SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

THE BARBERS, HAIRSTYLING
FOR MEN & WOMEN, INC.
3701 Wayzata Boulevard, Suite 500
Minneapolis, MN 55416
(952) 947-7777 www.smartstyle.com
FranchiseDevelopment@regiscorp.com

Smartstyle® Businesses provide value priced hair care services for men, women and children, and sell a complete line of hair care products and merchandise.

The total investment necessary to begin operation of a SMARTSTYLE franchise is $180,966 to $309,558. This includes $60,416 to $77,958 that must be paid to the franchisor or affiliate(s). If you want to develop more than one store, you will sign a Development Agreement. The development fee and franchise fee depends on the number of stores you want to develop and whether you are a new or existing franchisee. If you sign a Development Agreement for development of three Smartstyle salons, for example, the total investment necessary to begin operation of a Smartstyle franchise is $210,966 to $339,558. If you sign a Development Agreement, you will be required to open a minimum of one or 3 or 6 Smartstyle salons.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or any 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 for you. To discuss the availability of disclosures in different formats, contact the Franchise Development Department at 3701 Wayzata Boulevard, Suite 500, Minneapolis, MN 55416, (952) 947-7777 or by email at FranchiseDevelopment@regiscorp.com.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information.

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

Issuance date of this Franchise Disclosure Document: **November 11, 2022**

How to Use This Franchise Disclosure Document

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

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

What You Need to Know about Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution**. The franchise agreement and development agreement require you to resolve disputes with the franchisor by arbitration only in Minnesota. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate with the franchisor in Minnesota than in your own state.

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

3. **Minimum Development Quotas.** You must open the agreed-upon number of Smartstyle stores, whether just one or 3 or 6 ("Minimum Development Quotas"), within specified development periods ("Development Periods"). If you fail to do so, your Franchise Agreement and Development Agreement will either be subject to termination or will automatically expire.

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.

THE FOLLOWING APPLIES ONLY TO TRANSACTIONS GOVERNED BY THE MICHIGAN FRANCHISE INVESTMENT LAW

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

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

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

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

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

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

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

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

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

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

State of Michigan Consumer Protection Division
Attention: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48909
Telephone: (517) 373-7117

Despite subparagraph (f) above, Smartstyle intends to enforce fully the provisions of the arbitration sections contained in its Franchise Agreement and Development Agreement. Smartstyle believes that subparagraph (f) is unconstitutional and cannot preclude it from enforcing its arbitration section. You acknowledge that Smartstyle will seek to enforce that section as written.

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

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EXHIBITS

CERTAIN STATES REQUIRE SMARTSTYLE TO MAKE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF APPLICABLE, THESE ADDITIONAL DISCLOSURES WILL BE FURNISHED TO YOU IN THE ADDENDA INCLUDED AS EXHIBIT I TO THIS FRANCHISE DISCLOSURE DOCUMENT. PLEASE REFER TO THE ADDENDUM FOR YOUR STATE, IF ANY.

THE FRANCHISEE QUESTIONNAIRE INCLUDED IN EXHIBIT H DOES NOT APPLY TO FRANCHISES LOCATED IN CALIFORNIA OR FRANCHISEES WHO RESIDE IN CALIFORNIA.

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

The Franchisor

To simplify the language in this disclosure document, "Smartstyle", "we" or "us" means The Barbers, Hairstyling for Men & Women, Inc. ("The Barbers"), the franchisor and owner of the *Smartstyle®* hair care salon (the "System"). "You" means the person, persons or business entities, individually and collectively, awarded a Smartstyle franchise, and "your Store" means the Smartstyle store that you will operate if you and Supercuts enter into a franchise agreement, as described in this disclosure document.

The Barbers is a Minnesota corporation established in October 1968, and is a wholly-owned subsidiary of Regis Corporation, a Minnesota corporation ("Regis"). Regis is a publicly-held company on the New York Stock Exchange trading under the symbol "RGS." The principal business address for Supercuts and Regis is 3701 Wayzata Boulevard, Suite 500, Minneapolis, Minnesota 55416. The Barbers' agents for service of process are disclosed on Exhibit J attached to this Disclosure Document.

