurred. You also acknowledge that this is not Our only remedy and does not represent a price for the privilege to compete. Our rights provided above are cumulative and in addition to any other right or remedy available at law or in equity.

ARTICLE XIII
PURCHASE OPTION

13.1 Acquisition of Assets. Upon Termination of this Agreement, You hereby grant to Us the right to: acquire, in Our sole discretion, all or any part of Your Operating Assets at the then-existing fair market value of such item or items as of the date of Termination of this Agreement. If the fair market value is not agreed to between us, the fair market value will be established by an independent appraisal. The cost of the appraisal will be shared equally by each party. No goodwill will be considered associated with Your Franchise Business or said items. We must exercise this option within 45 days of such Termination or within 15 days of the establishment of the price of the Operating Assets, whichever is later, by giving written notice to You of Our intent to exercise Our option to purchase. We have the right to use Your Operating Assets and Studio during Our option, and in such case, We shall pay You the fair market value of such use. Unless otherwise agreed by You, the purchase price as determined hereunder will be paid in cash within 30 days of giving You notice of Our intent to purchase the assets. We may off-set any amounts You owe to Us against the purchase price if We have not notified You of Our election to exercise this option within the aforesaid 45-day period it shall be conclusively presumed that We have elected not to exercise Our option, and You are then free to sell or transfer such assets to any person or entity on such terms as You may so choose, so long as the Operating Assets have been de-identified as set forth herein. If any of the Operating Assets are subject to liens or taxes, We may withhold a portion of purchase price to pay off such lien or taxes. We may also withhold 25% of the purchase price for 90 days to ensure that all other liabilities affecting the Operating Assets are paid.

ARTICLE XIV
SALE OR TRANSFER OF THE FRANCHISE

14.1 Our Right of Assignment. This Agreement and all rights and obligations hereunder are fully assignable and transferable by Us, and if so assigned or transferred, shall be binding upon and inure to the benefit of Our successors and assigns. We may be sold, or We may sell any or all of Our Confidential Information and/or Intellectual Property or other assets, Including the Marks, to a competitive or other entity. In addition, We may go public, may engage in a private or other placement of some or all of Our securities, may merge, acquire other entities or assets which may be competitive with the System or not, be acquired by a competitive or other entity, and may undertake any refinancing, leveraged buy-out or other transaction, Including arrangements in which: 1) the territories, the studios are, or are not, converted to the System or other format or brand (Including using the System or Marks), or 2) the System is converted to another format or brand, maintained under the System or different system. You waive all claims, demands and damages with respect to any transaction or otherwise allowed under this section or otherwise. You shall fully cooperate with any such proposal, merger, acquisition, conversion, sale or financing.

14.2 No Assignment by You Without Our Approval. This Agreement is personal as to You and is being entered into in reliance upon and in consideration of the qualifications and representations, Including representations of all current owners. Therefore, none of Your Franchise Assets may be Transferred in any manner by You or anyone else unless Our prior written approval is obtained. Transfers to persons or entities, which We consider competitive with Our System are strictly prohibited. You shall provide Us with all documentation relating to the Transfer of Your Franchise Assets. You must provide Us written notice of Your intent to Transfer prior to listing or offering the Franchise Business for sale. In determining the acceptability of the proposed transferee, We will consider, among other things, Our then-current standards for new franchisees, Including the net worth, credit worthiness, health, background, training, personality, reputation, and business experience of the proposed transferee, the terms and conditions of the Transfer, and any circumstances that would make the Transfer not in the best interests of Us or the System, Including the proposed purchase price. We may candidly discuss all matters related with Your Franchise Business with the potential transferee. In no case will You or a proposed transferee rely on Us to review or evaluate any proposed Transfer. Neither We nor Our affiliates will be liable to You or the transferee or any other person or entity relating to the Transfer, and You shall indemnify and hold Us harmless from any liability whatsoever relating thereto. Upon any proposed Transfer of this Agreement, or any interest in it, You shall submit to Us an application in the form specified by Us on behalf of the proposed transferee.

14.3 Transfer Fee. You shall pay Us the non-refundable Transfer Fee listed in Exhibit "A-3" at the time of the approved Transfer. You or the transferee must also pay for and complete the training program required of new franchisees. See Exhibit "A-3."

14.4 Minority Interest Transfers. If a proposed Transfer is for less than 40% of Your entity and controlled by the pre-existing person or entity, there will be no transfer Fee, and We will not be entitled to exercise Our right of first refusal set forth in Section 14.7 below. Any new Operating Principal and other applicable personnel are required to complete the necessary training as required by Us. However, all guarantors will remain guarantors to this Agreement unless otherwise released by Us. Additionally, if You move and would like to open a Franchise in Your new city, (if available), We may waive the Transfer Fee and allow You to assign Your old Franchise Business to Us in exchange for Us waiving the initial Fees for Your new Franchise. Under this circumstance, We have the right to operate Your old Franchise Business as a company-owned studio or sell it as a Franchise Business without any compensation to You.

14.5 Involuntary Transfers Void. Involuntary Transfers of this Agreement by You are not permitted, are not binding on Us, and are grounds for termination of this Agreement. Using this Agreement as security for a loan or otherwise encumbering this Agreement is prohibited. You cannot purport to grant a sub-franchise or otherwise seek to license others under this Agreement. Any attempt to Transfer any part of the Franchise Assets, whether or not binding on Us, will be grounds for the immediate Termination of this Agreement unless such Transfer is authorized in writing by Us.

14.6 Conditions of Transfer. Prior to the effective date of Transfer of any part of Your Franchise Assets and as a condition for Our approval of any Transfer, You must be in full compliance with this Agreement, and You must comply with Our policies related to a Transfer as set forth in the Manuals. All accounts payable and other monetary obligations to Us or Our affiliates or subsidiaries must be paid in full. You shall submit to Us all required reports, financial statements, and other documents. All Your obligations in connection with Your Franchise Business must be assumed by the transferee. The transferee must sign the then-current form of the Director's Agreement and fully upgrade the Franchise Business required of new franchisees. The transferee must complete the training program required of new Franchisees. You and each of Your owners must execute a general release to Us and Our affiliates of any claims You may have against Us, Our officers and directors relating to the Franchise Business. Your non-competition, indemnity, confidentiality obligations, the provisions relating to dispute resolutions, and other applicable terms of this Agreement, will survive any Transfer.

14.7 Right of First Refusal. You hereby grant to Us the right of first refusal to purchase Your Franchise Assets on such terms and conditions specified in a bona fide written offer from a third party who would satisfy the criteria for approval under this Agreement. You shall notify Us in writing of the terms and conditions of the proposed Transfer. A copy of any contract, agreement, memorandum of sale, deposit receipt, financials, employee information, and lease information, letter of intent and the like requested by Us from you must also be forwarded to Us as soon as it is signed by You. Following its receipt, We shall have 60 days in which to advise You of Our election to have the Franchise Assets proposed to be Transferred, assigned to Us on the terms and conditions agreed to by the prospective transferee. Should We elect to purchase the Franchise Assets proposed to be Transferred pursuant to Our right of first refusal, You and We agree to cooperate to accomplish the Transfer as set forth in the provisions submitted to Us by You.

14.8 Death or Incapacity. In the event of the death or incapacity of an individual franchisee or the majority owner of the franchisee entity, the heirs or personal representative must find a replacement franchisee within 120 days after such death or incapacity (or such longer period required by law). If Your Franchise Business is not Transferred within the above-allotted time, it will be an automatic default, and We may assign this Agreement to a third party without any compensation to You. We may operate Your Franchise Business during this time, due to Your death or incapacity, or as otherwise allowed under this Agreement, and if We do, the provisions of Paragraph 6.2.2 will apply.

ARTICLE XV
RELATIONSHIP OF THE PARTIES

15.1 Independent Contractors. In all matters, You are an independent contractor. Nothing in this Agreement or in the franchise relationship constitutes You as Our partner, agent, employee, joint employer, employee, or joint venturer. Neither party is liable for the debts, damages, losses, liabilities, taxes, duties, obligations, defaults, compliance, intentional acts, wages, negligence, errors or omissions of the other. You shall post promptly and maintain any signs or notices specified by Us or by applicable law indicating the status of the parties as described above.

15.2 Indemnification. You shall defend, indemnify, and hold Us harmless from any and all losses, liabilities, damages, costs and expenses whatsoever, Including reasonable attorney's fees arising out of or related to, or in any way connected with You or Your acts, errors, negligence, or omissions in the operation of Your Franchise Business or Your Franchise Business generally, Including any allegation that You are Our employee, or that We are a joint employer or otherwise responsible for the acts or omissions relating to Your employees and other laws regarding public accommodations for persons with disabilities. You agree not to file any crossclaim or counterclaim against Us for any action made by a third-party or make any response that would infer or represent We are liable as a party or defendant to any action that is contrary to this Section. This Agreement and the terms in this Article and related terms in this Agreement is a bona fide defense to any claim You may contradictorily make against Us as to Our liability or proportion of fault. You shall bear all costs to defend Us from claims raised by a third-party. If We incur any costs or liabilities to any third-party, You shall reimburse Us for costs associated with Our defense to those claims. We have the right to defend any such claim against Us by employing counsel of Our choice, subject to full reimbursement of all legal fees by You. We shall use Our reasonable efforts to cooperate with You in any litigation, judicial or administrative proceeding to avoid duplication of time, effort or expenditure to the greatest extent possible without compromising Our interest in such matter. You are not required to indemnify Us for liability caused by Our willful misconduct or gross negligence. This indemnity will continue in full force and effect subsequent to and notwithstanding the expiration, transfer or Termination of this Agreement.

ARTICLE XVI
COVENANT NOT TO COMPETE

16.1 In-Term Covenants. During the term of this Agreement and for any extensions, successions or renewals hereof, You, Your Principals, and Your Immediate Family shall not, directly or indirectly, be a Participant, assist, or serve in any other capacity whatsoever or have any interest in any Competing Business. The foregoing shall not apply to publicly traded shares of 5% or less in Competing Businesses. Your Principals must each execute the standard brand protection agreement attached as Exhibit "A-4." Your personnel must execute Our Employee Brand Protection Agreement attached as Exhibit "A-5." A copy of all such agreements shall be delivered to Us within one week of its execution. We do not represent that the employee brand protection agreement form will be enforceable in Your state. You agree, at Your expense, to have the employee brand protection agreement reviewed by legal counsel in the state where Your Franchise Business is located.

16.2 Non-Disclosure. You, Including those persons with any interest in Your Franchise as heretofore described, agree that at no time, either during the term of this Agreement, any extensions, successions or renewals hereof, post termination or at any other time, will not make any unauthorized disclosure or use of Our Confidential Information, Our programs and shows, or any other information obtained from Us in confidence at any time by virtue of the Franchise or license relationship.

16.3 Post-Term Covenants. Upon Termination of this Agreement and for a continuous, uninterrupted period of two years thereafter, You, Your Principals, and Your Immediate Family shall not, directly or indirectly, be a Participant, assist, or serve in any other capacity whatsoever or have any interest in any Competing Business, within Your Territory or within 25 miles of Your Territory or within 20 miles of the territory of any Singers Company franchise or business operation.

16.4 Non-Solicitation of Customers. During the term of this Agreement and for three years after the Termination of this Agreement, You, Your Principals, and Your Immediate Family shall not, directly or indirectly, contact any customer serviced by the Franchise Business, a prospective customer, or any former or then-current student of Ours (with whom You had contact during the term of this Agreement) for the purpose of soliciting any such customer to a Competing Business. For clarity, a "prospective customer" does not mean any possible customer. It means a potential customer who has been engaged in some way, or has provided some personal information, or has elected to receive some communication, but who has not yet done business to be considered an actual customer.

16.5 Survival of Covenants; Tolling of Covenants. The foregoing covenants, to the extent they apply following the Termination of this Agreement survive the Termination of this Agreement and shall apply regardless of whether this Agreement was Terminated by lapse of time, by default of either party, or for any other reason. In addition to other remedies available to Us, in the event You violate a non-competition and/or non-solicitation covenant, the applicable non-competition or non-solicitation period will be tolled for the period of Your violation.

16.6 Acknowledgement of Harm. You acknowledge that Your violation or breach of the covenants and provisions of this Article will cause substantial and irreparable harm to Us and the System. You agree that the restrictions contained in this Agreement are reasonable and necessary for Our protection and the protection other Singers Company franchisees in the System, and that the existence of any claims You may have against Us, whether or not arising from this Agreement, will not constitute a defense to Our ability to enforce the covenants set forth in this Article.

16.7 Enforceability. It is the desire and intent of the parties to this Agreement that the provisions of this Article be enforced to the fullest extent permissible under applicable laws. If any of the restrictions of this Article are determined to be unenforceable because of duration, scope or coverage or otherwise, then We have the right in Our sole discretion to reduce the scope of any covenant set forth above or any portion thereof, without Your consent, effective immediately upon receipt by You of written notice thereof; which modified covenant will be fully enforceable notwithstanding any other provision of this Agreement.

ARTICLE XVII
DISPUTE RESOLUTION

17.1 Quick Resolution. You and We understand that there is always a possibility of differences of opinion or other disagreements in any business relationship and agree that it is important is to resolve any Disputes amicably, quickly, inexpensively, and professionally and to return to business as soon as possible.

17.2 Manner of Handling Disputes. In the event any Dispute arises between the parties hereto in connection with, arising from or with respect to the relationship of the parties hereto, or the validity of this Agreement or any provision hereof, or the validity of the Director's Handbook provisions, such Dispute will be:

17.2.1 Face-to-Face Meeting. First, discussed in a face-to-face meeting between You and Us at Our then-current headquarters or via video conference at Our election, and within 30 days after either You or We give written notice to the other proposing such a meeting. We have the right, in Our sole discretion, to waive this requirement.

17.2.2 Mediation. If, in the opinion of either You or Us, the meeting has not successfully resolved such Dispute and if desired by either You or Us, the Dispute will be submitted to non-binding mediation before Franchise Arbitration and Mediation Services ("FAM") or as otherwise mutually agreed or by a judicial arbitration and mediation service if FAM cannot conduct such mediation and the parties cannot agree on a mediation organization. On election by either party, arbitration as provided below may proceed forward at the same time as mediation. The mediator will be disqualified as a witness, consultant, expert, or counsel for any party with respect to the Dispute and any related matters. The mediation will be conducted exclusively in Salt Lake City, Utah.

17.2.3 Arbitration. If the parties are unable to reach a resolution through mediation, the Dispute shall be submitted for arbitration to the American Arbitration Association in accordance with its commercial arbitration rules. All arbitration hearings will be conducted in Salt Lake City, Utah as the exclusive venue and jurisdiction, and the laws of the state of Utah will govern. The arbitrator will have the power and jurisdiction to decide such Dispute solely in accordance with the express provisions of this Agreement. Discovery will be controlled by the arbitrator and permitted to the extent set out in this paragraph. Each party may submit in writing to a party, and the party shall respond, to a maximum of any combination of 25 (none of which may have subplots) of the following: interrogatories, demands to produce documents, and requests for admission. Each party is also entitled to take the oral deposition of one individual of the other party. Additional discovery may be permitted upon mutual agreement of the parties or at the discretion of the arbitrator if petitioned by either party. Both parties to the Dispute shall share in the upfront cost of the arbitrator and arbitration fees. If a party is unable or unwilling to pay its share of the upfront cost of the mediation or arbitration, the other party has the right to cover those costs; however, the prevailing party in any arbitration suit or action to enforce this Agreement, is entitled to recover the administrative costs of the arbitration proceeding and the fee for the arbitrator from the non-prevailing party. The parties agree that any claim hereunder shall result in an award not more than 180 days from the date of the statement of claim filed with the American Arbitration Association, unless otherwise waived by the parties. The Arbitrator's decision will be put in writing. The award and findings of the arbitrators will be conclusive and binding upon all parties hereto and the judgment upon the award may be entered in any court of competent jurisdiction. Any Dispute and any arbitration will be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or similar basis between You and Us and will not be consolidated with any other arbitration proceeding involving Us and any other person, except that with respect to a Dispute involving You and Your affiliate, You and Your affiliate may both be parties to the arbitration.

17.3 Agreed Limitations. Except for payments owed by one party to the other, or claims attributable to Your underreporting of sales, indemnification under Article XV, or claims related to an act of Yours allowing Us to immediately terminate this Agreement, any legal action or arbitration proceeding must be brought within a period of 12 months from the time the event in controversy is or reasonably should have been discovered; provided that no claim may be brought more than two years after the first act or omission giving rise to the alleged claim. The initiation of mediation or arbitration hereunder will toll the applicable statute of limitations for the duration of any such proceedings.

17.4 Exceptions to Arbitration. You and We agree that this Agreement does not obligate Us to mediate or arbitrate Disputes relating primarily to: (a) the validity of the Marks, or any trademarks, service marks or other Intellectual Property; (b) Our rights to obtain a writ of attachment or other prejudgment remedies; (c) Our rights to receive and enforce a temporary restraining order, preliminary injunction, permanent injunction or other equitable relief; and (d) Disputes solely for fees and other monies owed by one party to another under this Agreement.

17.5 Appeals. If any party to an arbitration wishes to appeal any final award by an arbitrator (there will be no appeal of interim awards, or other interim relief), that party can appeal, within 30 days of such final award, to a three-arbitrator panel to be appointed by the same organization as conducted the arbitration to be held at the same location as specified above. The issues on appeal will be limited to the proper application of the law to the facts found at the arbitration and will not include any trial *de novo* or other fact-finding function. The party requesting such appeal shall pay all costs and fees of the arbitrators and arbitration proceedings. You and We mutually agree that all issues relating to arbitrability are governed exclusively by the Federal Arbitration Act and the federal common law of arbitration to the exclusion of any state statutes or common law. All provisions of this Agreement pertaining to venue, choice-of-laws, dispute avoidance and resolution will be strictly enforced, and You and We will rely on federal preemption under the Federal Arbitration Act.

17.6 Attorney's Fees. In the event any action in law or equity or any arbitration, mediation or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding. Reimbursement is due within 30 days of written notice after prevailing. For purposes of this Agreement, "prevailing party" Includes the party which obtains a judgment in their favor or agrees to dismiss an action or proceeding upon the other's payment of sums allegedly due or performance of the covenants allegedly breached, or which obtains substantially the relief sought.

17.7 Governing Law. This Agreement and the relationship between the parties is governed, construed and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions. The exclusive and only venue is Salt Lake County, Utah. You and We hereby irrevocably consent to the exercise of general personal jurisdiction of the courts of record of the state of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere. If the governing law requires terms other than or in addition to those in this Agreement, then such terms are deemed incorporated herein, but only to the extent necessary to prevent the invalidity of this Agreement or any of the provisions hereof or the imposition of civil or criminal penalties or liability. You hereby waive any provisions of law or regulations which render any portion of this Agreement invalid or unenforceable in any respect. Notwithstanding the foregoing, the Federal Arbitration Act (9 U.S. 3 §§ 1 Et. Seq.) and the United States Trademark Act (Lanham Act, U.S.C § 1051 Et. Seq.) apply to this Agreement and the relationship of the parties and preempt any state law to the contrary.

17.8 No Jury Trial. You and We waive, to the fullest extent permitted by law, all rights to trial by jury in any action or claim, whether at law or in equity, brought by either party.

17.9 Continued Performance. During the pendency of any Dispute or any such interim relief proceeding, the parties shall continue to perform their respective obligations under this Agreement.

ARTICLE XVIII
REPRESENTATIONS

18.1 Representations. You understand that the success or failure of the business licensed by this Agreement depends, in major part, upon Your efforts. We have made no income guarantees or projections or any claims that You will be successful in the business licensed by this Agreement. This Agreement contains all of the terms and conditions agreed upon by the parties. No promises or representations have

been made by Us or any of Our representatives or agents other than herein set forth. You understand and agree that it is unlawful and a criminal offense to duplicate or reproduce any copyrighted or proprietary materials. Nothing in this Agreement requires You to waive reliance or representations made in the FDD.

ARTICLE XIX
NOTICES

19.1 Notices. All notices permitted or required under this Agreement must be in writing and must be delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission when confirmed by telecopier or facsimile transmission, during normal business hours, Monday through Friday, holidays excepted; (iv) by sending an email to the email address below or other verified email address when confirmed by receipt verification, which verification will not be withheld or otherwise denied; or (v) by certified or registered mail, return receipt requested addressed as follows:

Franchisor: Bloomfully, LLC
9012 N. Timphaven Rd., RR3 Box A15
Provo, Utah 84604
(or Our then current headquarters)

Email: Katie@singerscompany.com

Franchisee: _____
_____
_____

Email: _____

19.2 Delivery. If You refuse or fail to accept any certified or overnight delivery, acceptance will be deemed to have occurred 48 hours after rejection or failure to accept such notice. Any notice delivered by mail in the manner herein specified is deemed delivered and received three days after mailing. You shall at all times maintain a valid email address, known and available to Us to facilitate Our communications with You.

19.3 Listed Addresses. The address specified herein for services of notices may be changed at any time by the party making the change by giving written notice to the other party by certified mail or as otherwise agreed by You and Us. Any notice to You may be delivered to the address set forth above or to the address of Your place of business.

ARTICLE XX
MISCELLANEOUS

20.1 Headings. Headings used in this Agreement are for reference and convenience purposes only and are not to be used in construing the provisions of this Agreement. As used herein, the male or female gender Include the other and the neuter. The singular Includes the plural and the plural includes the singular as appropriate.

20.2 No Third Party Rights. The parties intend to confer no benefit or right on any person or entity not a party to this Agreement and no third parties have any right or claims, benefit or right or a third party beneficiary under this Agreement or any provision hereof. Similarly, You are not entitled to claim any rights or benefits Including those of a third-party beneficiary, under any contract, understanding or agreement between Us and any other person or entity unless that contract, understanding or agreement specifically refers to You by name and specifically grant rights or benefits to You.

20.3 Authority. Where an entity is a party to this Agreement, the person or persons signing this Agreement on behalf of the entity warrants to Us that they have the requisite authority to sign this Agreement. At Our request, the concerned company signatory agrees to promptly provide Us with a certified copy of the resolution authorizing the execution of this Agreement and naming the officers, directors, members or managers of the entity who are authorized to sign this Agreement on behalf of the entity.

20.4 No Partial Payments. No payment by You or receipt by Us of any amount less than that required to be paid under this Agreement, or otherwise, to Us or any person or entity affiliated with Us, is deemed to be anything except payment on account, regardless of any endorsement to the contrary contained on any such payment or in any oral or written communication transmitted in connection therewith.

20.5 Joint and Several Liability. If more than one person, corporation, limited liability company, partnership or other entity, guarantor or any combination thereof, sign this Agreement on behalf of the franchisee, the liability of each is joint and several. All members of a general partnership and all members of any association or other unincorporated entity which is the franchisee hereunder, are jointly and severally liable for Your performance hereunder.

20.6 No Off-Set of Withholdings. You shall not offset or withhold the payment of any Fees or other amounts or obligations due to Us or Our affiliation on grounds of the alleged non-performance by Us of any of Our covenants or obligations, or any Dispute of any nature or otherwise.

20.7 Disclosure. We can disclose, in franchise disclosure documents or otherwise, information relating to Your Franchise Business, Including Your name, address, phone numbers, financial information, copies or reports and other information.

20.8 Binding Agreement. This Agreement is binding upon the heirs, administrators, personal representatives, assigns and successors in interest to the parties hereto.

20.9 Entire Agreement. The parties intend this Agreement and all attached exhibits hereto each of which are incorporated by reference herein, to be the full and complete agreement between Us and You and the entire integration of all Our understandings of every nature concerning the matters contained in this Agreement or in any way related thereto, whether occurring before or contemporaneously with the execution of this Agreement. No agreements, representations, negotiations, promises, commitments, inducements, assurances, terms, conditions, or covenants of any nature exist between the parties except as specifically set forth in this Agreement, whether pertaining to this Agreement or to any future, further or additional rights of the parties. No field representative or salesperson has the right or authority to sign this Agreement or make oral representations or written modifications hereof. No amendment, change or variance from this Agreement is binding on either party unless executed in writing; however, the Director's Handbook and any other policies and procedures may be modified by Us and are binding. Nothing in this Agreement, or in any related agreement, is intended to be a disclaimer of the representations We made to

You in the franchise disclosure document. If any term of this Agreement is determined as void and unenforceable, the remaining terms and duties under this Agreement will still be considered enforceable and severable as if it was its own separate agreement from the voided term.

20.10 Effective Date. Delivery of a draft of this Agreement to You does not constitute an offer. This Agreement becomes effective only when executed and accepted by Us.

20.11 No Course of Dealing. No course of dealing between You and Us affects Your or Our rights under this Agreement or otherwise.

20.12 No Representations. You agree that We have not made nor have You received any promise, representation or warranty that: 1) any payments by You are refundable at Your option; 2) We will repurchase any rights granted hereunder; 3) You will achieve any particular sales, income or other levels of performance; 4) You will have any exclusive rights of any type other than as expressly set forth herein; 5) You will receive any level of advertising, Marketing assistance, Studio location assistance, development or other services, operational assistance, or otherwise other than as expressly set forth in this Agreement; 6) You will not be required to obtain any licenses or permits in order to operate Your Franchise Business; 7) any location or territory will be successful; or 8) that You will be awarded additional or further franchises or other rights, except as expressly set forth in a written document signed by Us.

20.13 Variances. You understand and agree that 1) We may have offered franchises in the past, may currently be offering franchises, or may offer franchises in the future, on economic or other terms, conditions and provisions which may significantly differ from those offered by this Agreement and any related documents; and 2) there may be instances where We have varied, or will vary, the terms on which We offer franchises, the charges We (or Our affiliates) make, or otherwise deal with Our franchisees to suit the circumstances of a particular transaction. You have no right to object to such variances or to obtain the same variances for Yourself.

20.14 No Misrepresentations. You further represent to Us, as an inducement to Our entry into this Agreement, that You have made no misrepresentations in obtaining the award of this franchise.

20.15 Representations of Non-Violation. You represent and warrant that You can enter into this Agreement and that the execution and performance of this Agreement is not in violation of any agreement between any third-party, or the violation of any order, decree or judgment of any court or administrative agency.

20.16 Singers Company FDD. You represent that You have had a copy of Our franchise disclosure document ("FDD") for at least 14 calendar days or 10 business days, whichever is applicable in Your state, prior to signing this Agreement or making any new payment to Us.

20.17 Waiver. We may, in Our discretion, unilaterally waive any of Your obligations or requirements under this Agreement. Waiver by Us of any particular default by or obligation of Yours does not affect or impair Our rights with respect to any subsequent default by You or any of Our other rights to declare the same or subsequent acts a default. Unless otherwise agreed to in writing, Our acceptance of any payments due from You does not waive any prior defaults.

20.18 Counterpart and Electronic Signatures. This Agreement and its exhibits may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, with full legal force and effect, is be deemed the same as an original signature.

20.19 Owners of the Franchise. You represent, and We rely upon, Your representations in entering into this Agreement that the individuals in Exhibit "A-2" are the owners of and sole holders of a legal and beneficial interest in the franchise entity and in Your Franchise Business.

ARTICLE XXI
DEFINITIONS

"Competing Business" means a business that engages in singing or dance production for children ages 3 to 12, or similar business offering services or products the same as or substantially similar to those offered at Your Franchise Business or as part of the System during the term hereof or at the time of Termination or Transfer.

"Confidential Information" means any non-public information (through no fault of Yours) relating to Our products or services, or operation of a Singers Company business, the System, or relating to the System as a whole, Including: (i) Our curriculum, shows, choreography, programs, music, performances, scripts, etc., methods, techniques, formats, specifications, procedures, and systems; (ii) hardware, software, proprietary technology, and equipment; (iii) sales and Marketing programs, sales techniques, pricing, bidding methods, etc.; (iv) the development and operation of Singers Company businesses; (v) knowledge of, specifications for, and suppliers of, certain Singers Company music, props, costumes, products, materials, supplies, equipment, furnishings and fixtures; (vi) operating results, margins, expenses, and financial performance of Singers Company businesses; (vii) Our strategic plans and concepts for the development, operation, or expansion of Singers Company businesses; (viii) the contents of the Director's Handbook and other manuals; (ix) all Customer Data; (xi) login, passwords, access information, etc., to Our email accounts, Social Media, Director's Handbook or other internal sites or shared documents; (xii) Our Intellectual Property that is generally deemed confidential; (xiii) all Innovations; and (xiv) any other information obtained from Us in confidence at any time by virtue of the franchise or license relationship.

"Copyright Materials" means all show and program scripts, songs, writings, music, video and audio recordings, materials, Manuals, artwork, websites, logos, Marketing materials, apps, and designs used with the Marks or in association with the System.

"Customer Data" means any and all customers and customer and potential customer data and lists, Including phone numbers, emails, mailing addresses, name and contact information for key personnel of the customer, Social Media followers' information, etc., even if maintained by You or deemed to have arisen through Your activities. For clarity, a "prospective customer" does not mean any possible customer. It means a potential customer who has been engaged in some way, or has provided some personal information, or has elected to receive some communication, but who has not yet done business to be considered an actual customer.

"Director's Handbook" means Our confidential handbook provided to You containing mandatory policies, operating procedures, guidelines, rules, and other information as may be updated by Us periodically. Our Director's Handbook may consist of a series of online videos, webpages or other form designated by Us.

"Dispute" any claim, controversy, disagreement, or dispute of any type whatsoever.

"Fees" refers to those fees, payments, and costs You are required to pay to Us, as more fully set forth on Exhibit "A-3" and Exhibit "A-8."

"Franchise Assets" means this Agreement or any of its rights or privileges, or any shares or units in the ownership of Your entity, Your Franchise Business, or substantially all of Your assets.

"Gross Sales" Includes the total of all sales of all products, goods and services sold, traded, bartered or rendered by You and income of every kind and nature Including the value of a trade or other bartering, arising from Your Franchise Business and tangible property of every kind sold by You during the term of this Agreement. "Gross Sales" excludes bona fide credits or returns and excludes amounts paid by You for sales or use taxes on the sale of any products or services.

"Immediate Family" means spouses, domestic partners, parents, stepparents, children, stepchildren, sons-in-law, and daughters-in law.

"Innovation" means any idea conceived or developed, or any actual innovation, change, modification, enhancement, or addition to the System, Including to Your Franchise Business, Copyrighted Materials, Manuals, Confidential Information, website, Social Media, Marketing materials, apps or any other documents or information pertaining to or relating to the System, or any Intellectual Property related to the System, or any creative concepts, Marketing ideas or inventions related to the System, and all derivatives thereof, whether implemented in the System or not.

"Including or Includes" means "including but not limited to," "including, without limitation," and similar all-inclusive and non-exhaustive meanings.

"Interim Management Period" means the period of time during which We step in to manage Your Franchise Business as allowed under this Agreement.

"Internet" means any present or future interactive system for electronic communications, using lines, cables, wireless, satellite, radio or any other technology; and which involves one or more of the following: the system of interconnected computer networks that use the internet protocol suite (TCP/IP) or its successor; websites or similar remotely-accessible electronic information sources (whether password protected or not); use of domain names, other locators, or emails that use Our trademarks; internet phone services; cellular or similar messaging; mobile applications; social networks or Social Media; or wikis, podcasts, online content sharing communities, or blogging.

"Marketing" or "Market" means advertising, brand development, promotion, public relations campaigns, content creation, influencer incentives or compensation, market research and other related processes.

"Marks" means the federally registered and common law trademarks owned by Us, whether now or later developed. "Marks" also include any and all trade names, trademarks, logos and/or other commercial property or symbols licensed to You pursuant to this Agreement or used in connection with the System or later added to the System.

"Operating Assets" means Your assets, equipment, props, contracts, inventory, supplies, signs, accessories, and other personal property relating to Your Franchise Business.

"Operating Principal" is: a) You if You as the franchisee are an individual; or b) if You are an entity, an individual that owns at least 50% of the ownership and voting interests in the franchisee entity (unless You obtain Our written approval of a lower percentage), has authority over all business decisions related to the Franchise Business, and has the power to bind You in all dealings with Us. Your Operating Principal must be listed on Exhibit "A-2."

"Participant" means an owner, operator, shareholder, director, partner, member, manager, consultant, agent, employee, contractor, advisor, officer, lessor, lessee, licensor, or licensee.

"Principal" means shareholders, owners, partners, directors, members, managers, officers, and principal employees and contractors.

"Shall" when used in this Agreement (even when not capitalized) means must or other similar affirmative obligation, as the context requires.

"Social Media" means any and all websites, apps and web or Internet pages for social interaction, business operation, advertising, and other online information communications, whether now or later developed.

"System" Includes the Franchise Business, specific trade names or service marks, teaching methods, standards, a Director's Handbook, music, dances, shows, curriculum, operating procedures, Marketing concepts and presentations, a website and online store, specifications for certain equipment, supply items, software and the use of Propriety Information and other Intellectual Property.

"Termination" or "Terminate" means expiration, non-renewal, repurchase of Your rights, non-granting of a Successor Franchise, non-renewal, Transfer, or any other means by which this Agreement is no longer in effect and You are no longer a Singers Company franchisee.

"Transfer" means any direct or indirect assignment, transfer, division, trade, sale, gift, pledge, sublicense, mortgage, granting of any security interest, or sale at judicial sale or under power of sale, conveyance or retention of collateral in satisfaction of debt, or other procedure to enforce the terms of any pledge, encumbrance, or security interest.

"We," "Our(s)" or "Us" only as applied to Sections 2.2, 3.1, 3.5, 6.4, 14.6, 16.4, and Articles XI and XV Includes Our predecessors, parents, affiliates, subsidiaries, successors, and assigns and Our offices, directors, shareholders, members, managers, employees, agents, developments agents, or others with whose conduct We are chargeable.

"You" or "Your" means all signers of this Agreement, all current and subsequent guarantors, all subsequent and current members, owners, partners, shareholders, managers, directors, officers, agents, affiliates, principal employees and those whose conduct You are chargeable.

IN WITNESS WHEREOF, the parties have respectively signed this Director's Agreement as of the day and year first written above.

FRANCHISOR:	**FRANCHISEE:**
BLOOMFULLY, LLC	_____
By: _____ (Signature)	By: _____ (Signature)
Name: _____	Name: _____
Title: _____	Title: _____

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE DIRECTOR'S AGREEMENT

In consideration of the execution of the Director's Agreement, dated _____ ("Director's Agreement") by Bloomfully, LLC ("Franchisor") and for other good and valuable consideration, the undersigned ("Guarantors") for themselves, their heirs, successors and assigns, do jointly, individually and severally hereby guaranty the full performance of the terms and conditions of and liability for the aforesaid Director's Agreement and related documents.

Guarantors understand that a separate action may be brought or prosecuted against any Guarantor whether or not the action is brought or prosecuted against any other Guarantor or against franchisee, or any or all of them, or whether any other Guarantor or the franchisee is or are joined in the action.

Guarantors agree that any claims, controversy, or dispute of Guarantors will be governed by the dispute resolution provisions of Article XVII of the Director's Agreement, which Article is incorporated herein and by reference made a part hereof. Guarantors agree that all arbitration and mediation will take place exclusively in Salt Lake City, Utah and each Guarantor hereby submits to the jurisdiction of the federal and state courts of Utah.

Guarantors waive the benefit of any statute of limitations or other provision of law which in any way affects or limits a Guarantor's liability under this Guaranty. Guarantors acknowledge and agree no subsequent amendment, modification, and/or extension of the Director's Agreement will affect this guaranty.

This Guaranty will be governed by the laws of the state whose laws govern the Director's Agreement.

This Guaranty may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

DATED _____.

GUARANTOR(S)

By: _____
(Signature)

Name: _____, personally

By: _____
(Signature)

Name: _____, personally

EXHIBIT "A-1"
TO THE DIRECTOR'S AGREEMENT

TERRITORY:
(Map may be attached)

Your Territory will include the school boundaries for the following elementary schools:
_____
_____
_____
_____
_____

APPROVED STUDIO:

The Studio located at: _____
_____.

_____
Franchisee Initial and Date

_____
Franchisor Initial and Date

EXHIBIT "A-2"
TO THE DIRECTOR'S AGREEMENT

COMPANY REPRESENTATIONS AND WARRANTIES

You make the following additional warranties and representations:

You are a (check one):

□ Partnership □ Corporation
□ Sole Proprietorship □ Limited Liability Company

Name of your entity: _____

The state in which your entity was formed: _____

Date of Formation: _____

EIN:_____

The names and addresses of each owner or partner holding an ownership interest in the corporation, partnership, or limited liability company (please print or type the information and add extra lines if necessary):

Name	**Address**	**Percentage of Ownership***

*Corporation: Percentage owned of outstanding voting stock.
*Partnership: Percentage owned voting and in capital and profits.
*Limited Liability Company: Percentage owned in membership interest.

The names of the officers of the company (please print or type the information and add extra lines if necessary):

Name	**Title**	**Manager/Officer**

The address where Your corporate records are maintained is: _____

_____

The name and address of Your Operating Principal who has been approved by Us and who will be directly responsible for supervising Your business operations and who has authority to work with Us and make decisions relating to the operations of the Franchise Business:

Name: _____

Address: _____

Email: _____

Phone: _____

You must provide Us a copy of Your articles of organization and operating agreement or articles of incorporation and bylaws within one week of the date below.

Dated _____.

FRANCHISEE:

_____

By: _____
(Signature)

Name: _____

Title: _____

EXHIBIT "A-3"
TO THE DIRECTOR'S AGREEMENT

FEE CHART

You agree to the following Fees as more fully described in the Director's Agreement.

Type of Fee	Amount	Notes
Successor Franchise Fee	$1,000 per group	See Par. 2.2.3
Startup Director's Packet	$2,500	See Sec. 5.1
Royalty	Varies	See Sec. 5.2 and Ex. "A-8"
Late Charges	$50 per day	See Par. 5.2.3
Interest on Late Fees and Reports	18% interest (or applicable state law maximum whichever is less) up to a maximum of $500 per late fee	See Par. 5.2.3
Non-Sufficient Fund Fees	$50 per bounced check or draft or the maximum allowed by state law	See Par. 5.2.3
Sales or Use Tax	Sum equal to tax imposed	See Par. 5.2.4
Costume Fees	50% of the uncollected costume costs	See Par. 5.2.5
Costume Shipping Costs	Cost of shipping the costumes purchased for Your groups	See Par. 5.2.6
Marketing Fund Fee	Up to 2% of Gross Sales (if implemented)	See Par. 5.3.1
Local Marketing Requirement	1% of Gross Sales (if implemented)	See Par. 5.3.2
Advertising Cooperative	1% of gross sales	See Par. 5.3.3
System Non-Compliance Fines and Charges	Amounts to be specified in the Director's Handbook. Ranging between $250 and $5,000	See Sec. 5.5
Technology-Related Fees	$20 to $40 per month (if implemented)	See Sec. 5.6

Consumer Complaint Resolution Fee	$250 per incident, plus the cost We incur to resolve the issue	See Par. 6.1.2
Additional Trainee at Initial Training	$500 per person	See Par. 6.1.3
Operational Assistance or Training at Your Franchise Business Premises	$500 per person/per day	See Par. 6.1.3(ii) and (iii)
Insurance Reimbursement Fee	Varies	See Par. 6.1.7
Conference Fee	Currently, no fee	See Par. 6.1.12
Seminar Fee	Currently, no fee	See Par. 6.1.12
Audit Charge	Cost of audit	See Par. 6.2.1
Interim Management Fee	$500 per class day, per representative	See Par. 6.2.2
Dormancy Fee	$200 per year	See Sec. 6.6
Supplier Evaluation Fee	$500	See Sec. 8.3
Fees on Default	Damages and costs of enforcement	See Par. 11.3.2
Post Termination Fees	Varies	See Par. 12.1.7
Director's Agreement Transfer Fee	$2,500	See Sec. 14.3
Transfer Training Fee	$500	See Sec. 14.3
Indemnification	Varies	See Sec. 15.2
Dispute Resolution Fees	Varies	See Sec. 17.2 and 17.6

EXHIBIT "A-4"
TO THE DIRECTOR'S AGREEMENT

BRAND PROTECTION AGREEMENT FOR PRINCIPALS

This BRAND PROTECTION AGREEMENT FOR PRINCIPALS (the "Agreement") is entered into and made effective as of the effective date listed below by Bloomfully, LLC ("Franchisor") and the undersigned ("Principals").

WHEREAS, Principals or his or her or their company entered into an agreement with Franchisor so as to be able to obtain the rights to operate a Franchise Business using the System developed by Franchisor, Including certain Confidential Information of Franchisor ("Director's Agreement"); and

WHEREAS, Principals recognize the value of the System and the intangible property rights licensed under the Director's Agreement, and the importance of maintaining the Confidential Information, and recognize that the Franchisor's entering into the Director's Agreement is conditioned upon each Principal entering into this Agreement; and

WHEREAS, all capitalized terms used, but not defined, herein will have the respective meanings assigned to them pursuant to the Director's Agreement.

NOW THEREFORE, in consideration of Franchisor entering into the Director's Agreement with Principals or his or her or their company, the recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Acknowledgment. Principals individually acknowledge that he or she has obtained or may obtain Confidential Information that is necessary and essential to the operation of the Franchise Business, without which information the Franchise Business could not efficiently, effectively and profitably operate. Principals further acknowledge that such Confidential Information was not known to him or her prior to the association with Franchisor.