We do business under the names "*Smartstyle®*", "*Cost Cutters®*", "*Holiday Hair®*", "*BSO Beauty Supply Outlet®*", "*City Looks®*", and "*The Barbers®*." The Barbers established a chain of company-owned, full service hairstyling businesses throughout the United States under the name "*The Barbers, Hairstyling for Men & Women®*." In 1970, The Barbers began selling franchises for the operation of hairstyling businesses doing business under the names "*The Barbers®*" and "*The Barbers, Hairstyling for Men & Women®*." The Barbers began franchising "*City Looks® By The Barbers*" hairstyling businesses in 1987, and subsequently changed the name to "*City Looks® Salon*" in 1991 and *City Looks Salons International®* in 1993). *The Barbers*, *City Looks® By The Barbers*, *and City Looks Salons International* businesses provide men, women, and children with high fashion, full-service hair care, including shampooing, conditioning, hairstyling, and other hair care services, however, they do not offer hair care services on an item-by-item basis. Regis acquired The Barbers through a merger on May 20, 1999. In 2016, The Barbers began franchising Smartstyle in salons located inside of Wal-Marts in the United States. As of June 30, 2022, there are 1,477 franchised *Smartstyle®* salons and 1 corporate-owned Smartstyle salon. All Cost Cutters and Smartstyle salons are value-priced, family-oriented hair care salons. As of June 30, 2022, The Barbers had 5 *City Looks* Salons franchises and no company-owned *City Looks* Salons.

The Barbers developed and began selling franchises for the *Cost Cutters®* hairstyling system in 1982 ("Cost Cutters"). As of June 30, 2022, The Barbers had 604 *Cost Cutters®* franchises, 85 of which are located in Walmarts, and Regis Corp., a Minnesota corporation and a wholly-owned subsidiary of Regis ("Regis Corp."), operated 1 company-owned Cost Cutters business. Regis Corp.'s principal business address is the same as Smartstyle's address. Some Cost Cutters salons operate in Wal-Mart® stores and Wal-Mart® Supercenters in the United States, similar to Smartstyle (see explanation below). Regis first operated Cost Cutters® salons in 1999, though they were franchised beginning in 1982 by what is now Regis' wholly-owned subsidiary and affiliate, The Barbers (discussed below).

In 2016, The Barbers began franchising "*BSO Beauty Supply Outlet*" and *BSO Beauty Supply Express Outlet®* in the United States. As of June 30, 2022, The Barbers had 8 franchised BSO Beauty Supply Outlet stores in the United States ("BSO Beauty Supply Outlet").

In approximately 2018, The Barbers began franchising *Holiday Hair®* stores in the United States ("Holiday Hair"). As of June 30, 2022, The Barbers had 139 franchised Holiday Hair salons in the United States.

On January 5, 1999, Regis acquired the common stock of Hair Masters Services, Inc., a Washington corporation that began operating *Hair Masters*® shops in January 27, 1984 ("Hair Masters"). Regis then assigned its interest in Hair Masters to The Barbers. As of June 30, 2022, The Barbers owned and operated 3 Hair Masters locations and franchised 59 Hair Masters locations.

On June 21, 2002, Regis acquired the stock of Dorbar, Ltd., a limited company that began operating salons under the name *BoRics*® Hair Care Salons in approximately 1992 ("BoRics"). Regis then assigned its interest to The Barbers. As of June 30, 2022, there were 2 franchised BoRics Hair Care Salons and Regis operated 4 BoRics.

On February 10, 2009, Smartstyle's affiliate, Regis Corp., acquired substantially all assets of Cool Cuts 4 Kids, Inc., including the *Cool Cuts 4 Kids*® trademark, system and salons, which began operating in 1998 ("Cool Cuts 4 Kids"). As of June 30, 2022, Regis Corp. owned and operated 5 Cool Cuts 4 Kids salons. Regis Corp. also granted The Barbers the right to franchise Cool Cuts 4 Kids salons. As of June 30, 2022, The Barbers franchised 5 Cool Cuts 4 Kids salons.

The Barbers has never operated or franchised Smartstyle Stores or offered franchises in any other lines of business than those previously stated.