2. Non-Disclosure and Non-Use. Except as may be required or allowed under the Director's Agreement, Principals and any of a Principal's Immediate Family, shall not during the term of the Director's Agreement and any Successor Franchise or Successor Director's Agreement or any time thereafter, directly or indirectly, use, or disclose to any third-party, or authorize any third-party to use, any information relating to the Franchise Business or interest of Franchisor, Confidential Information, the System, or other information or materials that he or she knows, or reasonably should know, is regarded as confidential to Franchisor. Principals shall also adopt and implement all reasonable procedures prescribed by Franchisor, from time to time, to prevent unauthorized use and/or disclosure of the Confidential Information, Including restrictions on disclosure to employees and other third parties. The parties intend that the information disclosed by Franchisor prior to the actual execution of this Agreement constitutes Confidential Information and is subject to all the terms and conditions of this Agreement (Including the covenants protecting against disclosures) as if such information had been disclosed following the execution of this Agreement.

2.1 Duty to Notify. Principals agree to notify Franchisor of any reasonably suspected attempts to violate the terms or purposes of this Agreement and further agree to require all personnel to report to it any reasonably suspected attempts to violate this Agreement. In the event it is discovered that Principals knew or had reason to know of any suspected attempts to violate this Agreement, Principals agree to

indemnify Franchisor for all costs and fees associated with enforcement, and to reimburse Franchisor for those losses sustained due to such violation.

3. Non-Competition. The following covenants will be enforced during and after the term of the Director's Agreement:

3.1 In-Term Covenant. During the term of the Director's Agreement and for any extensions or Successor Franchises hereof, except as permitted under the Director's Agreement, Principals and each Principal's Immediate Family, shall not be a Participant, assist, or serve in any other capacity whatsoever, or have any interest in a Competing Business, except with Franchisor's prior written consent.

3.2 Post-Term Covenant. Upon Termination for any reason of the Director's Agreement, and any extensions thereof, or upon any Transfer or repurchase of a Principal's rights under the Director's Agreement or the franchise entity, or a Principal's dissociation from the Franchise Business, and for a continuous, uninterrupted period of two years thereafter, Principals, and Principal's Immediate Family, shall not, directly or indirectly, be a Participant, assist, or serve in any other capacity whatsoever, or have any interest in a Competing Business within the Territory or within 25 miles of the Territory or within 20 miles of the territory of any System franchise or Singers Company business operation at the time of Termination of the Director's Agreement. The ownership of not more than 5% of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision.

4. Non-Solicitation of Customers. Subject to applicable state law, Principals shall not, during the term of the Director's Agreement and any extensions or Successor Franchise and for three years thereafter, directly or indirectly, contact any former or then-current customer of the Franchise Business, or any former, then-current customer of Franchisor or of an affiliate of Franchisor (with whom the Principal had contact during the term of the Franchise Agreement), or prospective customer for the purpose of soliciting such customer to a Competing Business. All portions of Customer Data belong to Franchisor. For clarity, a "prospective customer" does not mean any possible customer. It means a potential customer who has been engaged in some way, or has provided some personal information, or has elected to receive some communication, but who has not yet done business to be considered an actual customer.

5. Survival of Covenants; Tolling of Covenants. The foregoing covenants survive the Termination of this Agreement and apply regardless of whether this Agreement was Terminated by lapse of time, by default of either party, or for any other reason. In addition to other remedies available to Franchisor, in the event a Principal violates a non-competition and/or non-solicitation covenant, the applicable non-competition or non-solicitation period will be tolled for the period of that Principal's violation.

6. Return of Materials. Upon the Termination of the Director's Agreement, or a Principal's disassociation from the Franchise Business, each Principal agrees to deliver to Franchisor (and shall not keep a copy in his or her possession or deliver to anyone else) the Director's Handbook and any and all Confidential Information.

7. Irreparable Harm. Principals hereby acknowledge and agree that any breach by him or her of any portion of Sections 1 through 6 above, inclusive, will cause damage to Franchisor in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisor may be entitled, Franchisor will be entitled to temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by any Principal of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisor by such breach and without the requirement of

posting a bond. Additionally, Principals agree that the existence of any claims a Principal may have against Franchisor, whether or not arising from this Agreement or the Director's Agreement, will not constitute a defense to Franchisor's ability to enforce the covenants set forth in this Agreement.

8. Reasonableness and Enforceability. Principals agree that the terms of this Agreement are fair and reasonable in light of the circumstances and were in part, based on the perceived or potential value of the System and the business relationship that Principals and/or his or her or their company have and will have with Franchisor. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative. Whenever the context so requires, the masculine will Include the feminine and neuter and the singular will include the plural and conversely. Principals understand that a separate action may be brought or prosecuted against a Principal whether or not the action is brought or prosecuted against any other Principal or against the franchisee, or any or all of them, or whether any other Principal or the franchisee is or are joined in the action.

9. Governing Law and Jurisdiction. The validity, enforcement, construction, rights and liabilities of the parties and provisions of this Agreement will be governed by and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions. If for any reason court action is filed, Principals individually consent to the jurisdiction of the courts of record in the state of Utah, and unless the enforcement of this Agreement is brought in connection with a Dispute under the Director's Agreement (in which case this matter may be handled through arbitration as set forth in the Director's Agreement), each Principal agrees that proper jurisdiction and venue for all Dispute resolution will be exclusively in the state and federal courts of Salt Lake City, Utah.

10. Attorney's Fees and Costs. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

11. Binding Agreement. This Agreement will bind the successors and assigns of a Principal and his or her heirs, personal representative, successors and assigns. No rights under this Agreement are assignable by any Principal, and any purported assignment will be null and void and of no force or effect.

12. Survival of Covenants. All covenants made in this Agreement by Principals survive the Termination of this Agreement or the Director's Agreement or Principal's disassociation with the Franchise Business or the System in any way.

13. Modification of Agreement. This Agreement may be amended in whole or in part only by an agreement in writing signed by the parties.

14. Counterpart and Electronic Signatures. This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

PRINCIPALS INDIVIDUALLY ACKNOWLEDGE THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date below.

DATED_____.

FRANCHISOR:

BLOOMFULLY, LLC

By: _____
(Signature)

Name: _____

Title: _____

PRINCIPALS:

By: _____
(Signature)

Name: _____

Title: _____

By: _____
(Signature)
Name: _____

Title: _____

By: _____
(Signature)
Name: _____

Title: _____

By: _____
(Signature)
Name: _____

Title: _____

By: _____
(Signature)
Name: _____

Title: _____

EXHIBIT "A-5"
TO THE DIRECTOR'S AGREEMENT

EMPLOYEE BRAND PROTECTION AGREEMENT

This EMPLOYEE BRAND PROTECTION AGREEMENT ("Agreement") is entered into as of _____, between _____ ("Franchisee") and _____("Employee"), residing at _____.

A. Franchisee is the holder of a Singers Company franchise developed by Bloomfully, LLC ("Franchisor").

B. Franchisor has developed certain confidential and proprietary information for the operation of a Singers Company franchise, including without limitation, programs, shows, scripts, curriculum, processes, methods, trade secrets, systems, software, pricing, financial information, customer data and lists, manuals, marketing techniques, and procedures ("Proprietary Information").

NOW, THEREFORE, in consideration of the employment of Employee by Franchisee, the parties hereto agree as follows:

1. Acknowledgement. Employee acknowledges that during the course of his or her employment by Franchisee he or she has obtained or may obtain knowledge of the Proprietary Information and other confidential matters and procedures developed, licensed to or owned by Franchisor and made available to Franchisee, which are necessary and essential to the operation of the business of Franchisee, which without such information, Franchisee could not efficiently, effectively and profitably operate its Singers Company franchise. Employee further acknowledges that such Proprietary Information was not known to him or her prior to the association with Franchisee or its Singers Company franchise.

2. Non-Use, Non-Disclosure. Except as may be required in the performance of duties for Franchisee, Employee shall not, during the course of his or her employment or at any time thereafter, directly or indirectly, use, or disclose to any third-party, or authorize any third-party to use any portion of the Proprietary Information, and agrees not to copy, transmit, recreate or otherwise reproduce all of any part of the Proprietary Information at any time.

3. Limited Use. Employee shall not use the Proprietary Information at any time, place, or circumstance, except as directed by Franchisee or its authorized representatives. In no event shall Employee use the Proprietary Information, whether in part or in whole, outside of Employee's specific employment duties.

4. Duty to Notify. Employee agrees to notify Franchisor or Franchisee or Employee's immediate superiors of any reasonably suspected attempts to violate the terms or purposes of this Agreement or to otherwise disclose, copy, or reproduce any part of the Proprietary Information. In the event it is discovered that Employee knew or had reason to know of any suspected attempts to violate this Agreement and fails to report such knowledge, Employee agrees to indemnify Franchisor and Franchisee for all costs and fees associated with enforcement, and to reimburse Franchisor and Franchisee for those losses sustained due to such violation. Employee agrees to cooperate with Franchisor and Franchisee in its or their attempts to enforce the terms of this Agreement and to otherwise protect the Proprietary Information, and to cooperate

with Franchisee and Franchisor to the extent Franchisee is obligated to cooperate with Franchisor's attempts to enforce its rights in and to the Proprietary Information.

5. Return of Materials. Immediately upon the termination of employment, Employee agrees to deliver to Franchisee (and shall not keep in his or her possession or deliver to anyone else whether in hard or electronic soft copy) any and all records, data, photographs, notes, manuals, lists, correspondence, specifications, materials, other documents or property, or reproductions relating to, directly or indirectly, to the Proprietary Information.

6. Management and Supervisor Employees. This Section 6 shall only apply if Employee is a management employee and/or acts in a supervisory role over other employees.

6.1 Non-Competition. Employee shall not, during the course of his or her employment by Franchisee, and for one year thereafter, directly or indirectly in any capacity, without Franchisee's prior written consent, engage in a business, or plan for or organize a business, or have any financial interest in, or become and owner, officer, director, shareholder, partner, associate, employee, contractor, agent, representative or consultant in any offering or selling products or services the same or substantially similar to a Singers Company business. Without limiting the generality of the foregoing, the minimum area of competitive nature will be that area within a 10-mile radius of Franchisee's place of business or any Singers Company business operation at the time of Employee's termination of employment. The ownership of not more than 2% of the voting stock of a publicly held corporation will not be considered a violation of the foregoing provision.

6.2 Non-Solicitation of Customers. Employee shall not, during the course of his or her employment and for two years thereafter, directly or indirectly, contact any customer or former customer of Franchisee for the purpose of soliciting such customer to be a customer of a business that is the same as or similar to a Singers Company business.

7. Irreparable Harm. Employee hereby acknowledges and agrees that any breach by him or her of any portion of Sections 1 through 6 above, inclusive, will cause damage to Franchisee and Franchisor in an amount difficult to ascertain. Accordingly, in addition to any other relief to which Franchisee may be entitled, either Franchisee or Franchisor will be entitled to enforce this Agreement and to seek temporary, preliminary, and/or permanent injunctive relief for any breach or threatened breach by Employee of any of the terms of Section 1 through 6 above, inclusive, without proof of actual damages that have been or may be caused to Franchisee or Franchisor by such breach, and without the requirement of posting bond. The existence of a claim against Franchisee or Franchisor will not constitute a defense to enforce the covenants of this Agreement.

8. Modification. Employee hereby agrees that, without limitation, any modifications, alterations, changes, or improvements conceived, designed, devised, developed, perfected or made by Employee, whether alone or in conjunction with others, and related in any manner to the actual or anticipated operation of the Franchisee, or the Singers Company system, or to any area of research and development related to the operation of the business, must be promptly disclosed to the Franchisee and will become the property of Franchisor, and Employee hereby irrevocably assigns, transfers, and conveys any such to Franchisor.

9. Enforceability. If any portion of this Agreement will be held invalid or inoperative, then, so far as is reasonable and possible, the remainder of this Agreement will be considered valid and operative, and effect will be given to the intent manifested by the portion held invalid or inoperative.

10. Survival of Covenants. All covenants made in this Agreement by Employee survive the termination of Employee's employment with Franchisee or the expiration, transfer, or termination of this Agreement.

11. Modification of Agreement. This Agreement may be amended in whole or in part only by an agreement in writing signed by both parties.

12. Attorneys' Fees. In the event any action in law or equity or any arbitration or other proceeding is brought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

13. Counterpart and Electronic Signatures. This Agreement may be signed in counterparts by facsimile, electronic signature, or scanned and emailed signature, or similar electronic means, which will be deemed the same as an original signature and may be used for all purposes as if it were an original.

14. Third-party Beneficiary. It is agreed and acknowledged that Franchisor is a third-party beneficiary to this Agreement.

EMPLOYEE ACKNOWLEDGES THAT HE OR SHE HAS READ THIS AGREEMENT AND UNDERSTANDS ITS CONTENTS.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the day and year first herein above written.

DATE_____.

FRANCHISEE:	EMPLOYEE (if a minor, see next page):
_____	_____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____
	Age: _____

For persons under 18 years of age, a parent or legal guardian must sign and complete the following section.

I, _____ (Parent/Guardian), the undersigned and the parent and natural guardian of _____ (minor's name), hereby acknowledge that I have executed the foregoing Employee Brand Protection Agreement for and on behalf of the minor named herein. I represent that I have legal capacity and authority to act for and on behalf of the minor named herein. As the natural or legal guardian of such minor, I hereby bind myself, the minor, and our successors and assigns to the obligations and liabilities of the foregoing Employee Brand Protection Agreement.

SIGNED AND WITNESSED _____.

Signature of Parent/Guardian: _____

Name of Parent/Guardian: _____

Address: _____
_____

Phone: _____

[Continuation of Employee Brand Protection Agreement Signature Page]

EXHIBIT "A-6"
TO THE DIRECTOR'S AGREEMENT

STUDIO LOCATION AGREEMENT
ADDENDUM TO BLOOMFULLY, LLC
DIRECTOR'S AGREEMENT

THIS STUDIO LOCATION AGREEMENT ("Agreement") is made and entered into on _____, by and between BLOOMFULLY, LLC "We," "Us," "Our," or "Franchisor") and _____ "You," "Your" or "Franchisee"). Capitalized terms used herein shall have the meaning set forth in the Director's Agreement unless otherwise defined herein.

RECITALS:

WHEREAS, You have entered into a certain Director's Agreement with Us of even date herewith ("Director's Agreement"); and

WHEREAS, You have not found a location for Your Franchise Business Studio.

NOW THEREFORE, in consideration of the mutual and reciprocal covenants, promises, recitals, terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereby agree as follows:

1. Paragraph 4.1 of the Director's Agreement is amended, in part, to provide, You will have three months from the date of this Addendum to identify obtain an approved location of Your Studio. We have four weeks to approve the location.

2. Upon Our written approval, the location of Your Studio will be entered as an addendum to paragraphs 4.1 of Your Director's Agreement, and Your Territory will be identified as part of Your Director's Agreement and by reference made a part thereof. Your Studio must be opened within four months from the date hereof or Your Director's Agreement shall automatically terminate.

3. You hereby ratify and affirm Your Director's Agreement and except as modified herein, all other terms and conditions of the Director's Agreement shall remain in full force and effect as currently set forth therein.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, and by their signatures below, the parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Agreement and have caused this Agreement to be executed as of the date first above written.

FRANCHISOR:	**FRANCHISEE:**
Bloomfully, LLC	_____
By: _____ (Signature)	By: _____ (Signature)
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT "A-7"
TO THE DIRECTOR'S AGREEMENT

AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS (ACH DEBITS)

Business Name: _____

I hereby authorize Bloomfully, LLC hereinafter called ("Company"), to initiate debit entries to my checking account or savings account as indicated below at the depository financial institution named below, hereinafter called ("Depository"), and to debit the same to such account. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of United States law.

Depository Name: _____ Branch: _____

Phone: _____

City: _____ State: _____ Zip Code: _____

Routing Number: _____ Account Number: _____

Type of Account: Checking/Savings:_____

This authorization is to remain in full force and effect until the Company has received written notification from me of its termination in such time and in such manner as to afford the Company and Depository a reasonable opportunity to act on it.

Name: _____
(please print)

Title: _____

Signature: _____ Date: _____

NOTE: ALL WRITTEN DEBIT AUTHORIZATIONS MUST PROVIDE THAT THE RECEIVER MAY REVOKE THE AUTHORIZATION ONLY BY NOTIFYING THE ORIGINATOR IN THE MANNER SPECIFIED IN THE AUTHORIZATION.

EXHIBIT A-8
TO THE DIRECTOR'S AGREEMENT

Initial Franchise Fee and Ongoing Royalty Addendum

You shall pay an initial franchise fee based on the number of groups purchased and the amount of royalties chosen as follows:

Groups[1]	Standard franchise fee	No franchise fee
1st Group (up to 20 girls)	$12,000	$0
2nd Group (up to 40 girls)	$8,500	$0
3rd Group (up to 60 girls)	$6,000	$0
4th Group +	$0	$0
Royalty	10% of Gross Sales	50% of Gross Sales
Minimum Royalty	$77/mo.	$320/mo.

[1] Groups have 16 to 20 girls. There is no upfront fee for a 4th, 5th or 6th group, etc., if the groups are for an approved Studio within Your Territory.

1. Number of groups purchased: _____

2. Initial Franchise Fee Due: $_____

3. Royalty: _____% or $_____ per month, whichever is greater

We offer a 20% discount on the initial fee for additional groups if purchased at the time of signing the Director's Agreement. For example, if You were to purchase a standard franchise with three groups, You would pay $12,000 for your 1st group (standard fee, no discount), $6,800 for your 2nd group, and $4,800 for Your 3rd group. You also have the option to purchase additional groups as Your groups grow, but no discount will apply. Initial fees are only due for the first three groups.

Dated _____.

FRANCHISOR:
BLOOMFULLY, LLC

By: _____
(Signature)
Name: _____

Title: _____

FRANCHISEE:
_____

By: _____
(Signature)
Name: _____

Title: _____

EXHIBIT A-9
TO THE DIRECTOR'S AGREEMENT

DIGITAL, SOCIAL MEDIA, AND LISTINGS AUTHORIZATION FOR ASSIGNMENT

This DIGITAL, SOCIAL MEDIA, AND LISTINGS ASSIGNMENT AUTHORIZATION ("Assignment") is made and entered into as of the Effective Date (defined below), by and between the undersignedFranchisee and Bloomfully, LLC ("Franchisor").

RECITALS

WHEREAS, Franchisee has entered into a Director's Agreement ("Director's Agreement'); and

WHEREAS, as part of the Director's Agreement, Franchisee is granted limited rights to use the Singers Company trademark, trade names, trade dress, and other associated intellectual property (collectively, the "Marks") in conjunction with Franchisee's Franchise Business; and

WHEREAS, all capitalized terms used, but not defined, herein will have the respective meanings assigned to them pursuant to the Director's Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, agreements, recitals, obligations, terms and conditions herein contained, and the acts to be performed by the respective parties hereto, the parties hereto agree as follows:

1. Franchisee hereby assigns all rights and interest, Including all associated goodwill, in the Social Media and other digital media accounts used in the Franchise Business or used or created in any way by Franchisee or third parties to promote or use the Marks, Including, Franchisee's Facebook, Instagram, Tik-Tok, Pinterest, Twitter, LinkedIn, Google listings, Tumblr, email accounts, and the like (collectively the "Social Media Accounts"). Franchisee shall take all action necessary to grant exclusive access of the Social Media Accounts to Franchisor, including providing all passwords and administrative access to such Social Media Accounts.

2. Franchisee hereby assigns and transfers, (or in Franchisor's sole discretion disconnects) the telephone listings, telephone numbers, Including the telephone number(s) listed on Marketing and Social Media Accounts, URL's, Internet sites, and web pages used in the Franchise Business or used or created in any way by Franchisee or third parties to promote or use the Marks to Franchisor (collectively "Listings").

3. Franchisee represents, warrants, and covenants the following with regard to the Social Media Accounts and Listings:

a. Franchisee has the right to assign the Social Media Accounts and Listings, and they are free and clear of all liens and encumbrances.

b. Franchisee shall not, after Termination of the Director's Agreements attempt to access, control, interfere with, or obstruct the Social Media Accounts and/or Listings.

c. Franchisee shall not prevent or hinder Franchisor from enforcing its rights in or to the assigned Social Media Accounts or Listings.

d. Franchisee has not taken, or permitted, and shall not take or permit any action that would prevent Franchisor from enjoying the full benefits of assignment of the Social Media Accounts and/or Listings to Franchisor hereunder whether during the term or after the Termination of the Franchise Agreement.

4. Franchisee hereby directs and authorizes each company associated with, or in control of, the Social Media Accounts and Listings to assign, transfer, set over and otherwise authorize Franchisor to take over and control the Social Media Accounts and Listings. If necessary, Franchisee shall execute all documents required by Franchisor to give effect to the assignment of the Social Media Accounts and Listings to Franchisor hereunder.

5. This Assignment applies to all Social Media Accounts and Listings regardless of whether Franchisee is allowed to manage under the Franchise Agreement or was allowed to create, use, manage, or even own Social Media Accounts and/or Listings in the past. To the extent Franchisor does not currently have administrative access to a Social Media Account or Listing of Franchisee, Franchisee shall immediately grant Franchisor such access.

6. Franchisor hereby appoints Franchisor as its attorney-in-fact for the above transfers, which appointment is coupled with an interest.

7. This Assignment is binding upon the heirs, administrators, personal representatives, assigns and successors in interest to the parties hereto.

8. This Assignment is governed, construed and interpreted in accordance with the laws of the state of Utah without giving effect to its conflicts of law provisions.

FRANCHISEE:	**FRANCHISOR:**
_____	**Bloomfully, LLC**
By: _____ (Signature)	By: _____ (Signature)
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

EXHIBIT A-10
TO THE DIRECTOR'S AGREEMENT

STATE ADDENDA

ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA

1. The California Franchise Relations Act, Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with California law, California law controls.

2. The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.)

3. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be fully enforceable under California law.

4. The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

5. The franchise agreement requires binding arbitration. The arbitration will occur at Salt Lake City, Utah with the costs being borne by you for travel to, and lodging in, Salt Lake City, Utah and other costs associated with arbitration. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and Federal laws (this or these as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 128a, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

6. The franchise agreement requires application of the laws of Utah, but the California franchise laws may prevail in some instances. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California laws.

7. You must sign a general release if you transfer, renew or terminate your franchise. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

8. The franchise agreement provides for waiver of a jury trial. This may not be enforceable in California.

9. No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

10. Late Fees in Exhibit "A-3" is amended to include the following: "The highest interest rate allowed in California is 10% annually."

WASHINGTON ADDENDUM TO THE FRANCHISE AGREEMENT AND RELATED AGREEMENTS

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting the transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the director's agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Article V of the franchise agreement is amended to add the following:

In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchise has (a) received all pre-opening and initial training obligations that it is entitled to under the franchise agreement or offering circular, and (b) is open for business.

Article XIII of the franchise agreement will be interpreted in accordance with RCW 19.100.180.

The time limitations to initiate a claim as set forth in Section 17.2.3(iii) of the franchise agreement are hereby amended and extended to the time limits allowed under RCW 19.100.

Section 17.3(viii) of the franchise agreement is here by amended as follows:

> Federal Arbitration Act. You and We mutually agree that all issues relating to arbitrability are governed exclusively by the Federal Arbitration Act and the federal common law of arbitration to the exclusion of any state statutes or common law and will be decided by the arbitrator. All provisions of this Agreement pertaining to venue, choice-of-laws, dispute avoidance and resolution will be strictly enforced (subject to state law).

Section 20.12 of the franchise agreement is not enforceable in Washington.

Section 2 of the Form General Release Agreement (Exhibit "H" to the franchise disclosure document) is hereby omitted and not applicable in the state of Washington.

The undersigned does hereby acknowledge receipt of this addendum.

Dated _____.

FRANCHISOR:	**FRANCHISEE:**
BLOOMFULLY, LLC	_____
By: _____ (Signature)	By: _____ (Signature)
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT "B"
TO THE FDD

AUDITED FINANCIALS
(Attached)

December 31, 2022
December 31, 2021
December 31, 2020

UNAUDITED FINANCIAL STATEMENTS

January 1, 2023 through March 31, 2023

BLOOMFULLY

BLOOMFULLY, LLC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2022, 2021, AND 2020

BLOOMFULLY, LLC

Table of Contents

	Page
Independent auditor's report	3
Balance sheets	5
Statements of operations	6
Statements of member's equity	7
Statements of cash flows	8
Notes to the financial statements	9

Independent Auditor's Report

To the Members
Bloomfully, LLC
Provo, UT 84604

Opinion

We have audited the balance sheet of Bloomfully, LLC, as of December 31, 2022, and the related statements of operations, member's equity, and cash flows for the year then ended, and the related notes to the financial statements. The financial statements of Bloomfully, LLC as of December 31, 2021, 2020, were audited by other auditors whose report dated July 15, 2022, expressed an unqualified opinion on those statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bloomfully, LLC as of December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

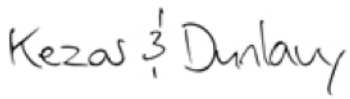
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Restrictions on Use

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.



St. George, Utah
April 21, 2023

BLOOMFULLY, LLC
BALANCE SHEETS
As of December 31, 2022, 2021, 2020

	2022	2021	2020
Assets			
Current assets:			
Cash and cash equivalents	74,387	$ 40,668	$ 37,725
Accounts receivable, net of allowance	29,083	27,572	19,165
Due from affiliate	4,572	-	-
Prepaids	-	4,877	2,400
Operating lease asset	61,569	-	-
Total current assets	$ 169,611	$ 73,117	$ 59,290
Property, plant and equipment, net	5,647	9,017	$ 20,221
Advances to Partners and Affiliates	-	51,058	27,747
Deposits	5,696	5,696	5,696
Total assets	$ 180,954	$ 138,888	$ 112,954
Liabilities and Member's Interests			
Current liabilities:			
Accounts payable and accrued expenses	$ 9,388	$ 7,694	11,180
Operating lease liability, current	36,325	-	-
Deferred revenue, current	38,716	40,866	59,075
Total current liabilities	$ 84,429	$ 48,560	$ 70,255
Long term liabilities			
Operating lease liability non current	25,244	-	-
Deferred revenue, non-current	73,044	47,850	59,133
Total long term liabilities	$ 98,288	$ 96,410	$ 129,388
Member's interests	$ (1,763)	$ 42,478	(16,434)
Total liabilities and member's interests	$ 180,954	$ 138,888	$ 112,954

The accompanying notes are an integral part of the financial statements.

BLOOMFULLY, LLC
STATEMENTS OF OPERATIONS
For the years ended December 31, 2022, 2021, 2020

	2022	2021	2020
Operating revenue			
Franchise fees	$ 48,944	$ 64,492	$ 76,453
Royalties	71,637	50,394	48,777
Other revenue	287,173	202,760	163,022
Total operating revenue	$ 407,754	$ 317,646	$ 288,252
Cost of goods sold	90,268	62,441	82,511
Gross Profit	$ 317,486	$ 255,205	$ 205,741
Operating expenses			
Selling, general and administrative	$ 191,806	$ 137,255	113,233
Depreciation	3,370	11,204	14,764
Total operating expenses	$ 195,176	$ 148,459	$ 127,997
Total operating income	$ 122,310	$ 106,746	$ 77,744
Other income			
Covid relief grants	-	10,000	-
Total other income	$ -	$ 116,746	$ 77,744
Net income	$ 122,310	$ 116,746	$ 77,744

The accompanying notes are an integral part of the financial statements.

BLOOMFULLY, LLC
STATEMENTS OF MEMBER'S EQUITY
For the years ended December 31, 2022, 2021, 2020

Balances at December 31, 2020	$	(16,434)
Contributions from members		(57,834)
Net income		116,746
Balance at December 31, 2021	$	42,478
Contributions from members	$	90,000
Distributions to members		(239,392)
ASC 606 adjustment		(17,159)
Net income		122,310
Balance at December 31, 2022	$	(1,763)

The accompanying notes are an integral part of the financial statements.

BLOOMFULLY, LLC
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2022, 2021, 2020

	2022	2021	2020
Cash flow from operating activities:			
Net income	$ 122,310	$ 116,746	$ 77,744
ASC 606 adjustment	$ (17,159)		
Adjustments to reconcile net income to			
net cash used in operating activities:			
Depreciation expense	$ 3,370	$ 11,204	$ 14,764
Changes in operating assets and liabilities:		-	
Accounts receivable	(1,511)	(8,407)	14,924
Prepaid expenses	4,877	(2,477)	2,249
Due from affiliate	(4,572)	-	-
Accounts payable	1,694	(3,486)	5,580
Deferred revenue	23,044	(29,492)	(64,453)
Net cash provided by operating activities	132,053	84,088	50,808
Cash flows from investing activities:			
Advances to partners and affiliates	51,058	(23,311)	(27,747)
Purchases of property and equipment	-	-	(3,904)
Net cash provided (used) by investing activities	51,058	(23,311)	(31,651)
Cash flows from financing activities:			
Contributions from members	90,000	-	-
Distributions to members	(239,392)	(57,834)	(47,035)
Net cash used by financing activities	(149,392)	(57,834)	(47,035)
Net change in cash and cash equivalents	33,719	2,943	(27,878)
Cash at the beginning of the period	40,668	37,725	65,603
Cash at the end of the period	$ 74,387	$ 40,668	$ 37,725
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ -	$ -	$ -

The accompanying notes are an integral part of the financial statements.

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

Bloomfully, LLC (the "Company") was formed on June 30, 2011 as a Utah Limited Liability Company. The Company's DBA is Singers Company. The Company is in the business of selling franchises to operate a non-competitive musical dance performing studio for girls ages 3 to 12 under the Singers Company name.

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission (SEC), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Reclassification

Certain items in the prior year have been reclassified to conform to the current year's presentation.

(e) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. Also included within cash equivalents are deposits in-transit from banks for payments related to third-party credit cards and debit card transactions. As of December 31, 2022, 2021, and 2020, the Company had cash and cash equivalents of $74,387, $40,668, and $37,725, respectively.

(f) Accounts Receivables

Accounts receivables are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, and royalty fees. Accounts receivables are recorded at the invoiced amount and do not bear interest although a finance charge may be applied to such receivables that are past the due date. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. The Company determines the allowance based on historical collections, customers' current creditworthiness, age of the receivable balance both individually and in the aggregate, and general economic conditions that may affect the customer's ability to pay. All account balances are reviewed on an individual basis. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. When recoveries of receivables previously charged off are made, they are recognized as income when payment is received. As of December 31, 2022, 2021, and 2020, the Company had net accounts receivable of $29,083, $27,572, and $19,165. As of December 31, 2022, 2021 and 2020, the Company had no allowance for doubtful accounts.

(g) Property and Equipment

Property and equipment are recorded at historical cost and depreciated using the straight-line method over the estimated useful lives of the assets. The useful lives generally range between 5-10 years. Routine maintenance and repairs are charged to expense in the year incurred.

(h) Revenue Recognition

The Company's primary revenues consist of initial franchise fees, royalties based on a percentage of gross revenues, renewal fees and other franchise startup fees. Other revenues include costume fees, tuition, studio rents and other fees.

On January 1, 2019, the Company adopted ASC 606, *Revenue from Contracts with Customers* using the modified retrospective method. This method allows the standard to be applied retrospectively through a cumulative catch-up adjustment recognized upon adoption. As such, comparative information in the Company's financial statements has not been restated and continues to be reported under the accounting standards in effect for those periods. Management determined that the effect of adopting ASC 606 did not have a material effect on the Company's financial statements.

ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue.

For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the transaction price, which includes an initial fee and ongoing royalties, and the Company's performance obligations.

Upon evaluation of the five-step process, the Company has determined that this standard does not impact the recognition of royalties, marketing fees, and technology fees from locations operated by a franchisee, which are based on a percentage of gross revenue and recognized at the time the underlying sales occur. ASC 606 does have an effect on the process management uses to evaluate the recognition of the initial franchise fees.

Franchise fee revenue is recognized in accordance with ASC 606 on a straight-line basis over the terms of the franchise agreement of 60 months. In addition to initial franchise fees, franchisees are required to pay royalties on a percentage of future gross revenues. Royalty revenue is recognized monthly as earned. Revenue from costume fees, tuition, etc., are billed separately from the franchise fee and are recognized as revenue when the obligation is satisfied.

As of December 31, 2022, the Company had approximately 59 individual franchise outlets, of which 48 were in operation.

(i) Income Taxes

The entity is structured as a limited liability company (LLC) under the laws of the State of Utah. A limited liability company is classified as a partnership for federal and state income tax purposes and, accordingly, the income or loss of the Company will be included in the income tax returns of the members. Therefore, there is no provision for federal or state income taxes.

The Company follows the guidance under Accounting Standards Codification ("ASC") Topic 740, Accounting for Uncertainty in Income Taxes. ASC Topic 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If

taxing authorities were to disallow any tax positions taken by the Company, additional income taxes, if any, would be imposed on the members rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2022, the 2021, 2020, and 2019 tax years were subject to examination.

(j) Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses for the periods ending December 31, 2022, 2021, and 2020, were $19,397, $11,623, and $14,657, respectively.

(k) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, accounts receivable, long term notes receivable, accounts payable and accrued expenses, the carrying amounts approximate fair value due to their short maturities. The amounts shown for notes payable also approximate fair value because current interest rates and terms offered to the Company for similar debt are substantially the same.

(l) Concentration of Risk

The Company maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(m) Leases

The Company adopted ASC 842, *Leases* as of January 1, 2022, using the modified retrospective method. The Company has an operating lease for studio space. This lease required adjustments to record the right-of-use asset and lease liability as of the date of implementation. Upon adoption, the Company recorded a right-of-use asset of $96,126 and a lease liability of $96,126. The lease liability reflects the present value of the Company's estimated future minimum lease payments over the lease terms, discounted using a collateralized incremental borrowing rate. The impact of ASC 842 is non-cash in nature and does not affect the Company's cash flows.

The Company has made an accounting policy election not to recognize right-of-use assets and lease liabilities that arise from any short-term leases. All leases with a term of 12 months or less at commencement, for which the Company is not reasonably certain to exercise available renewal options that would extend the lease term past 12 months, will be recognized on a straight-line basis over the lease term.

(2) Property and Equipment

Property and equipment consist of the following as of December 31, 2022, 2021, and 2020:

	2022	2021	2020
Leasehold improvements	$ 55,937	$ 55,937	$ 55,937
Furniture and equipment	64,905	64,905	64,905
	120,842	120,842	120,482
Less accumulated depreciation	(115,195)	(111,825)	(100,621)
	$ 5,647	$ 9,017	$ 20,221

Depreciation expense for the years ended December 31, 2022, 2021, and 2020 was $3,370, $11,204, and $14,764, respectively.

(3) Related Party Transactions

During the ordinary course of business, the Company enters into certain transactions with related parties substantially due to short term advances and cost reimbursement. As of December 31, 2022, 2021 and 2020 the Company had advances to affiliates of $0, $51,058, $27,747, respectively. Due from affiliates as of December 31, 2022, 2021 and 2020 was $4,572, $0, $0, respectively.

(4) Franchise agreements

The Company's franchise agreements generally provide for payment of initial fees as well as continuing royalties to the Company based on a percentage of revenues. Under the franchise agreement, franchisees are granted the right to operate a Singers Company dance studio for a period of five years. Franchise fee revenue is recognized in accordance with ASC 606 on a straight-line basis over the terms of the franchise agreement of 60 months.

The Company has estimated the following deferred revenue as of December 31, 2022, 2021, and 2020:

	2022	2021	2020
Deferred revenue, current	$ 38,716	$ 40,866	$ 59,075
Deferred revenue, non-current	73,044	47,850	59,133
	$ 111,760	$ 88,716	$ 118,208

(5) Operating Lease

The Company leases office space under a noncancelable operating lease. As the Company adopted ASC 842 on January 1, 2022, there are no right of use assets or operating lease liabilities as of December 31, 2021. As of December 31, 2022, the Company recorded a right of use asset of $61,569. As of December 31, 2022, the Company had the following operating lease liabilities:

	2022
Operating lease liability, current	$ 36,325
Operating lease liability, non-current	25.244
	$ 61,569

As of December 31, 2022, the maturities of the Company's lease liability were as follows:

For the year ended December 31,	
2023	$ 36,325
2024	25,244
	$ 61,569

(6) Commitments and Contingencies

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

In December 2019, a novel strain of coronavirus was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a "Public Health Emergency of International Concern." The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. Management believes the pandemic has had a material effect on the Company's operations, reducing revenue from both new and existing franchisees. The full extent of the impact of COVID-19 on the Company's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on customers, employees, and vendors all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Company's financial condition or results of operations is uncertain.

(7) Subsequent Events

Management has reviewed and evaluated subsequent events through April 21, 2023, which is the date the financial statements were issued.

Bloomfully, LLC (fka Singers Company, LLC)

FINANCIAL STATEMENTS

December 31, 2021 and 2020

ANDERSON BRADSHAW PLLC

CERTIFIED PUBLIC ACCOUNTANTS

Table of Contents

Independent Auditor's Report for the year ended December 31, 2021 1
Independent Auditor's Report for the year ended December 31, 2020 3
Financial Statements
Balance Sheets 5
Statements of Income, Comprehensive Income and Members' Equity 6
Statements of Cash Flows 7
Notes to the Financial Statements 8

ANDERSON BRADSHAW PLLC
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

To the Members
Bloomfully, LLC (fka Singers Company, LLC)
Salt Lake City, Utah

Opinion

We have audited the accompanying financial statements of Bloomfully, LLC (fka Singers Company, LLC) (a Utah Limited Liability Company), which comprise the balance sheet as December 31, 2021, and the related statements of income, retained earnings, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bloomfully, LLC (fka Singers Company, LLC). as of December 31, 2021 , and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bloomfully, LLC (fka Singers Company, LLC). and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bloomfully, LLC (fka Singers Company, LLC)'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bloomfully, LLC (fka Singers Company, LLC)'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bloomfully, LLC (fka Singers Company, LLC)'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Anderson Bradshaw PLLC

Anderson Bradshaw PLLC
Salt Lake City, Utah
June 15, 2022

Joseph B Glass & Associates
Certified Public Accountant
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Independent Auditor's Report

The Member
Bloomfully, LLC (fka Singers Company, LLC),

Report on the Financial Statements

We have audited the accompanying financial statements of Bloomfully, LLC (fka Singers Company, LLC), which comprise the balance sheets as of December 31, 2020, and the related statements of income, comprehensive income and member's equity and cash-flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bloomfully, LLC (fka Singers Company, LLC), as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America,

Joseph B Glass & Associates

Blanding, Utah

April 1, 2021

Bloomfully, LLC (fka Singers Company, LLC)
December 31, 2021 and 2020

Balance Sheets

	2021	2020
Assets		
Current Assets		
Cash and cash equivalents	$ 40,668	$ 37,725
Accounts receivable, net of allowance	27,572	19,165
Prepaid expenses	4,877	2,400
Total current assets	73,117	59,290
Property and Equipment, Net	9,017	20,221
Advances to Partners and Affiliates	51,058	27,747
Deposits	5,696	5,696
Total asset	$ 138,888	$ 112,954
Liabilities and Members' Equity		
Current Liabilities		
Accounts payable and accrued expenses	7,694	11,180
Deferred franchise fees - current	40,866	59,075
Total current liabilities	48,560	70,255
Deferred franchise fees - non current	47,850	59,133
Total liabilties	96,410	129,388
Commitments and Contingencies		
Members' Equity	42,478	(16,434)
Total liabilities and members' equity	$ 138,888	$ 112,954

Bloomfully, LLC (fka Singers Company, LLC)
Year Ended December 31, 2021 and 2020

Statements of Income, Comprehensive Income and Members' Equity

	2021	2020
Revenue:		
Amortization of deferred franchise fees	64,492	76,453
Royalty fees	50,394	48,777
Other revenue	202,760	163,022
Total revenue	317,646	288,252
Cost of goods sold	62,441	82,511
Gross profit	255,205	205,741
Operating Expenses:		
General and administrative expenses	137,255	113,233
Depreciation expense	11,204	14,764
Total operating expenses	148,459	127,997
Income from operations	106,746	77,744
Other Income (Expense):		
Covid relief grants	10,000	-
Net income	116,746	77,744
Other comprehensive income	-	-
Total comprehensive income	$ 116,746	$ 77,744
Members' Equity- Beginning of Period	(16,434)	(47,143)
Distributions to Members	(57,834)	(47,035)
Members' Equity- End of Period	$ 42,478	$ (16,434)

Bloomfully, LLC (fka Singers Company, LLC)
Year Ended December 31, 2021 and 2020

Statements of Cash Flows

	2021	2020
Cash flows from Operating Activities:		
Net income (loss)	$ 116,746	$ 77,744
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,204	14,763
Change in operating assets and liabilities:		
Accounts receivable	(8,407)	14,924
Prepaid expenses	(2,477)	2,249
Accounts payable and accrued expenses	(3,486)	5,581
Deferred franchise fees	(29,492)	(64,453)
Net Cash from Operating Activities	84,088	50,808
Cash Flows from Investing Activities:		
Advances to partners and affiliates	(23,311)	(27,747)
Purchase of property and equipment	-	(3,904)
Net Cash from (used for) Investing Activities	(23,311)	(31,651)
Cash Flows from Financing Activities:		
Distribution to members	(57,834)	(47,035)
Net Cash from (used for) Financing Activities	(57,834)	(47,035)
Net Change in Cash and Cash Equivalents	2,943	(27,878)
Cash and Cash Equivalents, Beginning of Year	37,725	65,603
Cash and Cash Equivalents, End of Year	$ 40,668	$ 37,725
Supplemental Disclosure		
Cash payments for		
Interest	$ -	$ -
Income taxes	$ -	$ -

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Bloomfully, LLC (fka Singers Company, LLC) (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) and have been consistently applied in the preparation of the financial statements.