<u>The Franchise</u>

The Barbers grants franchises to qualified individuals and business entities to develop and operate retail hair care establishments identified principally by the *SMARTSTYLE*® trademark and offer haircutting, styling, and related salon services as well as sell hair care and styling products. We call these Stores "Smartstyle Stores." In this disclosure document, we refer to your Smartstyle Store as the "Store." Smartstyle Stores operate under the trademarks, service marks, and other commercial symbols we periodically designate (the "Marks"). The Barbers' strategy is to provide value-priced hair care services for men, women and children, and sell a complete line of hair care products and merchandise. The Smartstyle® Business System is designed to meet the demand for providing the general public with high quality, value-priced hair care services and products. Smartstyle franchises are currently offered only at approved locations in certain Walmart stores, but the franchisor reserves the right to approve other locations outside of Walmart stores in its sole discretion.

a. The Franchise Agreement

Each Smartstyle Store is operated pursuant to a Franchise Agreement. A copy of our Franchise Agreement is attached as Exhibit D. Under the Franchise Agreement, we grant you the right, and you accept the responsibility, to operate a Smartstyle. Your Store must offer the products and services we specify in accordance with the System, and observe the mandatory specifications, standards, operating procedures, and rules we periodically specify for Smartstyle Stores (collectively, the "Brand Standards") that we describe in our Operations Manual (together with any other manuals approved for use in the operation of the Smartstyle, as well as all amendments and updates, the "Manual"). The System includes the operation of establishments that offer haircutting and related services in a specially designed and decorated building with distinctive fixtures, accessories and color scheme.

b. The Development Agreement

In addition to signing a Franchise Agreement, you must also sign a development agreement under which we grant you the right, and you accept the responsibility, to develop one or more Smartstyle Stores in a Designated Market Area ("Development Area"), even if you expect to develop only one Store (the "Development Agreement"). Under the Development Agreement, you must open the agreed-upon number of Smartstyle Stores ("Minimum Development Quotas"), within specified period of time

("Development Periods"). If you fail to do so, your Development Agreement and Franchise Agreement will either automatically expire or be subject to termination by The Barbers, depending on your Store development commitment (*See* Item 12).

The Barbers currently grants development rights for a single store under the "Single Store Program", and grants development rights for three ("3-Store"), six ("6-Store"), or multiple stores under the "Fast Start Program". If you acquire the right to develop just one Smartstyle Store, you will sign the Development Agreement and a Franchise Agreement for that Smartstyle Store at the same time. If you acquire 3-Store or 6-Store development rights under the Fast Start Program, you will concurrently sign the Development Agreement and the Franchise Agreement for the first Store to be developed. You sign The Barbers' then current standard Franchise Agreement for each subsequent Smartstyle Store you open according to the Development Agreement.

c. The Asset Purchase Agreement

We and our affiliates may also sell and franchise existing company-owned Smartstyle Stores to you as well as salons under a brand owned by our affiliate that you must convert to a Smartstyle Store (a "Vendition Store"). If you acquire a Vendition Store, you will purchase the Vendition Store's assets from SCSI or from our affiliate if acquiring a salon using a different brand, as applicable, at a negotiated price based on our valuation of the tangible assets of the Smartstyle Store or salon and its related goodwill. You and SCSI or our affiliate will sign an Agreement for Purchase and Sale of Assets, the form of which is attached in Exhibit M, to acquire the assets of the Smartstyle Store or the salon, as applicable (the "Asset Purchase Agreement"). In addition to the Asset Purchase Agreement, you must simultaneously sign a Franchise Agreement, a Development Agreement, and, if applicable, a Sublease for Walmart Sites, the form of which is attached in Exhibit F. In addition to the cost of purchasing the assets and the franchise fees, you may incur additional costs to upgrade or convert the location to The Barbers' and/or Walmart's then current standards. If you acquire a Vendition Store, that store will count as one of the Smartstyle Stores to be developed under a Development Agreement.

As a condition to your purchase of a Vendition Store, we may require you to develop at least one new Smartstyle Store (each a "New Store"). The Barbers' current practice is to require you to develop one additional New Store for every three Vendition Stores you acquire. For example, if you acquire five Vendition Stores, we may require you to develop at least one New Store. However, if you acquire six to eight Vendition Stores we may require you to develop at least two New Stores.

<u>Our Parent, Predecessors and Affiliates</u>

a. Regis

Regis, our parent company, also owns hairstyling salons that sell products and offer hair care services primarily under the trademarks *Regis*®, *Mastercuts*®, *Smartstyle*®, and *Hair Masters*®, each of which is discussed below.