Organization and Description of Business

Bloomfully, LLC (fka Singers Company, LLC) (the Company) was organized under the laws of the State of Utah on June 30, 2011, as a limited liability company and as such, its members are not personally liable for the company's debts or liabilities. The Company was formed to develop and engage in all phases of the business of franchising, marketing and or owning business's related to children's music performance instruction.

Basis of Presentation

The financial statements and accompanying notes have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and include the accounts of Bloomfully, LLC (fka Singers Company, LLC).

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows the Company considers all highly liquid investments with maturities of three months or less to be cash equivalents. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are carried at their estimated collectible amounts. The Company's accounts receivable are generally short-term in nature; thus, the Company does not accrue finance or interest charges. Accounts receivable are deemed to be past due when payments are more than 30 days late. Accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. Based on management's evaluation, no allowance for doubtful accounts was considered necessary at December 31, 2021 and 2020 respectively.

Property and Equipment

Property and equipment are stated at the lower of cost or net-realizable value. Expenditures that increase values or extend useful lives are capitalized and routine maintenance and repairs are charged to expense in the year incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from 5 to 15 years.

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable by the Company. Members are taxed individually on their share of the Company’s earnings. The Company’s net income (loss) is allocated among the members proportionate to their ownership. The Company is no longer subject to examination by federal and state taxing authorities for years prior to 2018.

Advertising and Promotion

All costs associated with advertising and promoting the Company's goods and services are expensed in the year incurred. Advertising costs charged to expense during the years ended December 31, 2021 and 2020 were $11,623 and $14,657, respectively.

Concentrations of Credit Risk

The Company's financial instruments that may be exposed to concentrations of credit risk consist primarily of temporary cash investments and trade accounts receivable. The Company maintains its cash balances at financial institutions it believes to be financially sound. At times such balances may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash.

Revenue Recognition

Effective January 1, 2019 the Company adopted the revenue recognition provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) statement 606 (Standard). The Company elected to apply the guidance of the Standard to all uncompleted contracts as of January 1, 2019. Upon adoption, as provided for under the Standard, the Company recognized the cumulative effect of implementing the standard as a reduction of retained earnings as of January 1, 2019 in the amount of $201,814. This amount represents the cumulative effect of unrecognized revenue on franchise agreements. The offset to the reduction in retained earnings was an increase in deferred franchise fee liability on January 1, 2019.

Pursuant to the Standard, the Company determines revenue recognition by: (1) identifying the contract, or contracts, with our customer; (2) identifying the performance obligations in the contract; (3) determining the transaction price; (4) allocating the transaction price to performance obligations in the contract; and (5) recognizing revenue when, or as, we satisfy performance obligations by transferring the promised goods or services.

The Company derives revenue from the selling of franchises, the collection of royalty fees, and other revenues including costume fees, tuition, studio rents and other fees.

Franchise fee revenue is recognized in accordance with ASC 606 on a straight-line basis over the terms of the franchise agreement of 60 months. In addition to initial franchise fees, franchisees are required to pay 10% of future sales as royalties. Royalty revenue is recognized monthly as earned. Revenue from costume fees, tuition, etc., are billed separately from the franchise fee and are recognized as revenue when the obligation is satisfied.

As of December 31, 2021, the Company had approximately 63 individual franchise outlets, of which 52 were in operation.

Reclassifications

Certain reclassifications have been mane in the 2020 financial statements to conform with the 2021 presentation.

Notes to the Financial Statements

NOTE 2 – ACCOUNTS RECEIVABLE

Accounts receivable consist of the following at December 31, 2021 and 2020:

	2021	2020
Accounts and receivable	$ 27,572	$ 19,165
Less allowance for bad debt	-	-
	$ 27,572	$ 19,165

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2021 and 2020:

	2021	2020
Leasehold improvements	$ 55,937	55,937
Furniture and equipment	64,905	64,905
	120,842	120,842
Less accumulated depreciation	(111,825)	(100,621)
	$ 9,017	$ 20,221

NOTE 4 – LEASES

The Company leases office space under a noncancelable operating lease. Rental expense under this lease for the years ended December 31, 2021 and 2020, totaled $65,479 and $32,646 respectively.

Future minimum lease payments under noncancelable operating leases (with initial or remaining leases terms in excess of one year) are as follows:

Year ended December 31:	
2022	$ 41,760
2023	43,920
2024	30,240
	$ 115,920

NOTE 5 - RELATED PARTY TRANSACTIONS

At December 31, 2021 and 2020 the Company had advanced a total of $51,058 and $27,747 to affiliates. These amounts are unsecured and have no stated interest rate or other repayment terms.

NOTE 6 – SUBSEQUENT EVENTS

The Company has evaluated subsequent events and transactions for potential recognition through June 15, 2022 the date these financial statements were available to be issued.

SINGERS COMPANY, LLC

Financial Statements

December 31, 2020 and 2019

(With Independent Accountant's Report Thereon)

JOSEPH B GLASS & ASSOCIATES
Certified Public Accountant

Joseph B Glass & Associates
Certified Public Accountant
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Independent Auditor's Report

The Member
Singers Company, LLC

Report on the Financial Statements

We have audited the accompanying financial statements of Singers Company, LLC, which comprise the balance sheets as of December 31, 2020 and 2019, and the related statements of net income, comprehensive income and member's deficit and cash-flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

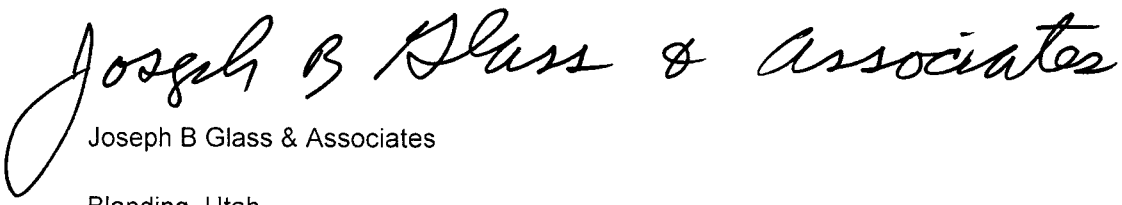
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Singers Company, LLC as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America,



Joseph B Glass & Associates

Blanding, Utah

April 1, 2021

Singers Company, LLC

Balance Sheets

December 31, 2020 and 2019

		2020	2019
Assets			
Current assets:			
Cash and cash equivalents	$	37,725	65,603
Accounts receivable		19,165	34,089
Prepaid Expenses		2,400	4,649
Total current assets		59,290	104,341
Office furniture and equipment		64,905	61,001
Leasehold improvements		55,937	55,937
		120,842	116,938
Less accumulated depreciation		(100,621)	(85,858)
Net office furniture and equipment		20,221	31,080
Due from affiliated entity		27,747	-
Other assets - deposits		5,696	5,696
	$	112,954	141,117
Liabilities and Member's Deficit			
Current liabilities:			
Accounts payable	$	11,180	5,599
Deferred franchise fees		59,075	70,453
Total current liabilities		70,255	76,052
Deferred franchise fees (excluding current portion)		59,133	112,208
Member's deficit		(16,434)	(47,143)
Commitments and contingencies		-	-
	$	112,954	141,117

See accompanying notes to financial statements.

Singers Company, LLC

Statements of Net Income, Comprehensive Income and Member's Deficit

For the years ended December 31, 2020 and 2019

		2020	2019
Revenue:			
Amortization of deferred franchise fees	$	76,453	73,653
Royalty fees		48,777	68,719
Tuition, costume sales and other		163,022	209,936
Total revenue		288,252	352,308
Less cost of sales		82,511	112,951
Gross profit		205,741	239,357
General and administrative expenses		127,997	189,508
Net income		77,744	49,849
Other comprehensive income		-	-
Total comprehensive income		77,744	49,849
Member's equity (deficit) - beginning of period		(47,143)	158,988
Cumulative effect of change in accounting method for revenue recognition		-	(201,814)
Distributions to members		(47,035)	(54,166)
Member's deficit - end of period	$	(16,434)	(47,143)

See accompanying notes to financial statements.

Singers Company, LLC

Statements of Cash Flows

For the years ended December 31, 2020 and 2019

		2020	2019
Cash flows from operating activities:			
Net income	$	77,744	49,849
Adjustments to reconcile net income to net cash used in operating activities:			
Depreciation		14,763	14,785
Decrease in accounts receivable		14,924	21,856
Decrease (Increase) in prepaid expense		2,249	(251)
Increase in accounts payable		5,581	4,981
Decrease in deferred franchise fees		(64,453)	(19,153)
Net cash provided by operating activities		50,808	72,067
Cash flows from investing activities:			
Acquisition of property and equipment		(3,904)	(4,232)
Advances to affiliated entity		(27,747)	-
Net cash used by investing activities		(31,651)	(4,232)
Cash flows from financing activities - distributions to members		(47,035)	(54,166)
Net increase in cash and cash equivalents		(27,878)	13,669
Cash and cash equivalents - beginning of period		65,603	51,934
Cash and cash equivalents - end of period	$	37,725	65,603
Supplemental disclosures of cash flow information, Cash paid during year for:			
Interest	$	-	-
Income taxes		-	-

See accompanying notes to financial statements.

Singers Company, LLC
Notes to Financial Statements
December 31, 2020 and 2019

(1) Organization, Line of Business, and Summary of Significant Accounting Policies

(a) Organization and Line of Business

Singers Company, LLC (Company) was formed to develop and engage in all phases of the business of franchising, marketing and or owning business's related to children's music performance instruction.

(b) Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents.

(c) Trade Accounts Receivable

Trade accounts receivable is recorded net of an allowance for expected losses. The allowance is estimated from historical performance and projections of trends. Uncollectible loans and accounts receivable are charged off after all reasonable collection efforts have been utilized.

Accounts receivable are deemed to be past due when payments are more than 30 days late.

(d) Office Furniture and Equipment

Office furniture and equipment and leasehold improvements are stated at cost. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets of five years.

(e) Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

(f) Comprehensive Income

Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. There were no differences between the net income for the years ended December 31, 2020 and 2019.

(1) Organization, Line of Business, and Summary of Significant Accounting Policies (continued)

(g) Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable by the Company. Members are taxed individually on their share of the Company's earnings. The Company's net income is allocated among the members in accordance with their ownership.

(h) Franchise Fee Revenue

The Company recognizes revenues from franchise sales and royalty fees. Franchise fee revenue is recognized, in accordance with current revenue recognition standards, on a straight-line basis over the term of the franchises of 60 months.

Other performance obligations related to franchise sales such as training, etc. are billed separately from the franchise fee and are recognized as revenue when the obligation is satisfied.

(2) Franchise, Royalty and Other Revenue

Effective January 1, 2019 the Company adopted the revenue recognition provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) statement 606 (Standard). As provided for under the Standard, the Company recognized the cumulative effect of implementing the standard as a reduction of retained earnings as of January 1, 2019 in the amount of $201,814. This amount represents the cumulative effect of unrecognized revenue on franchise agreements.

The Company elected to apply the guidance of the Standard to all uncompleted contracts as of January 1, 2019. The offset to the reduction in retained earnings was an increase in deferred franchise fee liability on January 1, 2019. During the years ended December 31, 2020 and 2019 the Company recorded a total of $76,453 and $73,653 as income related to the amortization of deferred franchise fees as a result of adopting the Standard.

In addition to initial franchises fees, franchisees are required to pay 10% of future sales as or royalties. During the years ended December 31, 2020 and 2019 the Company earned $48,777 and $68,719 in royalty fees from franchisees.

As of December 31, 2020 the Company had approximately 70 individual franchise outlets in operation.

(3) Advertising and Promotion

During the years ended December 31, 2020 and 2019 the Company incurred a total of $14,657 and $45,221 respectively as advertising and promotion expense, respectively. Advertising and promotion costs are expensed as incurred.

(4) Concentrations of Credit

The Company's customers consist primarily of individuals living in the western United States.

(5) Leases

During 2016 the Company entered into a lease for office space under a noncancelable operating lease agreement. Rental expense under this lease for the years ended December 31, 2020 and 2019, totaled $32,646 and $54,605, respectively. Rent expense paid during the year ended December 31, 2020 was reduced by $13,971 representing rent received from an affiliated entity which shares space with the Company.

Future minimum lease payments under this noncancelable operating lease are as follows:

Year ended December 31:

2021	$ 39,593
	$ 39,593

(6) Related Party Transactions

At December 31, 2020 the Company had advanced $27,747, without interest, to an affiliated entity. This amount is included in other assets on the accompanying balance sheet at December 31, 2020.

(7) Subsequent events

Management of the Company has evaluated any subsequent events that may require disclosure in these financial statements through April 1, 2021, the date that the financial statements were issued.

Singers Company, LLC

Balance Sheet

As of March 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Ownership Ending Payment	90,000.00
Zions Bank Checking	105,728.79
Total Bank Accounts	**$195,728.79**
Accounts Receivable	
Accounts Receivable	27,572.00
Total Accounts Receivable	**$27,572.00**
Other Current Assets	
Allowance for bad debts	0.00
I Believe in Me Funding	-15,336.44
Bloombox Supplies	2,365.76
Compensation	4,575.00
Filming	860.14
Meals and Entertainment	1,454.73
Postage	10,892.07
Printing	252.23
Professional Services	13,510.35
Promotion	8,025.81
Rent	1,831.49
Starter Kit Supplies	10,965.39
Studio Maintenance	380.00
Website Programming	44,567.45
Total I Believe in Me Funding	**84,343.98**
Prepaid Expenses	4,877.00
Store Inventory	140.00
Undeposited Funds	985.00
Total Other Current Assets	**$90,345.98**
Total Current Assets	**$313,646.77**
Fixed Assets	
Accumulated Depreciation	-111,825.34
Furniture and Equipment	58,077.28
Leasehold Improvements	55,936.79
Sound Equipment	7,136.22
Total Fixed Assets	**$9,324.95**
Other Assets	
Deposits	5,696.00
Total Other Assets	**$5,696.00**
TOTAL ASSETS	**$328,667.72**

Singers Company, LLC

Balance Sheet

As of March 31, 2023

	TOTAL
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	135.00
Total Accounts Payable	**$135.00**
Credit Cards	
Amex	-638.50
Total Credit Cards	**$ -638.50**
Other Current Liabilities	
Deferred revenue	88,716.33
Franchise deposits	0.00
Sales Tax Payable	214.10
Total Other Current Liabilities	**$88,930.43**
Total Current Liabilities	**$88,426.93**
Total Liabilities	**$88,426.93**
Equity	
Opening Balance Equity	0.00
Owner Buy Back Funds Halliday	90,000.00
Retained Earnings	314,461.37
Shareholder Distributions	-198,906.98
Net Income	34,686.40
Total Equity	**$240,240.79**
TOTAL LIABILITIES AND EQUITY	**$328,667.72**

Singers Company, LLC

Profit and Loss

January - March, 2023

	TOTAL
Income	
Costume Sales	0.00
Costume Emergency Pack Income	10.00
Costume Income	99,352.00
Mini Singers Costume Income	1,500.00
Total Costume Sales	**100,862.00**
Franchise Sales	0.00
Franchise Fees Income	11,207.30
Franchise Renewal Income	1,680.00
Start Up Fees Income	5,000.00
Total Franchise Sales	**17,887.30**
Merchant Svcs Commission	279.00
Rental Income	0.00
Sub Lease Studio Rental Income	7,700.00
Utilities Reimbursement Income	86.58
Total Rental Income	**7,786.58**
Royalties Income	24,411.54
Shipping Income	0.00
Costume Exchange Shipping Income	8.36
Director Costume Shipping Income	180.00
Store Shipping Income	267.64
Total Shipping Income	**456.00**
Singers Company Store Income	0.00
Apparel Income	2,930.00
Directors Supplies Income	1,253.00
Merchandise Income	506.50
Total Singers Company Store Income	**4,689.50**
Total Income	**$156,371.92**
GROSS PROFIT	**$156,371.92**
Expenses	
Advertising and Promotion	0.00
Director Valentine Gift	2,075.41
Gifts and Incentives	51.00
Meals and Entertainment	183.51
Promotion	485.00
Video	1,605.69
Website Programming	6,450.00
Total Advertising and Promotion	**10,850.61**

Singers Company, LLC

Profit and Loss

January - March, 2023

	TOTAL
Bloomfully House	0.00
Bloomfully House Payment	-5,000.00
Furniture & Equipment	2,364.24
Improvements	6,582.03
Rent	8,000.00
Utilities	697.11
Total Bloomfully House	**12,643.38**
Costume Expense	0.00
Fabric	7,151.50
Manufacturing	9,432.26
Necklaces & Charms	1,682.34
Packaging	1,430.00
Pattern-Making	693.03
Samples	1,266.47
Total Costume Expense	**21,655.60**
Finance Charges	0.00
Bank Fees	74.00
Merchant Services Fee	504.03
Payleap	269.91
Shopify Fees	3,563.88
Stripe Fees	1,248.24
Zions Bank Service Charge	235.50
Total Finance Charges	**5,895.56**
Franchise Expenses	0.00
Director Start Up Kit	3,241.45
Total Franchise Expenses	**3,241.45**
General and Administrative	0.00
Cleaning and Organizing	400.00
Computer and Internet Expenses	1,428.08
Dues and Subscriptions	205.99
Education	75.00
IBIM Shared Expense	-2,953.89
Music	99.97
Office Supplies	925.26
Postage and Delivery	1,092.19
Telephone Expense	26.68
Travel Expense	83.90
Website Hosting	112.86
Total General and Administrative	**1,496.04**

Singers Company, LLC

Profit and Loss

January - March, 2023

	TOTAL
Occupancy Expense	0.00
Rent	20,616.00
Utilities	340.07
Total Occupancy Expense	**20,956.07**
Professional Fees	0.00
Accounting	4,750.00
Independent Contractors	2,496.00
Design	537.50
Director Support and Admin	4,255.80
Sales	860.00
Social Media	2,762.50
Total Independent Contractors	**10,911.80**
Legal Services	3,601.26
Management Fee	25,000.00
Music Assistants	560.00
Total Professional Fees	**44,823.06**
Singers Company Store Items	0.00
Balloons	123.75
Total Singers Company Store Items	**123.75**
Total Expenses	**$121,685.52**
NET OPERATING INCOME	**$34,686.40**
NET INCOME	**$34,686.40**

EXHIBIT "C"
TO THE FDD

SCHEDULE OF FRANCHISEES
(as of December 31, 2022)

	STATE	FRANCHISE NAME	FRANCHISEE	ADDRESS	CITY, STATE, ZIP	PHONE
1	Alaska	Eagle River (2017)	Prairie Daugherty	19736 S. Mitkof Loop	Eagle River, AK 99577	215-421-8995
2	Arizona	Buckeye (2022)	Chip Pill	20518 W Walton Drive	Buckeye, AZ 85396	949-633-7131
3	Arizona	Lake Havasu (2019)	Carrie Clark	3259 Palo Verde Circle	Lake Havasu, AZ 86404	801-996-8121
4	Arkansas	Rogers (2018)	Jessica Dutton	615 Del Circle	Lowell, AR 72745	479-287-0409
5	California	Carlsbad (2014)	Natalie Allen	1387 Sapphire Drive	Carlsbad, CA 92011	760-889-5421
6	California	Huntington Beach (2013)	Carrie Damitz	1627 Corte Orchidia	Carlsbad, CA 92011	949-391-8301
7	California	Rancho Santa Margarita (2011)	Robyn Miner	9 Ceramica	Rancho Santa Margarita, CA 92688	949-413-3938
8	California	San Jose South (2014)	Courtney Johnston	6079 Castello Drive	San Jose, CA 95120	408-568-9187
9	California	Beach Cities (2016)	Erika Johnson	34452 Camino El Molino	Capistrano Beach, CA 92624	949-444-5239
10	California	Talega (2016)	Erika Johnson	34452 Camino El Molino	Capistrano Beach, CA 92624	949-444-5239
11	California	Mission Viejo (2013)	Kathy Lai	10 Patina	Ladera Ranch, CA 92694	310-770-3175
12	California	Roseville (2013)	Dawn Cheshire	705 Tamarindo Way	Roseville, CA 95678	510-332-9131
13	California	Rancho Mission Viejo (2016)	Megan Heddlesten	55 Trumpet Vine Street	Ladera Ranch, CA 92694	949-466-9444
14	California	Laguna Niguel (2022)	Riley Gregson	25751 Avenida Pedregal	San Juan Capistrano, CA 92675	949-278-3351
15	California	Lake Forest (2018)	Suzanne Martinez	23472 White Dove Drive	Lake Forest, CA 92630	714-981-8889
16	California	Clovis (2016)	Wendy Spencer	2393 Mariner Way	Merced, CA 95340	209-628-2966
17	California	Chino Hills (2017)	Kristina Lords	15172 Ilex Drive	Chino Hills, CA 91709	909-801-9603
18	California	Merced (2011)	Wendy Spencer	2393 Mariner Way	Merced, CA 95340	209-628-2966
19	California	French Valley (Murietta)	Caitlin Maag	36580 Penfield Lane	Winchester, CA 92596	949-547-2513
20	Colorado	Parker (2015)	Sonja Zaugg	10374 Rowlock Way	Parker, CO	214-728-
21	Hawaii	North Shore: Laie (2012)	May Shumway	55-451 Naniloa Loop	Laie, HI 96762	808-561-2106
22	Illinois	Waterloo (2019)	Jody Matzenbacher (Worley)	303 Briarwood Drive	Waterloo, IL 62298	618-530-4208