In 1963, Regis started *Regis Hairstylists* salons, later changed to *Regis Salons*. Regis and/or its subsidiaries began operating what it refers to as "Strip Center" salons in 1987. Starting in 1988, Regis franchised the Strip Center salons that offer affordable hair care primarily as Supercuts Stores or under the trademarks *Cost Cutters*®, *Pro-Cuts*®, *Borics*®, *CoolCuts 4 Kids*®, *Famous Hair*®, *Hairmasters*®, and "*Head Start Hair Care Salons"*. Regis also started operating *Regis*® salons, in or about 1985, as well as operating *Mastercuts*® salons. Both Regis and Mastercuts salons are full-service, mall-based salons. As of June 30, 2022, Regis operated 11 Regis salons, franchised 8 Regis salons, operated 3 Mastercuts salons and franchised 6 Mastercuts salons, franchised 34 Pro-Cuts salons, franchised 6

Famous Hair salons and franchised 3 Head Start salons. *See* discussion below for information regarding Cost Cutters, Borics and CoolCuts 4 Kids salons.

Regis began operating *Smartstyle*® salons in 1996 ("Smartstyle"), which are value-priced, family-oriented hair care salons that operate in Wal-Mart® stores and Wal-Mart® Supercenters in the United States. As of June 30, 2022, Regis owned approximately 1 Smartstyle salon.

On February 10, 2009, Smartstyle's affiliate, Regis Corp., acquired substantially all assets of Cool Cuts 4 Kids, Inc., including the *Cool Cuts 4 Kids*® trademark, system and salons, which began operating in 1998 ("Cool Cuts 4 Kids"). As of June 30, 2022, Regis Corp. owned and operated 5 Cool Cuts 4 Kids salons.

Regis has never ever operated or franchised salons or offered franchises in any other lines of business than those previously stated.

b. Supercuts, Inc. ("Supercuts")

Supercuts, Inc. is a Delaware corporation established on July 9, 1987, and is a wholly-owned subsidiary of Regis Corporation, a Minnesota corporation ("Regis"). Regis is a publicly-held company on the New York Stock Exchange trading under the symbol "RGS." The principal business address for Supercuts and Regis is 3701 Wayzata Boulevard, Suite 500, Minneapolis, Minnesota 55416. Supercuts is the parent company of Supercuts Corporate Shops, Inc., a Delaware corporation and wholly-owned subsidiary of Supercuts ("SCSI"). SCSI also owns and operates Supercuts Stores since its formation in October 1996. Neither Supercuts nor Supercuts Corporate Shops, Inc. has other business activities. The principal business address for Supercuts and SCSI is 3701 Wayzata Boulevard, Suite 500, Minneapolis, Minnesota 55416. As of June 30, 2022, there were 18 Supercuts Stores operated by SCSI and 2,252 franchised Supercuts Stores.

Supercuts has operated, either directly or through SCSI, one or more Supercuts Stores since September 1987. Supercuts began offering Supercuts franchises in January 1988. Supercuts has not offered franchises in any other line of business.

c. Roosters MGC International, LLC ("Roosters")

On July 1, 2011, The Barbers acquired a controlling interest in Roosters MGC International, LLC, a Michigan limited liability company, which has franchised since October 2009 a business system offering hair care services to the general public under the name *Roosters Men's Grooming Centers*®. The Barbers currently owns all interest in Roosters. Roosters principal business address is the same as Smartstyle's address. As of June 30, 2022, there were 89 franchised and no company-owned Roosters stores.

Roosters has never operated or franchised Smartstyle Stores or offered franchises in any other lines of business.

d. CutCo Acquisition Corp ("CAC")

On March 9, 2000, CAC acquired the assets of CutCo Salons, Inc., a Minnesota corporation, the owner of the trademarks *Haircrafters*® ("Haircrafters") and *Great Expectations*® ("Great Expectations") and franchise system. Great Expectations salons were first franchised in 1974, and Haircrafters salons were first franchised in 1961, in each case by CutCo Salons' predecessors. Haircrafters salons offer price conscious clientele quality hair care services at value prices. Great Expectations salons are designed to appeal to a fashion conscious clientele at prices approximately 30% higher than Haircrafters salons. CAC is a wholly-owned subsidiary of Regis and CAC's principal business address is the same as Smartstyle's address. As of June 30, 2022, CAC had 3 Haircrafters® and no Great Expectations® franchises in the United States.

CAC does not intend to open or franchise new Great Expectations® or Haircrafters® salons. CAC has never operated or franchised Smartstyle Stores or offered franchises in any other lines of business.

e. RPC Acquisition Corp. ("RPC")

In May 2003, RPC, a wholly-owned subsidiary of Regis and a Minnesota corporation, acquired the assets of Pro-Cuts Franchise Corporation. Pro-Cuts Franchise Corporation and its predecessors developed the *Pro-Cuts*® trademark and business system for *Pro-Cuts*® salons in May 1982 ("Pro-Cuts"). Pro-Cuts Franchise Corporation started franchising Pro-Cuts salons in 1999. As of June 30, 2022, there were 32 franchised Pro-Cuts salons in operation. There are no corporate-owned or operated Pro-Cuts salons. RPC's principal business address is the same as Smartstyle's address.

On February 26, 2011, RPC opened the first sports-themed Pro-Cuts hair care and product salon (referred to as "Pro-Cuts Sports"), which is a different concept from the original Pro-Cuts concept described above ("Pro-Cuts Classic"). The Pro-Cuts Sports salon uses a different stylized Pro-Cuts logo and trade dress and has different product and service offerings from Pro-Cuts Classic salons. RPC began offering franchises for Pro-Cuts Sports hair care and product salons in May 2011. As of June 30, 2022, there were no company-owned and 2 franchised Pro-Cuts Sports hair care and product salons.

RPC has never operated or franchised Smartstyle Stores or offered franchises in any other lines of business.

f. First Choice Haircutters, Ltd. ("First Choice Canada")

First Choice Canada is a Nova Scotia limited company formed on July 1, 2001, and a wholly owned subsidiary of Regis Holdings (Canada) Ltd., a Nova Scotian limited liability company that is a wholly owned subsidiary of Regis ("Regis Holdings (Canada)"). The principal business address of First Choice Canada is 3701 Wayzata Boulevard, Suite 500, Minneapolis, Minnesota 55416. First Choice Canada owns the marks and franchise system for *First Choice Haircutters*® salons in Canada. First Choice Canada and/or its predecessors began offering First Choice Haircutters® franchises in July 1980. As of June 30, 2022, there was 1 First Choice Canada-owned salons in Canada, no First Choice corporate salons in the United States, and 327 First Choice franchised salons in Canada. First Choice Canada has never operated or franchised Smartstyle Stores or offered franchises in any other lines of business.

g. Magicuts Ltd. ("Magicuts")

Magicuts is a Nova Scotian limited company formed on July 1, 2009, and a wholly owned subsidiary of Regis Holdings (Canada). Its principal business address is the same as First Choice Canada. From 2001 through June 30, 2009, *Magicuts*® salons were franchised in Canada by Regis Cuts Acquisition Corporation, an affiliate of Supercuts and a subsidiary of Regis as well as the predecessor of Magicuts. Magicuts owns, operates, and franchises Magicuts salons in Canada. As of June 30, 2022, there were 2 corporate-owned Magicuts stores and 76 franchised Magicuts stores in Canada. Magicuts has never operated or franchised Smartstyle Stores or offered franchises in any other lines of business.

h. Regis Holdings (Canada) Ltd.

Regis Holdings (Canada) was formed on July 1, 2009, then merged with Regis Hairstylists, Ltd. which was acquired by Regis on July 10, 2007. Regis Hairstylists, Ltd. owned the "*Beauty Supply Outlet*" franchise system in Canada. The principal business address of Regis Holdings (Canada) is the same as Smartstyle's address. Regis Holdings (Canada) Ltd. franchises and operates the Supercuts salons, Hairmasters salons, Smartstyle salons and Beauty Supply Outlet stores in Canada. As of June 30, 2022, there were 12 franchised Supercuts in Canada, 0 company-operated Supercuts in Canada, 0 franchised Hairmasters in Canada, 0 company-operated Hairmasters in Canada, 84 franchised Smartstyles in Canada, 48 company-operated Smartstyles in Canada, 0 company-operated Beauty Supply Outlet stores and 30 franchised Beauty Supply Outlet stores in Canada. Regis Holdings (Canada) Ltd. has never offered franchises in any other lines of business.