23	Iowa	Ames (2018)	Tammy Rasmussen	3848 Cameron School Road	Ames, IA 50014	801-835-8260
24	Idaho	Rigby	Angee Duvall	4102 E. 166 N	Rigby, ID 83442	385-375-1556
25	Idaho	Meridian (2022)	Melissa Smith	4952 W Sands Basin Drive	Meridian, ID 83646	702-994-9978
26	Nevada	Ruby Mountain (2017)	Bobi Wakely	HC 60 Box 490	Ruby Valley, NV 89833	775-275-0654
27	Nevada	Dorral Academy Saddle (2017)	Melissa Smith	9513 Cape Sable Lane	Las Vegas, NV 89117	702-994-9978
28	Nevada	Summerlin (2011)	Becky Fife	2950 Bella Kathryn Circle	Las Vegas, NV 89117	702-353-7864
29	Nevada	Mountains Edge (2012)	Brittney Dye	9743 Saint Claude Avenue	Las Vegas, NV 89148	702-425-0034
30	Nevada	Centennial Hills (2022)	Janne Thurgood	6028 Cottontail Cove Street	Las Vegas, NV 89130	801-687-4475
31	Nevada	Sparks (2022)	Rachel Hollingshead	1615 Iratcabal Drive	Sparks, NV 89436	385-329-1819
32	New Jersey	Fairlawn (2015)	Emily Pascual	640 Plaza Road North #A	Fair Lawn, NJ 07410	201-873-3598
33	Oregon	Medford (2012)	Julie Vistaunet	2957 Chancery Circle	Medford, OR 97504	541-778-9557
34	Texas	Belton (2017)	Joni Hayes	112 Connor Drive	Belton, TX 96513	801-928-9030
35	Texas	Haslet (2019)	Katrina Robinson	13724 Alterna Drive	Fort Worth, TX 76052	469-651-9054
36	Texas	Rockwall (2018)	Emily Bevan	3038 Double Oak Drive	Rockwall, TX 75032	913-909-1699
37	Texas	Roundrock (2012)	Janell Raica	4007 Mayfield Cave Trail	Round Rock, TX 78681	949-204-7226
38	Texas	Keller (2022)	Cher Castle	912 Talbot Street	Keller, TX 76248	559-797-5685
39	Texas	Flowermound/ Argyle 2021	Meagan Anderson	8733 Cherry Lee Lane	Argyle, TX 76226	435-229-9804
40	Utah	Fruit Heights (2015)	Ashley Carter	741 Apple Blossom Way	Fruit Heights, UT 84037	630-310-9610
41	Utah	North Lehi (2019)	Shea Banks	122 W Banbury Court	Lehi, UT 84043	801-884-9804
42	Utah	Sandy/Draper (2012)	Bianca West	11644 S. Olive Berry Lane	Draper, UT 84020	801-209-7171
43	Utah	Stansbury Park (2013)	Brigit Petersen	6619 N Star Discovery Way	Stansbury Park, UT 84074	435-210-4997
44	Utah	Lehi South (2012)	Camille Anderson	1321 West 1460 North	Provo, UT 84604	801-602-3147
45	Utah	Provo (2011)	Camille Anderson	1321 West 1460 North	Provo, UT 84604	801-602-3147
46	Utah	Saratoga Springs (2022)	Leslie Sticht	1277 Rocky Ridge Lane	Saratoga Springs, UT 84045	949-365-6208
47	Utah	Westpoint (2014)	Cassie White	1069 North 4150 West	West Point, UT 84015	801-336-7532
48	Utah	Kaysville (2016)	Heidi Terry	909 South 200 West	Layton, UT 84041	801-865-5863
49	Utah	Spanish Fork (2011)	Isabel Malherbe	1827 East 1050 South	Spanish Fork, UT 84660	801-694-4630

50	Utah	North Salt Lake (2015)	Kayla Thompson	422 Winchester Drive	North Salt Lake, UT 84054	801-505-2865
51	Utah	Alpine (2016)	Christy Dayton	563 Silver Lane	Alpine, UT 84004	630-200-5173
52	Utah	Cedar Hills (2016)	Sarah Schulze	10342 N Bayhill Drive	Cedar Hills, UT 84062	951-587-7623
53	Utah	Herriman (2015)	Carrie Clarke	3259 Palo Verde Circle	Lake Havasu, AZ 86404	801-996-8121
54	Utah	Price (2017)	Rebecca Taylor	740 S 500 W	Price, UT 84501	435-637-9862
55	Utah	Cedar City (2022)	Tami Rasmussen	556 Josie Circle	Cedar City, UT 84720	714-206-6721
56	Virginia	Hampton (2022)	Alishia Mattee	1507 Anne Burras Ave	Hampton, VA	727-252-8253
57	Washington	Kennewick (2011)	Amy Parker	2501 W 40th Avenue	Kennewick, WA 99337	509-724-0333
58	Washington	Kitsap (2018)	Leanne Rogers	289 E Fulton Way	Bremerton, WA 98310	360-204-8821
59	Washington	Brush Prairie (2016)	Evelyn Weed	15910 NE 189th Ave	Brush Prairie, WA 98606	360-448-9066

Franchisees That Transferred Their Franchise in 2022. The table below lists franchisees who transferred their franchise during the most recently completed fiscal year:

State	Location	Address	Phone	Transfer
CA	San Jose (Blossom Valley)	Rachel Hollingshead 652 Chemeketa Drive San Jose, CA 95123	385-329-1819	Transferred to New Location – Sparks, NV
NE	Papillion	Alishia Mattee 204 Hilton Head Drive Papillion, NE 68133	727-252-8253	Transferred to New Location – Hampton VA
NV	Blue Diamond	Melissa Smith 9513 Cape Sable Lane Las Vegas, NV 89117	702-994-9978	Transferred to New Location – Meridian, ID
TX	Keller	Laurie Murry 1627 Bradford Grove Trail Keller, TX 76248	817-320-8199	Transferred/Sold to Cher Castle
UT	Saratoga Springs	Camille Anderson 1321 West 1460 North Provo, UT 84604	801-602-3147	Transferred/Sold to Leslie Sticht

Non-Renewed, Terminated, or Closed Franchises in 2022. The table below lists those franchisees who have had an outlet terminated, canceled, not renewed, or who otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the most recently completed fiscal year:

State	Location	Address	Phone	Reason for Closure (termination, transfer, etc.)
AZ	Scottsdale	Jenn Curtis 17344 North 96th Way Scottsdale, AZ 85255	480-444-6744	Non-renewal
CO	Broomfield	Kaylyn Thueson (Giles) 3764 Red Deer Trail Broomfield, CO 80020	720-207-1465	Non-renewal
CO	Erie	Kaylyn Thueson (Giles) 3764 Red Deer Trail Broomfield, CO 80020	720-207-1465	Non-renewal
KY	Northern Kentucky	Samantha Fife 496 Ruschman Drive Cold Spring, KY 41076	360-989-7623	Non-renewal
NC	Winston-Salem	Celeste Ball 2426 Wellsburg Court Clemmons, NC 27012	864-934-3780	Non-renewal
UT	Nebo	Sylvia Monsivais 1004 S 50W Box 423 Mona, UT 84645	801-787-4036	Non-Renewal
UT	St. George	Kimberly Seck 3049 E Silver Beech Circle St. George, UT 84790	303-564-1002	Non-Renewal

Permitted Dormancies. The table below lists those franchisees who have been permitted to allow their franchises to sit dormant for a time.

State	Location	Address	Phone
AR	Rogers	615 Del Circle Lowell, AR 72745	479-287-0409
CA	San Jose	6079 Castello Drive, \San Jose, CA 95120	408-568-9187
CA	Ladera Ranch	10 Patina Ladera Ranch, CA 92694	310-770-3175
CA	Lake Forest	23472 White Dove Drive Lake Forest, CA 92630	714-981-8889
IA	Ames	3848 Cameron School Rd Ames, IA 50014	801-835-8260
TX	Rockwall	3038 Double Oak Drive, Rockwall, TX 75032	913-909-1699
UT	North Salt Lake	422 Winchester Drive, North Salt Lake, UT 84054	801-505-2865

Non-Communicating Franchisees. Below are those franchisees who have not communicated with us within the last 10 weeks.

None

EXHIBIT "D"
TO THE FDD

LIST OF AGENTS FOR SERVICE OF PROCESS

STATE	CONTACT	DEPARTMENT	ADDRESS	PHONE NUMBER
California	Commissioner of Financial Protection and Innovation	Department of Financial Protection and Innovation	2101 Arena Blvd., Sacramento, CA 95834	(916) 445-7205 (866) 275-2677 www.dfpi.ca.gov ask.DFPI@dfpi.ca.gov
Georgia	Secretary of State of Georgia	Corporations Division	2 Martin Luther King Jr. Dr., SE, Suite 315, West Tower, Atlanta, GA 30334	
Hawaii	Commissioner of Securities	Department of Commerce and Consumer Affairs Business Registration Division, Securities Compliance Branch	335 Merchant Street, Room 203, Honolulu, HI 96813	(808) 586-2722
Illinois	Chief, Franchise Division	Office of Attorney General	500 South Second Street, Springfield, IL 62706	(217) 782-4465
Indiana	Indiana Secretary of State		210 State House, Indianapolis, IN 46204	
Maryland	Maryland Securities Commissioner	Division of Securities; Office of Attorney General	200 St. Paul Place, 20th Floor, Baltimore, MD 21202-2020	(410) 576-6360
Michigan	Antitrust and Franchise Business	Michigan Department of the Attorney General's Office; Franchise Administrator; Consumer Protection Division	6546 Mercantile Way, Lansing, MI 48910	(517) 373-7117
Minnesota	Commissioner of Commerce	Minnesota Department of Commerce	85 7th Place East, Suite 280, St. Paul, MN 55101	(651) 539-1500
New York	Secretary of State		99 Washington Avenue, 6th Floor, Albany, NY 12231	(518) 473-2492
North Dakota	North Dakota Securities Department		600 East Boulevard Ave., State Capital Fifth Floor, Dept. 414, Bismarck, ND 58505-0510	(701) 328-4712
Oregon	Director of Insurance & Finance	Business Service Division of Finance and Corporate Securities Labor and Industries Building	Salem, OR 97310	(503) 378-4387
Rhode Island	Chief Securities Examiner of Business Regulation	Department of Business Regulation Securities Division	1511 Pontiac Avenue, John O. Pastore Complex – Building	(401) 462-9527

			69-1, Cranston, RI 02920	
South Dakota	Division of Insurance	Securities Regulation	124 South Euclid Avenue, 2nd Floor, Pierre, SD 57501-3185	(605) 773-3563
Virginia	Clerk of the State Corporation Commission		1300 East Main Street, 1st Floor, Richmond, VA 23219	
Washington	Director of Financial Institutions		150 Israel Road SW, Tumwater, WA 98501	(360) 902-8760
Wisconsin	Wisconsin Commissioner of Securities	Franchise Investment Division	101 East Wilson Street, Fourth Floor, Madison, WI 53702	

If a state is not listed, Bloomfully, LLC has not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which Bloomfully, LLC has appointed an agent for service of process.

EXHIBIT "E"
TO THE FDD

LIST OF STATE AGENCIES RESPONSIBLE FOR FRANCHISE DISCLOSURE/REGISTRATION LAWS

STATE	CONTACT	DEPARTMENT	ADDRESS	PHONE NUMBER
California	www.dfpi.ca.gov ask.DFPI@dfpi.ca.gov	Department of Financial Protection and Innovation	Sacramento: 2101 Arena Blvd., Sacramento, CA 95834 San Diego: 1455 Frazee Road, Suite 315, San Diego, CA 92108 San Francisco: One Sansome Street, Ste. 600, San Francisco, CA 94101 Los Angeles: 320 West 4th Street, Ste. 750, Los Angeles, CA 90013-2344	Sacramento: (916) 445-7205 San Diego: (619) 525-4233 San Francisco: (415) 972-8559 Los Angeles: (213) 576-7500 Toll Free: (866) 275-2677
Connecticut	Securities and Business Investment Division	Connecticut Department of Banking	260 Constitution Plaza, Hartford, CT 06103-1800	(860) 240-8233
Florida	Division of Consumer Services	Department of Agriculture and Consumer Services	P.O. Box 6700, Tallahassee, FL 23214-6700	(805) 488-2221 Fax: (805) 410-3804
Georgia	Secretary of State of Georgia	Corporations Division	2 Martin Luther King Jr. Dr., SE, Ste. 315, West Tower, Atlanta, GA 30334	
Hawaii	Business Registration Division, Commissioner of Securities	Department of Commerce and Consumer Affairs	P.O. Box 40, Honolulu, HI 96810	(808) 586-2744
Illinois	Franchise Bureau	Office of Attorney General	500 South Second Street, Springfield, IL 62706	(217) 782-4436
Indiana	Franchise Section	Indiana Securities Division, Secretary of State	302 West Washington Street, Room E-111, Indianapolis, IN 46204	(317) 232-6681
Iowa	Iowa Securities Bureau		340 Maple, Des Moines, Iowa 50319-0066	(515) 287-4441
Maryland	Office of the Attorney General	Division of Securities	200 St. Paul Place, 20th Floor, Baltimore Maryland 21202-2020	(410) 576-6360
Michigan	Michigan Attorney General's Office	Consumer Protection Division; Attn: Franchise Section	525 West Ottawa Street, Williams Building, 6th Floor, Lansing, MI 48933	(517) 373-7117

Minnesota	Minnesota Department of Commerce	Securities – Franchise Registration	85 7th Place East, Suite 280, St. Paul, Minnesota 55101-2198	(651) 539-1600
Nebraska	Bureau of Securities/Financial Institutions Division	Department of Banking and Finance	1526 K Street, Suite 300, Lincoln, NE 68508-2732	(402) 471-3445
New York	NYS Department of Law	Investor Protection Bureau	28 Liberty St. 21st Floor, New York, NY 10005	(212) 416-8222 Fax: (212) 416-6042
North Dakota	Franchise Examiner	North Dakota Securities Department	600 East Boulevard Avenue, State Capital 5th Floor, Dpt 414, Bismarck, ND 58505-0510	(701) 328-4712
Oregon	Division of Finance and Corporate Securities	Department of Consumer and Business Services	Labor and Industries Building	(503) 378-4140 Fax: (503) 947-7862
Rhode Island	Securities Division	Department of Business Regulation	1511 Pontiac Avenue, John O. Pastore Complex 69-1, Cranston, RI 02920-4407	(401) 462-9527
South Dakota	Division of Insurance	Securities Regulation	124 S. Euclid 2nd Floor, Pierre, SD 57501-3185	(605) 773-3563 Fax: (605) 773-5953
Texas	Secretary of State	Registration Division	P.O. Box 13193, Austin, TX 78711-3193 1719 Brazos, Austin, TX 78707	(512) 475-1769
Utah	Division of Consumer Protection	Utah Department of Commerce	160 East 300 South, SM Box 146704, Salt Lake City, UT 84114-6704	(801) 530-6601 Fax: (801) 530-6001
Virginia	State Corporation Commission	Division of Securities and Retail Franchising	1300 East Main Street, 9th Floor, Richmond, VA 23219	(804) 371-9051
Washington	Securities Division	Department of Financial Institutions	P.O. Box 9033, Olympia, WA 98507-9033	(360) 902-8760
Wisconsin	Division of Securities	Department of Financial Institutions	P.O. Box 1768, Madison, WI 53701	(608) 266-2801
Federal Trade Commission	Division of Marketing Practices	Bureau of Consumer Protection	Pennsylvania Avenue at 6th Street, NW, Washington DC 20580	(202) 326-3128

EXHIBIT "F"
TO THE FDD

TABLE OF CONTENTS FOR DIRECTOR'S HANDBOOK

TABLE OF CONTENTS FOR DIRECTOR'S HANDBOOK

SUBJECT **NUMBER OF PAGES**

Section 1: Singers Company Philosophies..... 1

Section 2: Singers Company Timeline..... 1

Section 3: Director Methods and Standards..... 2

Section 4: Equipment, Music and Shows..... 1

Section 5: Practices and Teaching Methods 6

Section 6: Lesson Plans ……5

Section 7: Girls with Special Needs and Situations……..3

Section 8: Final Practices..... 1

Section 9: Costumes..... 1

Section 10: Performances 7

Section 11: Franchise Size and Growth……...1

Section 12: PayLeap Guide..... 3

Section 13: Registration..... 2

Section 14: Child Interest Communication……...3

Section 15: Selling Your Business..... 1

Section 16: Shared Marketing Ideas……..2

Section 17: Parent Questions…….2

Total Pages **42**

EXHIBIT "G"
TO THE FDD

DEPOSIT AGREEMENT

PROSPECTIVE FRANCHISE DEPOSIT AGREEMENT

THIS DEPOSIT AGREEMENT ("Agreement") is made and entered into as of _____, by and between **BLOOMFULLY, LLC** ("Franchisor," "We," "Us" or "Our") and _____ ("You," "Your" or "Prospective Franchisee") individually referred herein as a "Party" and collectively as "Parties."

RECITALS:

A. You have applied for and desire to acquire an option to purchase a Singers Company franchise.

B. You declare that You have fully reviewed the Singers Company Franchise Disclosure Document and have had such FDD for at least 14 day and familiarized Yourself with the essential aspects of owning a Singers Company franchise and desire to enter into this Agreement as a result of such independent investigation and not as a result of any separate representations by Us, or Our agents officers or employees, and You further expressly acknowledge that no separate representations, promises or warranties of any kind, express or implied, have been made by Us, Our agents, officers or employees, to induce You to execute this Agreement.

NOW THEREFORE, in consideration of the mutual and reciprocal covenants, promises, recitals, terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party, the Parties hereby agree as follows:

1. **Grant of Option**. We hereby grant to You an option ("Option") to acquire a Singers Company™ franchise under the terms and conditions of the director's agreement and in accordance with this Agreement within the area set forth on Exhibit "A" attached hereto and by reference made a part hereof ("Area"). The final boundaries of Your franchise territory will be determined upon exercise of Your Option and set forth in Your director's agreement. The Option granted herein will expire at 5:00 P.M., Pacific Time, 30 days from the date hereof unless extended by mutual written consent of the Parties ("Option Period").

2. **Deposit**. Upon execution of this Agreement, You will pay to Us a non-refundable deposit of $1,000. If You exercise Your Option, this sum will be credited against the initial franchise fee set forth in the director's agreement. In consideration of the deposit fee, We will not sell another Singers Company franchise in the Area during the Option Period, and the value of the deposit is to compensate us for an opportunity lost in the event you do not purchase a franchise in the Area.

3. **Exercise**. This Option is exercisable by You as follows: 1) Your written notice to Us of Your exercise of the Option; 2) Your execution of the director's agreement; and 3) payment by You of the full initial franchise fee, all within the Option Period. **Time is of the essence for this Agreement**.

4. **Arbitration of Disputes**. In the event any controversy or dispute will arise between the Parties hereto in connection with, arising from or with respect to the provisions hereof, the relationship of the Parties hereto, or the validity of this Agreement or any provision hereof, such dispute or controversy will, on the request of any Party hereto be submitted for arbitration to the American Arbitration Association in accordance with its commercial arbitration rules. All arbitration hearings will be conducted in Salt Lake City, Utah, and the laws of the state of Utah will govern. The arbitrator will have the power and jurisdiction to decide such controversy or dispute solely in accordance with the express provisions of this Agreement. The prevailing Party in any arbitration suit or action to enforce this Agreement, will be entitled to recover the

administrative costs of the arbitration proceeding and the fee for the arbitrator. The Parties agree that any claim hereunder will result in an award not more than 120 days from the date of the statement of claim filed with the American Arbitration Association. The award and findings of the arbitrators will be conclusive and binding upon all Parties hereto and the judgment upon the award may be entered in any court of competent jurisdiction.

5. **Notices**. All notices permitted or required under this Agreement must be in writing and must be delivered as follows with notice deemed given as indicated (i) by personal delivery when delivered personally, (ii) by overnight courier upon written verification of receipt, (iii) by telecopy, email, or facsimile transmission when confirmed by telecopier, email or facsimile transmission, or (iv) by certified or registered mail, return receipt requested, five days after deposit in the mail addressed as follows:

Franchisor: Bloomfully, LLC
9012 N. Timphaven Rd. RR3 Box A15
Provo, Utah 84604

Prospective Franchisee: _____
_____
_____
Email:

6. **Binding Effect**. This Agreement and all its terms, conditions and stipulations will be binding upon and will inure to the benefit of the Parties hereto and their respective legal representatives, heirs, successors and permitted assigns.

7. **Amendment**. This Agreement may be amended, modified or changed only by a written instrument signed by duly authorized representatives of both Parties.

8. **Authority**. The persons signing below warrant that they are authorized to enter into this Agreement on behalf of their respective principals identified below and that by their signatures they bind such principals to this Agreement.

9. **Costs & Expenses**. Each Party will pay its own costs and expenses in connection with this Agreement.

10. **Entire Agreement**. This Agreement and exhibits contain the entire agreement and only understanding between the Parties with respect to the subject matter hereof and supersedes all previous negotiations, agreements and understandings between the Parties and affiliates of the Parties, in connection with the subject matter covered herein, whether oral or written, and any warranty, representation, promise or condition in connection therewith not incorporated herein will not be binding upon either Party. The Parties hereby agree that all prior agreements between the Parties are hereby terminated with no continuing duties or obligations on the part of the other Party.

11. **Interpretation of Agreement**. Words in the masculine gender include the feminine and neuter. Use of the singular will include the appropriate plural numbers. The paragraph headings and title of this Agreement are not part of this Agreement, having been inserted for convenience of reference only, and will have no effect upon the construction or interpretation of this Agreement.

IN WITNESS WHEREOF, the Franchisor and Prospective Franchisee have respectively signed this Agreement as of the day and year first above written.

FRANCHISOR:
Bloomfully, LLC

By: _____
Its Katie Parker, Its President

PROSPECTIVE FRANCHISEE:

_____

Signature: _____

Title: _____

Print Name: _____

EXHIBIT "A"

Prospective Franchise Deposit Agreement

OPTION BOUNDARIES

AREA

Subject to Our approval of the Studio site as set forth in the Director's Agreement, the Area for which You have reserved the right to purchase aa Singers Company™ franchise during the Option Period is:

_____
_____
_____.

_____ _____
Prospective Franchisee Initial Date

_____ _____
Franchisor Initial Date

EXHIBIT "H"
TO THE FDD

RELEASE AGREEMENT

RELEASE AGREEMENT
(FORM)

THIS RELEASE AGREEMENT ("Agreement") is made and entered as of _____ by and between **BLOOMFULLY, LLC**, a Utah limited liability company ("Franchisor") and _____ ("Franchisee"), **and** _____, _____, _____ (jointly and severally herein "Personal Guarantors"). The above will collectively at times be referred to as "Parties" and individually as "Party." Capitalized terms used herein will have the meanings set forth in the Franchise Agreement, unless defined otherwise herein.

RECITALS

WHEREAS, Franchisee entered into a Singers Company™ franchise agreement on _____ with Franchisor ("Franchise Agreement"); and

WHEREAS, the Franchise Agreement was personally guaranteed by _____ and _____ ("Personal Guarantor(s)"); and

WHEREAS, the Franchise Agreement has been terminated effective as of _____.

NOW THEREFORE, in consideration of the recitals, premises and other provisions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Franchisor, Franchisee, and Personal Guarantor(s) hereby agree as follows:

1. Franchisee and Personal Guarantor(s) hereby, fully and irrevocably, release, acquit and forever discharge Franchisor and its successors, affiliates, directors, officers, members, managers, employees, shareholders, representatives and agents and each of them, individually and collectively, of and from any and all claims, demands, obligations, causes of action, suits or liabilities of any kind and nature, whatsoever, whether known or unknown, suspected or unsuspected, and in whatever legal theory or form which Franchisee and Personal Guarantor(s) have or claim to have, or at any time heretofore, had or claimed to have had, or which may hereafter accrue or arise, against Franchisor, its successors, affiliates, directors, officers, members, managers, shareholders, employees and agents, and each of them, by reason of, or in any way connected with the Franchise Agreement, the relationship described therein and any business transaction, agreement or occurrence, act or omission relating thereto prior to the date hereof. Franchisee and Personal Guarantors further waive any and all state law provisions limiting the effect of a general release.

2. Franchisee and Personal Guarantor(s) hereby covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim against any person or entity released under Section 1 above with respect to any claim released under Section 1.

3. Franchisee and Personal Guarantor(s) represent that each of them fully understands the broad coverage of the release provisions of this Agreement, and that they execute the same with respect to all claims, causes of action and demands, as set forth above, they have or may have against the Franchisor, fully intending that the provisions hereof be given the broadest interpretation permitted by law or the English language. Franchisee and Personal Guarantor(s) acknowledge and expressly agree that they will make no claim, and hereby waive any right they may now have, or may hereafter have, based

upon any alleged oral or written alteration, amendment, or modification of this Agreement, fully waiving any right they may have to refer to extrinsic matters in the interpretation hereof, whether to establish fraud, duress, mistake, undue influence, or for any other purpose.

FOR CALIFORNIA RESIDENTS ONLY: These releases are intended to waive, release and discharge all claims, other than those expressly reserved herein, with the express waiver of any statute, legal doctrine or other similar limitation upon the effect of general releases. In particular, the parties waive the benefit of any applicable statutory provision such as by illustration, California Civil Code Section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

The parties, with the advice of their respective counsel, waive the benefit of both statute and other legal doctrine or principle of similar effect in any jurisdiction.

4. This Agreement may be pleaded as a full and complete defense to, and may be used as the basis for, an injunction against any action, suit or other proceeding which may be instituted, prosecuted or maintained in breach of this Agreement.

5. Nothing in this Agreement releases Personal Guarantors or Franchisee from the non-competition clauses of the Franchise Agreement or their obligations under their Non-Competition Agreement signed with Franchisor.

6. Miscellaneous.

6.1 Cooperation. Franchisee and Personal Guarantor(s) will make, execute and deliver to Franchisor, promptly upon request and without additional consideration, any document or instrument necessary to carry out and effectuate the purposes of this Agreement.

6.2 Choice of Law and Jurisdiction. This Agreement will be construed in accordance with and all disputes hereunder will be governed by the laws of the state of Utah without giving effect to its conflicts of law provisions. Franchisee, Personal Guarantor(s), and Franchisor hereby irrevocably consent to the exercise of general personal jurisdiction in the courts of record of the state of Utah even though it may be otherwise possible to obtain jurisdiction elsewhere, and we both agree that Salt Lake City, Utah will be the exclusive venue for any litigation between us. Each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Salt Lake City, Utah.

6.3 Arbitration. In the event any controversy or dispute will arise between the Parties hereto in connection with, arising from or with respect to the provisions hereof, the relationship of the Parties hereto, or the validity of this Agreement or any provision hereof, such dispute or controversy will, on the request of any Party hereto be submitted for arbitration to the American Arbitration Association in accordance with its commercial arbitration rules. All arbitration hearings will be conducted in Salt Lake City, Utah, and the laws of the state of Utah will govern, without giving effect to its conflicts of law provision. The arbitrator will have the power and jurisdiction to decide such controversy or dispute solely in accordance with the express provisions of this Agreement. The prevailing Party in any arbitration suit or action to enforce this Agreement, will be entitled to recover the administrative costs of the arbitration proceeding and the fee for the arbitrator. The Parties agree that any claim hereunder will

result in an award not more than 120 days from the date of the statement of claim filed with the American Arbitration Association, unless otherwise waived by the Parties. The award and findings of the arbitrators will be conclusive and binding upon all Parties hereto and the judgment upon the award may be entered in any Court of competent jurisdiction.

6.4 Attorneys' Fees and Costs. In the event any action in law or equity or any arbitration or other proceeding is bought for the enforcement of this Agreement or in connection with any of the provisions of this Agreement, the successful or prevailing party or parties will be entitled to reasonable attorney's fees and other costs reasonably incurred in such action or proceeding.

6.5 Amendment. This Agreement may be amended, modified or changed only by a written instrument signed by duly authorized representatives of both Parties.

6.6 Company Authority. The persons signing below warrant that they are authorized to enter into this Agreement on behalf of their respective principals identified below and that by their signatures they bind such principals to this Agreement.

6.7 Binding Agreement. This Agreement and all its terms, conditions and stipulations will be binding upon and will inure to the benefit of the Parties hereto and their respective legal representatives, heirs, successors and permitted assigns.

6.8 Confidentiality. Franchisee and Personal Guarantor(s) agree to maintain this Agreement, the terms hereof, and any and all information obtained or provided by either Party in order to initiate a contractual relationship, in the strictest of confidence.

6.9 Counterparts. This Agreement, and those contemplated herein, may be executed in counterparts, including by means of telefaxed, emailed pdf or other electronically delivered signature page, each of which will be deemed an original, but all of which together will constitute one and the same document.

6.10 Entire Agreement. This Agreement contains the entire agreement and only understanding between the Parties with respect to the subject matter hereof and supersedes all previous negotiations, agreements and understandings between the Parties and affiliates of the Parties, in connection with the subject matter covered herein, whether oral or written, and any warranty, representation, promise or condition in connection therewith not incorporated herein will not be binding upon either Party. The Parties hereby agree that all prior agreements between the Parties are hereby terminated with no continuing duties or obligations on the part of the other Party.

6.11 Paragraph Headings. The paragraph headings appearing in this Agreement are inserted only as a matter of convenience and reference and in no way define, limit, construe or describe the scope, interpretations or extent of such paragraph or in any way affect such paragraph or this Agreement. Words in the masculine gender include the feminine and neuter. Use of the singular will include the appropriate plural numbers.

6.12 Enforceability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, not be effective to the extent of such prohibition, but such prohibition will not invalidate the remaining provisions hereof or affect the validity or enforceability of such provisions in any other jurisdiction.

7. This Agreement will be effective when all the parties have signed it. The date of this Agreement will be the date this Agreement is signed by the last party to sign it as provided in the signature block below.

8. The Franchisee and Personal Guarantor(s) acknowledge that they have carefully read the foregoing Agreement and know and understand the contents of this Agreement, have been represented by counsel, or had the opportunity to be represented by counsel, and sign this Agreement as their own free act, fully intending to be legally bound thereby.

9. For franchisees located in Washington only: this Agreement does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and any rule or order adopted thereunder.

IN WITNESS WHEREOF, and by their signatures below, the Parties hereto acknowledge that they have read, understand and agree to all of the terms and provisions of this Agreement and have caused this Agreement to be executed as of the date first above written.

FRANCHISOR:

BLOOMFULLY, LLC

By: _____
(Signature)

Name: _____

Title: _____

FRANCHISEE:

_____

By: _____
(Signature)

Name: _____

Title: _____

PERSONAL GUARANTOR(S):

By: _____

Name: _____

Date: _____

By: _____

Name: _____

Date: _____

By: _____

Name: _____

Date: _____

By: _____

Name: _____

Date: _____

EXHIBIT "I"
TO THE FDD

INSTALLMENT AGREEMENT

INSTALLMENT AGREEMENT

This Installment Agreement ("Agreement") is made and entered into as of _____, by and between **BLOOMFULLY, LLC** ("Franchisor" or "We," "Us" or "Our") and _____ ("You" or "Your" or "Franchisee").

RECITALS

A. You have applied for and desire to purchase a Singers Company™ franchise (or purchase an additional group) to use Our trademarks, system and to operate a Singers Company™ franchise at a location hereinafter set forth in accordance with the recitals, terms and conditions of Our current Singers Company™ Director's Agreement ("Director's Agreement"), a copy of which was given You with the Franchise Disclosure Document more than 14 business days ago and is fully incorporated herein by reference into this Agreement.

B. You declare that You have fully reviewed the Franchise Disclosure Document and familiarized Yourself with the essential aspects and purposes of the Singers Company™ franchise and system developed and owned by Us and desire to enter into this Agreement as a result of such independent investigation and not as a result of any separate representations by Us, or Our agents officers or employees, and further You expressly acknowledge that no separate representations, promises or warranties of any kind, express or implied, have been made by Us, Our agents, officers or employees, to induce You to execute this Agreement.

C. Due to special circumstances, We have decided, in Our sole discretion, to allow you to pay the initial franchise fee in monthly installments rather than in one lump sum.

THEREFORE, in consideration of the mutual and reciprocal covenants, promises, recitals, terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereby agree as follows:

1. Terms of Payment

1.1 Franchisee will pay the initial franchise fee of $_____ in _____ equal monthly installments (by group depending on the number of groups purchased), the first monthly installment payment is due at signing of the Director's Agreement (or upon commencing Your additional group if this Agreement is for the purchase of an additional group), and the remaining _____ payments will be paid as set forth in the Promissory Note and Security Agreement, attached as Exhibit "I-1" and Exhibit "I-2," and by reference incorporated herein.

2. Temporary Royalty Waiver

2.1 If You are in a market that only allows You to charge $40 tuition per month per student, in Our sole discretion, We can allow You to enter into the Temporary Royalty Waiver, attached as Exhibit "I-3," and by reference incorporated herein, which will waive Your royalty payments under the Director's Agreement for the first year or until You have paid the initial fee in full, whichever comes first.

3. Miscellaneous.

a. Director's Agreement. Except as expressly amended or modified herein, all terms, provisions and conditions and personal guaranties (which personal guaranties shall apply to this Installment Agreement as well) of the Director's Agreement shall remain in full force and effect.

b. Counterparts. This Installment Agreement may be executed in counterparts, including by means of electronic signatures, telefaxed or scanned and emailed signature pages or similar electronic means, each of which will be deemed an original, but all of which together will constitute one and the same document.

IN WITNESS WHEREOF, the Franchisor and Franchisee have respectively signed this Installment Agreement as of the day and year first above written.

FRANCHISOR:

Bloomfully, LLC

By: _____
Its Manager

FRANCHISEE:

_____

By: _____

Name: _____

Title: _____

Exhibit "I-1"
To the Installment Agreement

PROMISSORY NOTE
(Secured)

Principal Amount: $_____
Effective Date: _____, 20__
Maturity Date: ____ months from the Effective Date

1. Promise to Pay

FOR VALUE RECEIVED, the undersigned _____ ("Maker"), promises to pay to the order of **Bloomfully, LLC** ("Holder") its successors or assigns, the principal sum of $_____ USD together with any fees and interest penalties on this promissory note ("Note") until paid in full as set forth below. No interest will be charged unless Holder is late on a payment.

2. Installment Payments

For the first group purchased, Maker shall pay Holder 11 principal payments in equal consecutive monthly installments of ($_____), the first payment being due on _____ 15, 20__.

For the second group purchased, Maker shall pay Holder 12 principal payments in equal consecutive monthly installments of ($_____), the first payment being due on _____ 15, 20__.

For the third group purchased, Maker shall pay Holder 12 principal payments in equal consecutive monthly installments of ($_____), the first payment being due on _____ 15, 20__.

All installment payments are due on or before the 15th day of each month until this Note is paid in full. Installment payments not made by the 15th of each month will be assessed a late fee of $50 per day and a monthly interest late charge equal to the maximum rate permitted under the state law or 1.5% per month (whichever is less) (the late fee and interest shall be referred to herein as the "Default Rate") shall be payable on the outstanding payment due, calculated from the due date until paid in full.

3. Application of Payments and Prepayment

All payments hereunder shall first be applied against late fees and other fees and costs (including, without limitation, attorney's fees and court costs), then against principal. Maker shall have the right, at its election, exercisable at any time, to prepay all or any portion of this Note, without prepayment penalty.

All payments will be made via the Singers Company™ online billing system or as otherwise designated by Holder, or Holder may require Maker to establish a bank sweep, draft or other similar type of electronic funds transfer account in which Maker must deposit the required monthly payment, which account Holder may automatically access for any payment due to Holder.

4. Deadline

Maker shall have ___ months from the Effective Date to pay this Note in full ("Maturity Date").

5. Loan Default and Acceleration

Maker shall be considered in default ("Default") if Maker is late on paying 3 or more payments, or if the outstanding principal balance is not paid in full by the Maturity Date. Default shall also mean any one of the following:

(a) Maker's breach of or violation of any other provision of this Note; (b) any representation or statement made or furnished to Holder by Maker or on Maker's behalf is found to be false or misleading in any material respect either now or at the time made or furnished; (c) Maker becomes insolvent, a receiver is appointed for any part of Maker's property, Maker makes an assignment for the benefit of creditors, or any proceeding is commenced either by Maker or against Maker, under any bankruptcy or insolvency laws; (d) the entry of any decree or order by a court having jurisdiction adjudging Maker a debtor or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, or adjustment under or composition of or in respect of the Maker the Bankruptcy Code or any other applicable federal or state law; (e) a material adverse change occurs in Maker's financial condition or in the financial condition of any guarantor of this Note or Holder believes the prospect of payment or performance of the indebtedness is impaired; or (f) Holder in good faith deems itself insecure.

In the event of Default, if not cured within 15 days from the date of Default, then the entire unpaid balance on this Note together with the Default Rate shall, at the election of the Holder hereof, upon written notice of said election being given to Maker, at once become due and payable. Upon Default, Holder, in its sole discretion, may also terminate the Director's Agreement.

6. Collection Costs

In event of any such Default or acceleration, the undersigned, agrees to pay to Holder hereof reasonable attorney's fees, legal expenses and lawful collection costs incurred by Holder in addition to all other sums due hereunder, including fees on appeal whether or not such suit is prosecuted to judgment.

7. Security

This Note is secured by a Security Agreement of even date herewith.

8. Miscellaneous

8.1 Successors and Assigns. The terms of this Note are unconditional and apply to, inure to the benefit of, and bind all parties hereto, their successors and permitted assigns.

8.2 Assignment. This Note is freely transferable and assignable by Holder. This Note may not be assigned by Maker, whether by voluntary assignment or transfer, operation of law, merger or otherwise unless otherwise agreed to in writing by Holder.

8.3 Governing Law and Venue. This Note shall be governed by and construed in accordance with the laws of the State of Utah. Presentment, demand, protest, and extension of time without notice are hereby waived, and the undersigned consents to the release of any security, or any part thereof, with or without substitution. Maker, by its execution of this Note, hereby irrevocably submits to the in personam jurisdiction of the state courts of the State of Utah and of the United States District Court for the District of Utah that are located in Salt Lake County, Utah, for the purpose of any suit, action or other proceeding arising out of or based upon this Note.

8.4 Attorney's Fees. In the event of Default, the Holder may collect reasonable attorney's fees and costs incurred in collecting the balance due under this Note and any action taken to foreclose on the collateral contained in the Security Agreement, incorporated by reference hereof.

8.5 Severability. The provisions hereof shall be deemed independent and severable, and the invalidity or partial invalidity or unenforceability of any one provision or portion hereof shall not affect the enforceability of any other provision hereof.

8.6 Counterparts. This Note may be executed in counterparts, including by means of telefaxed signature page, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

8.7 Notice. All notices permitted or required under this Note shall be in writing and shall be delivered as follows with notice deemed given as indicated (i) by personal delivery when delivered personally, (ii) by overnight courier upon written verification of receipt, (iii) by e-mail, telecopy or facsimile transmission when confirmed by e-mail, telecopier or facsimile transmission, or (iv) by certified or registered mail, return receipt requested, three (3) days after deposit in the mail addressed as follows:

Holder: Bloomfully, LLC
9012 N. Timphaven Road, RR# Box A15
Provo, Utah 84604
(or Our then current headquarters)
Facsimile: (949) 242-2857
Email: Katie@singerscompany.com

Maker: _____
_____
_____
Facsimile: _____
Email: _____

8.8 Time is of the Essence. Time and strict performance are of the essence in this Agreement.

8.9 Statute of Limitations. Maker (i) waives any statute of limitation; (ii) agrees that Holder may, without impairing any future right to insist on strict and timely compliance with the terms of this Note, grant any number of extensions of time for the scheduled payments of any amounts due, and may make any other accommodation with respect to the indebtedness; and (iii) waives any right to require a marshaling of assets.

IN WITNESS WHEREOF, the Maker has executed and delivered this Note as of _____.

MAKER:

By: _____
Its Manager/President

PERSONAL GUARANTY

For valuable consideration, the receipt of which is hereby acknowledged, the undersigned, _____ ("Guarantor(s)"), personally and unconditionally guaranty payment of the above Promissory Note including costs and attorney's fees, provided that Maker shall first provide Guarantors with five (5) calendar days written notice of default, effective upon mailing by certified mail, and an opportunity to cure any such default within the notice period. The undersigned waive notice of acceptance, protest and notice of protest with respect to the above Promissory Note.

Effective as of _____.

Guarantors	**Address for Notice**
By: _____ , Personally	(include mailing address and email address)
By: _____ , Personally	(include mailing address and email address)

Exhibit "I-2"
To the Installment Agreement

SECURITY AGREEMENT

THIS SECURITY AGREEMENT dated as of _____ ("***Security Agreement***"), is made by _____, individually and jointly ("***Grantor***"), in favor of **BLOOMFULLY, LLC** ("***Secured Party***").

RECITALS

A. Secured Party and Grantor have entered into that certain Director's Agreement of even date herewith (the "***Director's Agreement***"), whereby Grantor desires to obtain the rights to operate a Singers Company™ franchise or to purchase an additional group or groups.