i. Fremont Software, LLC

Fremont Software, LLC is a Delaware limited liability company formed on January 7, 2019, and is a wholly owned subsidiary of Regis Corporation ("Fremont Software"). Fremont Software's principal place of business is the same as Regis. Fremont Software provided the *Opensalon Pro*® computer point of sale cash register and back office hardware and software-as-a-service (SaaS) system to franchisees ("Opensalon Pro") until it sold Opensalon Pro to Soham, Inc., the owner of the *Zenoti*® software system, on June 29, 2022. Fremont Software continues to provide hardware maintenance, and support services for Opensalon Pro to Regis franchisees. Fremont has never operated or franchised Smartstyle Stores or offered franchises in any lines of business.

<u>Competitors and Governmental Regulations</u>

The retail hair salon market is well-developed, high-fragmented, competitive and is not seasonal. Your competitors include other retail hair care establishments providing similar services and product lines. Competitors may include any of the establishments previously discussed that are owned, operated, or franchised by Regis or any of The Barbers' other affiliates. In nearly every area in which we operate has a salon and competitors offering similar hair care services and products at similar prices. We face competition from chains, such as Great Clips, Fantastic Sams, Sport Clips and Ulta Beauty, independent-owned salons, department store salons located within malls, in-home hair services, booth rentals and blow dry bars, as well as other franchise organizations outside of the hair salon industry competing for franchisees. You will compete with all these operations to obtain the services of skilled employees.

Every Smartstyle Store must have a Cosmetology License. Otherwise, no regulations apply specifically to the industry in which Smartstyle Stores operate. You must comply with all local, state, and federal health and sanitation laws and laws that apply generally to all businesses. You should investigate these laws when evaluating your franchise acquisition.

Smartstyles' agents for service of process are disclosed on Exhibit J attached to this disclosure document.

ITEM 2
BUSINESS EXPERIENCE

<u>Directors</u>

Chairman of the Board of Directors: David J. Grissen (Chair)

Mr. Grissen became our Chairman of the Board of Directors for Regis on November 15, 2021. Prior to that, Mr. Grissen was the Group President, Marriott International, Inc. from January 2014 through January 2021.

Director: Lockie Andrews

Ms. Andrews became our Director in September 2021. Ms. Andrews has also been a board member of Crypto Chicks since February 2022, a board member of Beckway Group since October 2021 and the National Academy of Design since September 2020. Ms. Andrews is also the Co-VP of Programming for the Harvard Business School Club of New York and has held that title since June 2019, as well as the Sector Lead Investments since May 2015. Ms. Andrews was the Head of eCommerce and Digital Operations for Party City from May 2021 through January 2022, the Chief Information Officer and Chief Digital Officer of UNTUCKit from March 2018 through April 2021. Senior Director of Design and Merchandising at PVH from September 2020 through January 2021, and the Interim Chief Marketing Officer of Nora Gardner from July 2016 through February 2017. Ms. Andrews was the Chief Growth Officer of Pura Vida from May 2022 through September 2022. She is currently and has been the CEO of Catalyst Consulting since 2008.

Director: Mark S. Light

Mr. Light became our Director in October 2013. Mr. Light has also served as the Executive Chairman of Bedrock Manufacturing Company since September 2017.

Director: Michael Mansbach

Mr. Mansbach became our Director in June 2021. He founded Granite Stairway Advisors, LLC in July 2020 and also co-founded Apex Perspectives, LLC in July 2020. Mr. Mansbach was the Board Director of Product Plan from October 2020 through May 2022, was the President of MINDBODY, Inc. from June 2017 through April 2019.

Director: Michael J. Merriman

Mr. Merriman became our Director in October 2011. Prior to that, Mr. Merriman served as a Director of Nordson Corporation August 2008 through February 2018, Director and Audit Committee Chair from February 2012 through February 2018, and as its Chairman of the Board beginning in February 2018. Prior to that, Mr. Merriman was a Director and Nominating & Corporate Governance Committee Chair of OMNOVA Solutions Inc. from June 2008 through June 2020, and a Director of Invacare Corporation from May 2014 through May 2018.