B. Secured Party has accepted as partial payment for the initial franchise fee, a Promissory Note of even date herewith, executed by Grantor in favor of Secured Party (the "***Note***").

C. Secured Party is willing to accept the Note, but only upon the condition that Grantor shall have executed and delivered to Secured Party this Security Agreement.

AGREEMENT

NOW, THEREFORE, in order to induce Secured Party to accept the Note and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound, Grantor hereby represents, warrants, covenants and agrees as follows:

1. DEFINED TERMS. When used in this Security Agreement the following terms shall have the following meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined):

"***Article 9***" means Article 9 of the UCC.

"***Collateral***" shall have the meaning assigned to such term in Section 2 of this Security Agreement.

"***Contracts***" means all contracts (including any customer, vendor, supplier, service or maintenance contract), leases, licenses, undertakings, purchase orders, permits, Director's Agreement or other agreements (other than any right evidenced by Chattel Paper, Documents or Instruments), whether in written or electronic form, in or under which Grantor now holds or hereafter acquires any right, title or interest, including, without limitation, with respect to an Account, any agreement relating to the terms of payment or the terms of performance thereof.

"***Event of Default***" means (i) any failure by Grantor forthwith to pay or perform any of the Secured Obligations, (ii) any report, information or notice made to, obtained or received by Secured Party at any time after the date hereof indicating that Secured Party's security interest is not prior to all other security interests or other interests reflected in such report, information or notice, and (iii) any breach by Grantor of any warranty, representation, or covenant set forth herein.

"***Lien***" means any mortgage, lien, deed of trust, charge, pledge, security interest or other encumbrance.

"***Permitted Lien***" means: (a) Liens for taxes, fees, assessments or other governmental charges or levies, either not delinquent or being contested in good faith by appropriate proceedings, provided the same have no priority over any of Secured Party's security interests; (b) Liens (i) upon or in any Equipment acquired or held by Grantor to secure the purchase price of such Equipment or indebtedness incurred solely for the purpose of financing the acquisition of such Equipment or (ii) existing on such Equipment at the time of its acquisition, provided that the Lien is confined solely to the Equipment so acquired, improvements thereon and the Proceeds of such Equipment; (c) leases or subleases and licenses or sublicenses granted to others in the ordinary course of Grantor's business if such are otherwise permitted under this Security Agreement and do not interfere in any material respect with the business of Grantor; (d) any right, title or interest of a licensor under a license provided that such license or sublicense does not prohibit the grant of the security interest granted hereunder; (e) easements, reservations, rights-of-way, restrictions, minor defects or irregularities in title and other similar Liens affecting real property not interfering in any material respect with the ordinary conduct of the business of Grantor; (f) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods; (g) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of setoff or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution; and (h) Liens incurred in connection with the extension, renewal or refinancing of the indebtedness secured by Liens of the type described in clause (b) above, provided that any extension, renewal or replacement Lien shall be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness being extended, renewed or refinanced does not increase.

"***Secured Obligations***" means (a) the obligation of Grantor to repay Secured Party all of the unpaid principal amount of the Note, and accrued interest thereon, if any (including any interest that accrues after the commencement of bankruptcy); (b) the obligation of Grantor to pay any fees, costs and expenses of Secured Party under the Note or under Section 5 hereof; and (c) all other indebtedness, liabilities and obligations of Grantor to Secured Party, whether now existing or hereafter incurred, and whether created under, arising out of or in connection with any written agreement or otherwise.

"***Security Agreement***" means this Security Agreement and all Schedules hereto, as the same may from time to time be amended, modified, supplemented or restated.

"***UCC***" means the Uniform Commercial Code as the same may from time to time be in effect in the State of Utah (and each reference in this Security Agreement to an Article thereof shall refer to that Article as from time to time in effect, which shall include and refer to Article 9); *provided, however,* in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of Secured Party's security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of Utah, the term "*UCC*" shall mean the Uniform Commercial Code (including the Articles thereof) as in effect at such time in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

In addition, the following terms shall be defined terms having the meaning set forth for such terms in the UCC: "Account", "Chattel Paper" (including tangible and electronic chattel paper), "Equipment" (including all accessions and additions thereto), "Fixtures", "General Intangible" (including payment intangibles and software), "Instrument", "Inventory" (including all goods held for sale or lease or to be furnished under a contract of service, and including returns and repossessions), and "Proceeds". Each of the foregoing defined terms shall include all of such items now owned, or hereafter acquired, by Grantor.

2. GRANT OF SECURITY INTEREST. As collateral security for the full, prompt, complete and final payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all the Secured Obligations and in order to induce Secured Party to cause the Note to be made, Grantor hereby assigns, conveys, mortgages, pledges, hypothecates and transfers to Secured Party, and hereby grants to Secured Party, a security interest in all of Grantor's right, title and interest in, to and under the following, whether now owned or hereafter acquired, (all of which being collectively referred to herein as the "Collateral"):

(a) All Accounts of Grantor;

(b) All Chattel Paper of Grantor;

(c) All Contracts of Grantor;

(d) All Equipment of Grantor;

(e) All Fixtures of Grantor;

(f) All Inventory of Grantor;

(g) All other goods and personal property of Grantor, wherever located, whether tangible or intangible, and whether now owned or hereafter acquired, existing, leased or consigned by or to Grantor;

(h) All tuition payments made by the customers, clients and dancers enrolled in Grantor's studio; and

(i) To the extent not otherwise included, all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for and rents, profits and products of each of the foregoing.

Notwithstanding the foregoing provisions of this Section 2, the grant, assignment and transfer of a security interest as provided herein shall not extend to, and the term "*Collateral*" shall not include any Contract, Instrument or Chattel Paper in which Grantor has any right, title or interest if and to the extent such Contract, Instrument or Chattel Paper includes a provision containing a restriction on assignment such that the creation of a security interest in the right, title or interest of Grantor therein would be prohibited and would, in and of itself, cause or result in a default thereunder enabling another person party to such Contract, Instrument or Chattel Paper to enforce any remedy with respect thereto; *provided* that the foregoing exclusion shall in no way be construed so as to limit, impair or otherwise affect Secured Party's unconditional continuing security interest in and to all rights, title and interests of Grantor in or to any payment obligations or other rights to receive monies due or to become due under any such Contract, Instrument or Chattel Paper and in any such monies and other proceeds of such Contract, Instrument or Chattel Paper.

3. REPRESENTATIONS AND WARRANTIES. Grantor hereby represents and warrants to Secured Party that:

(a) Except for the security interest granted to Secured Party under this Security Agreement and Permitted Liens, Grantor is the sole legal and equitable owner or, has the power to transfer each item of the Collateral in which it purports to grant a security interest hereunder, having good

and marketable title thereto or the power to transfer, free and clear of any and all Liens except for Permitted Liens.

(b) No effective security agreement, financing statement, equivalent security or lien instrument or continuation statement covering all or any part of the Collateral exists, except such as may have been filed by Grantor in favor of Secured Party pursuant to this Security Agreement except for Permitted Liens.

(c) This Security Agreement creates a legal and valid security interest on and in all of the Collateral in which Grantor now has rights, and all filings and other actions necessary or desirable to perfect and protect such security interest have been duly taken. Accordingly, Secured Party has a fully perfected first priority security interest in all of the Collateral in which Grantor now has rights subject only to Permitted Liens. This Security Agreement will create a legal, valid and fully perfected first priority security interest in the Collateral in which Grantor later acquires rights, when Grantor acquires those rights subject only to Permitted Liens.

4. COVENANTS. Grantor covenants and agrees with Secured Party that from and after the date of this Security Agreement and until the Secured Obligations have been performed and paid in full:

4.1 Disposition of Collateral. Grantor shall not sell, lease, transfer or otherwise dispose of any of the Collateral, or attempt or contract to do so, other than (a) the sale of Inventory, (b) the disposal of worn-out or obsolete Equipment, all in the ordinary course of Grantor's business.

4.2 Insurance. Grantor shall maintain insurance policies insuring the Collateral against loss or damage from such risks and in such amounts and forms and with such companies as are customarily maintained by businesses similar to Grantor.

4.3 Taxes, Assessments, Etc. Grantor shall pay promptly when due all property and other taxes, assessments and government charges or levies imposed upon, and all claims (including claims for labor, materials and supplies) against, the Equipment, Fixtures or Inventory, except to the extent the validity thereof is being contested in good faith and adequate reserves are being maintained in connection therewith.

4.4 Maintenance of Records. Grantor shall keep and maintain at its own cost and expense satisfactory and complete records of the Collateral during the term of this Agreement and for one (1) year thereafter.

5. RIGHTS AND REMEDIES UPON DEFAULT.

(a) Beginning on the date which is five (5) days after any Event of Default shall have occurred and while such Event of Default is continuing, Secured Party may exercise in addition to all other rights and remedies granted to it under this Security Agreement, the Note and under any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party under the UCC.

(b) Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

(c) The Proceeds of any sale, disposition or other realization upon all or any part of the Collateral shall be distributed by Secured Party in the following order of priorities:

FIRST, to Secured Party in an amount sufficient to pay in full the reasonable costs of Secured Party in connection with such sale, disposition or other realization, including all reasonable fees, costs, expenses, liabilities and advances incurred or made by Secured Party in connection therewith, including, without limitation, reasonable attorneys' fees;

SECOND, to Secured Party in an amount equal to the then unpaid Secured Obligations; and

FINALLY, upon payment in full of the Secured Obligations, to Grantor or its representatives, in accordance with the UCC or as a court of competent jurisdiction may direct.

6. REINSTATEMENT. This Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of Grantor's property and assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

7. MISCELLANEOUS.

7.1 No Waiver; Cumulative Remedies. Secured Party shall not by any act, delay, omission or otherwise be deemed to have waived any of its respective rights or remedies hereunder, nor shall any single or partial exercise of any right or remedy hereunder on any one occasion preclude the further exercise thereof or the exercise of any other right or remedy. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently and are not exclusive of any rights and remedies provided by law. None of the terms or provisions of this Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by Grantor and Secured Party.

7.2 Termination of this Security Agreement. This Security Agreement shall terminate upon the payment and performance in full of the Secured Obligations.

7.3 Successor and Assigns. This Security Agreement and all obligations of Grantor hereunder shall be binding upon the successors and assigns of Grantor, and shall, together with the rights and remedies of Secured Party hereunder, inure to the benefit of Secured Party, any future holder of any of the indebtedness and their respective successors and assigns. No sales of participations, other sales, assignments, transfers or other dispositions of any agreement governing or instrument evidencing the Secured Obligations or any portion thereof or interest therein shall in any manner affect the lien granted to Secured Party hereunder.

7.4 Governing Law. In all respects, including all matters of construction, validity and performance, this Security Agreement and the Secured Obligations arising hereunder shall be governed by, and construed and enforced in accordance with, the laws of the State of Utah.

IN WITNESS WHEREOF, each of the parties hereto has caused this Security Agreement to be executed and delivered by its duly authorized officer on the date first set forth above.

Grantor:	**Secured Party: Bloomfully, LLC**
By: _____	By: _____
Its Member/Manager/President	Katie Parker, Its President

Exhibit "I-3"
To the Installment Agreement

TEMPORARY ROYALTY WAIVER

This Temporary Royalty Waiver Agreement ("Royalty Waiver") is made and entered into on _____, 20___, by and between **BLOOMFULLY, LLC** ("Franchisor" or "We", "Us" or "Our") and _____ ("You" or "Your" or "Franchisee").

RECITALS

WHEREAS, Franchisee's studio is located in a smaller market, which makes it difficult to charge more than $40 in tuition per student per month; and

WHEREAS, Franchisor desires to waive royalty payments due under the Director's Agreement for the first year of Franchisee's operations, or until the initial franchise fee is paid in full, whichever comes first, as set forth in the Installment Agreement.

THEREFORE, THEREFORE, in consideration of the mutual and reciprocal covenants, promises, recitals, terms and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereby agree as follows:

1. Temporary Royalty Waiver. The royalty due under Section 5.2 of the Director's Agreement is hereby waived for 1 year from the date hereof, or until Franchisee has paid the initial fee due under the Director's Agreement, whichever comes first. This Royalty Waiver is only effective if accepted by the Franchisor.

2. Director's Agreement. Except as expressly amended or modified herein, all terms, provisions and conditions of the original Director's Agreement shall remain in full force and effect. The dispute resolution and miscellaneous provisions of the Director's Agreement are hereby incorporated into this Royalty Waiver.

In Witness Hereof, the undersigned parties hereby acknowledge that they have read this Royalty Waiver, understand its contents and consent to be bound by all of its terms and agree that it shall become effective as of the date hereof.

FRANCHISOR:
BLOOMFULLY, LLC

By: _____
Katie Parker, Its President

FRANCHISEE:
_____

By: _____

Name: _____

Title: _____

EXHIBIT "J"
TO THE FDD

SIGNING CHECKLIST

Franchise Documents Signing Checklist

The following items need to be filled out, signed, or dated by the party indicated

1. **When you receive the FDD**

DOCUMENT	PAGE OR SECTION NUMBER	INSTRUCTIONS	CHECK WHEN COMPLETED
FDD Receipt pages	(last 2 pages of the entire FDD packet)	There are two receipt pages at the very end of the FDD. You must sign and date both copies. You will keep the copy labeled "Franchisee Copy" and return the other copy ("Franchisor Copy") to the franchisor ("Singers Company").	_____
Prospective Franchisee Deposit Agreement (if applicable)	Exhibit G (pages 1-4)	If Singers Company allows you to reserve a territory before signing the Director's Agreement, you need to sign this agreement. **1.** On the first page, you will fill out the date and your name or your company's name if you will have a company be the franchisee. **2.** Fill in your or your company's contact information on page 2. **3.** Sign and date page 3. **4.** You and Singers Company will fill out page	_____

2. **When you sign the Director's Agreement and other documents**

DOCUMENT	PAGE OR SECTION NUMBER	INSTRUCTIONS	CHECK WHEN COMPLETED
Director's Agreement	(page 1)	Fill in the franchisee name	_____
Director's Agreement	(page 3)	In first paragraph fill in date and franchisee name	_____
Director's Agreement	(page 30)	Fill in your name or your company name, address, and email (and fax if you have one).	_____

Director's Agreement	(page 36)	**1.** If you have a company that will act as the franchisee, fill in the company name on the line under "FRANCHISEE," and have the president, manager, etc., sign on behalf of the entity. **2**. If you will be the franchisee personally, you will sign under "FRANCHISEE" and print your name on the "Name" line.	_____
Director's Agreement (Personal Guaranty)	(page 37)	If you have a company that will be signing the franchise documents, <u>each</u> owner must personally guaranty the Director's Agreement.	_____
Territory	Exhibit A-1 (page 38)	If you already know where your studio will be located, please fill in the address of the approved location. Both you and Singers Company must initial and date this page.	_____
Company Reps. and Warranties	Exhibit A-2 (pages 39-40)	If you have a company that will be the franchisee, you must fill out this document regarding all the owners and officers of your company.	_____
Brand Protection Agreement for Principals	Exhibit A-4 (page 43-46)	You and each principal owner of your company, if applicable, must fill out and sign a separate form. **1.** Fill out signature lines and sign page 44.	_____
Employee Brand Protection Agreement	Exhibit A-5 (page 47-50)	All your management level employees need to fill out and sign separate non-compete agreements. **1.** On the first page (page 45), the management employee will fill in the date the document is signed. **2.** On page 47, you and your management employee must sign this document. If employee is a minor, the parent or guardian must sign page 48.	_____
Studio Location Agreement (if applicable)	Exhibit A-6 (page 51-52)	If you have not found a studio by the time you sign the Director's Agreement, Singers Company may allow you to sign this agreement to give you an extra three months to find a studio.	_____
ACH Agreement	Exhibit A-7 (page 53)	This must be filled out with all the appropriate bank information and signed.	_____

Initial Franchise Fee and Ongoing Royalty Addendum	Exhibit A-8 (page 54)	This needs to be filled in and signed by both the franchisee and Singers Company.	_____
Digital and Social Media Authorization for Assignment	Exhibit A-9 (pages 55-56)	This needs to be filled in and signed by both the franchisee and Singers Company.	_____
Addendum for the State of Washington	Exhibit A-10 (pages 59-60)	If the franchisee is from Washington or if the franchisee will be operating in Washington, franchisee must fill in the date and sign the Washington addendum.	_____
Release Agreement	Exhibit H	Do not fill out or sign this agreement. This is only to be filled out and signed at the time the Director's Agreement is transferred, terminated or not renewed.	_____
Installment Agreement (if applicable)	Exhibit I (pages 1-13)	Under special circumstances, Singers Company may allow certain franchisees to pay the initial franchise fee in installments. If you were granted this right, you must fill out and sign the Installment Agreement, the Promissory Note and the Security Agreement.	_____
Installment Agreement	Exhibit I (page 1-2)	**1**. Date the document and fill in your name or your company's name in the first paragraph on page 1. **2**. In Sec. 1.1, please write the franchise fee you will be paying. **3**. Sign page 2.	_____
Installment Agreement	Exhibit "I-1" Promissory Note (pages 3-6)	**1**. Singers Company will fill out page 1. **2**. You must fill out your contact information on page 5 (Sec. 7.7). **3**. Fill out your company name or your personal name next to "Maker" and ("Guarantor(s)") on page 5 and then date and sign at both signature blocks. **4.** Singers Company will fill out the amount of the promissory note principal and the installment payment totals	_____
Installment Agreement	Exhibit "I-2" Security Agreement	**1**. Fill in the date (same date as the Director's Agreement) and your name or your company's name on the first page. **2**. Sign page 12.	_____

Installment Agreement	Exhibit "I-3" Temporary Royalty Waiver	**1**. Fill in the date (same date as the Director's Agreement) and your name or your company's name on the first page. **2**. Sign page 13.	_____

3. Before you begin operations

DOCUMENT	INSTRUCTIONS	CHECK WHEN COMPLETED/ RECEIVED
Proof of insurance	You must obtain and maintain insurance that lists Singers Company as an additional insured. You must provide Singers Company with proof of this insurance **annually**.	_____
Your dba	In the state where your studio is located, you need to file for a dba or "doing business as" under the name "Singers Company _____." The blank line will be the city or neighborhood where your studio is located. For example, if your studio is located in Irvine, California, your filed dba could be "Singers Company – Irvine." Singers Company must approve your dba before you file it. You must send a copy of the dba filing to Singers Company after it is filed. Please note that a dba is different from your company name if you have a company that is the franchisee. Please note that you cannot use the name "Singers Company" as your company name.	_____
Franchisee's Entity Documents	If you use a company to be the franchisee, you need to send a copy of your articles of incorporation/organization along with your bylaws/operating agreement to Singers Company.	_____
Copy of lease agreement	If you enter into a lease agreement for your studio, you must send Singers Company a copy of the lease.	_____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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:

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.

State	Effective Date
California	Pending
Washington	Pending

RECEIPT
(Franchisee's Copy)

This disclosure document summarizes certain provisions of the director's agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Bloomfully, 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.

If Bloomfully, 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state administrator listed in Exhibit "E." Bloomfully, LLC authorizes the respective state agencies identified on Exhibit "D" to receive service of process for it in the particular state.

The issuance date of this disclosure document is April 24, 2023.

The franchisor, Bloomfully, LLC, is located at 9012 N. Timphaven Rd., RR3 Box A15, Provo, Utah 84604. Its telephone number is (949) 212-4021. The names, business addresses, and phone numbers of each franchise seller offering this franchise is as follows:

Name	Address	Phone Number
Katie Parker	9012 N. Timphaven Rd., RR3 Box A15, Provo, UT 84604	(949) 212-4021
Kathy Tonas	9012 N. Timphaven Rd., RR3 Box A15, Provo, UT 84604	(916) 600-4811

If your franchise seller's name and contact information is not listed above, please list the name, address, and phone number of the franchise seller below:

_____

I received a disclosure document dated April 24, 2023 that included the following Exhibits:

A. Director's Agreement and Its Exhibits
B. Financial Statements
C. Schedule of Franchisees
D. List of Agents for Service of Process
E. List of State Agencies Responsible for Franchise Disclosure and Registration Laws
F. Table of Contents for the Director's Handbook
G. Deposit Agreement
H. Form Release Agreement
I. Installment Agreement
J. Signing Checklist

Date: _____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name/Title

Please keep this copy for your records.

RECEIPT
(Franchisor's Copy)

This disclosure document summarizes certain provisions of the director's agreement and other information in plain language. Read this disclosure document and all agreements carefully. If Bloomfully, 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.

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H. Form Release Agreement
I. Installment Agreement
J. Signing Checklist

Date: _____
(Do not leave blank)

_____
Signature of Prospective Franchisee

_____
Print Name/Title

If you do not sign this receipt via our electronic signature platform, then you need to send us a signed and dated copy. You may return the signed and dated receipt by signing, dating, and emailing it to katie@singerscompany.com.