Director: M. Ann Rhoades

Ms. Rhoades became our Director in January 2015. Ms. Rhoades is also the President of PeopleInk, Inc., and has held that position since January 1999. Ms. Rhoades is also a Director of

Nexphase Capital, and has held that position since January 2015. She was a Director of JetBlue Airways from January 2001 through January 2018.

President and Chief Executive Officer and Director, Regis Corporation: Matthew Doctor

Mr. Doctor became our President and Chief Executive Officer and Director, as well as Roosters, CAC, RPC, Supercuts, First Choice Canada, Magicuts and Regis Holdings (Canada) and Fremont Software (collectively, the "Regis Affiliates") on May 5, 2022. Mr. Doctor was the Executive Vice President and Interim Chief Executive Officer for us and the Regis Affiliates, from December 2021 through May 4, 2022. Mr. Doctor was Chief Strategy Officer of Regis from February 2021 to December 2021. From May 2018 to December 2020, Mr. Doctor was the Chief Financial Officer of Kava Restaurants LLC in Chicago, IL. From April 2017 to May 2018, he was Managing Partner of Level 7 Partners LLC in Hoboken, NJ.

Officers

President of Franchise Operations and Chief Operating Officer, Regis Corporation: Jim Lain

Mr. Lain became President of Franchise Operations and Chief Operating Officer for us, Regis and the Regis Affiliates in December 2021. He was the Executive Vice President and Chief Operating Officer for us, Regis and the Regis Affiliates from October 2021 to December 2021. He was President of Portfolio Salons of Regis from December 2020 to October 2021. From November 2013 to July 2020, Mr. Lain was Chief Operating Officer, Regis in Minneapolis, MN.

Executive Vice President and Chief Financial Officer, Regis Corporation: Kersten Zupfer

Ms. Zupfer became Executive Vice President and Chief Financial Officer of Regis in Minneapolis, MN in November 2019. Ms. Zupfer also became a Director for First Choice Canada, Magicuts and Regis Holdings (Canada) in November 2019. From December 2017 to November 2019, Ms. Zupfer was Senior Vice President and Chief Accounting Officer of Regis.

Executive Vice President and Chief Digital Officer: John Davi

Mr. Davi became Executive Vice President and Chief Digital Officer of Regis in June 2022. He was Executive Vice President and Chief Technology Officer of Regis in Minneapolis, MN from October 2021 to June 2022. From November 2019 to November 2020, Mr. Davi was Chief Product Officer of BriteCore (Intuitive Web Solutions, LLC) in Springfield, MO. From February 2018 to September 2019, he was Senior Vice President Product of Mindbody, Inc. in San Luis Obispo, CA and from February 2012 to February 2018, he was Vice President of Product of Diffbot Technologies Corp. in Mountain View, CA.

Senior Vice President, General Counsel, and Secretary, Regis Corporation: Andra Terrell

Ms. Terrell became the Senior Vice President, General Counsel and Secretary for us, Regis and the Regis Affiliates on February 14, 2022. Ms. Terrell also became a Director for First Choice Canada, Magicuts and Regis Holdings (Canada) on February 14, 2022. Prior to joining us, Ms. Terrell was the Vice President, Deputy General Counsel and Assistant Secretary of Cajun Operating Company for the Church's Chicken® and Texas Chicken® brands from January 2019 through February 11, 2022, and Senior Director, Assistant General Counsel and Assistant Secretary from January 2017 through February 10, 2022. Ms. Terrell also served on the Board of Directors for Church's Partners Foundation, Inc. as a Director and Secretary from January 2017 through February 11, 2022.

Executive Vice President and Chief People Officer, Regis Corporation: Michael Ferranti

Mr. Ferranti became Executive Vice President and Chief People Officer for us, Regis and the Regis Affiliates in December 2021. He was Senior Vice President, People and Culture of Regis Corporation from March 2021 to December 2021. From May 2020 to March 2021, Mr. Ferranti was the Sr. Director of Mergers and Acquisitions for Subway Restaurants in Dallas, TX. From October 2018 to October 2019, he was Vice President, Development, People, and IT for Le Pain Quotidien in New York, NY. From October 2015 to April 2018, he was Vice President, People & Performance for Kraft Heinz in Toronto, Ontario and Chicago, IL.

Senior Vice President, Marketing, Regis Corporation: Michelle DeVore

Ms. DeVore became Senior Vice President, Marketing for us, Regis and the Regis Affiliates in September 2022. From November 2019 to August 2022, Ms. DeVore was Vice President, Customer Experience of European Wax Center, Inc. in Plano, TX. From September 2019 to November 2019, she was Director, Digital Media for Blucora, Inc. in Irving, TX and from October 2017 to February 2019, she was Vice President, e-Commerce Marketing of Aerus, Holdings LLC in Dallas, TX.

Senior Vice President, Merchandising and Education: James Suarez

Mr. Suarez became the Senior Vice President, Merchandising and Education for us, Regis and the Regis Affiliates in February 2022. He was the Vice President, Merchandising and Education from October 2021 to February 2022. From August 2017 to October 2021, Mr. Suarez was Vice President, Education of Regis.

Vice President, Treasurer, Controller & Tax: Elizabeth (Biz) McShane

Ms. McShane became the Vice President, Treasurer, Controller & Tax for us, Regis and the Regis Affiliates in October 2021. She was the Associate Vice President Accounting for us, Regis and the Regis Affiliates from October 2017 to October 2021.

Vice President, Financial Planning & Analysis: Bret Swenson

Mr. Swenson became the Vice President, Financial Planning & Analysis for us, Regis and the Regis Affiliates in February 2020. He was the Associate Vice President Financial Planning & Analysis for us, Regis and the Regis Affiliates from September 2017 to February 2020.

Vice President, Franchise Operations: Keelee MacDonald

Ms. MacDonald became Vice President Franchise Operations for us, Regis and the Regis Affiliates in May 2022 and was Associate Vice President Franchise Operations for us, Regis and the Regis Affiliates from December 2020 to May 2022. From November 2014 to December 2020, she was Vice President Field Operations for us, Regis and the Regis Affiliates.

Vice President, Human Resources: Kelly Webb

Ms. Webb became the Vice President, Human Resources for us, Regis and the Regis Affiliates in April 2021. Prior to that, she was the Associate Vice President of Compensation and Benefits for us, Regis and the Regis Affiliates from December 2017 to March 2021.

Vice President, Information Technology: Lori Southwick

Ms. Southwick became the Vice President, Information Technology for us, Regis and the Regis Affiliates in November 2019. She was the Associate Vice President, Information Technology from September 2013 to October 2019 for us, Regis and the Regis Affiliates.

Vice President, Development and Real Estate: Kristie Skluzacek

Ms. Skluzacek became our Vice President, has been our Vice President, Development and Real Estate in October 2021. Prior to that date, Ms. Skluzacek was our Associate Vice President Development & Real Estate since October 2021 and was Sr. Director, Smartstyle Operations, Finance & Strategy for Regis from June 2020 to September 2021. She was the Director, Business Development & Walmart Relationship of Regis from October 2018 to May 2020. From January 2017 to September 2018, she was Sr. Manager, Pricing and Revenue Management for Regis.

Persons With Management Responsibility

The following individuals are not officers but are persons who will have management responsibility relating to the sale or operation of franchises offered by this document.

Associate Vice President, Training & Development: Tara Aiken

Ms. Aiken became the Associate Vice President, Training & Development for us, Regis and the Regis Affiliates in August 2020. She was Senior Manager, Learning & Development Strategy & Operations of Target in Minneapolis, MN from October 2017 to August 2020.

Associate Vice President, Franchise Legal: Cynthia Clark

Ms. Clark became the Associate Vice President, Franchise Legal for us, Regis and the Regis Affiliates in April 2022. Ms. Clark was Of Counsel for Bochetto & Lentz, P.C. in Philadelphia, PA from May 2019 to April 2022. She was General Counsel of Full Spectrum Processing in Philadelphia, PA from October 2018 to April 2019 and was an Attorney with Ladov Law Firm, P.C., in Philadelphia, PA from January 2016 to September 2018.

Sr. Director, Real Estate, Franchising and Business Development: Allison Charney

Ms. Charney became the Sr. Director, Real Estate, Franchising and Business Development for us, Regis and the Regis Affiliates in February 2022. From October 2003 to January 2022, she was Director, Real Estate for Regis.

Acquisition & Franchising Manager: Michael Steinhofer

Mr. Steinhofer became the Acquisition & Franchising Manager for us, Regis and the Regis Affiliates in February 2022. From November 2014 to January 2022, he was the Acquisition Manager of for us, Regis and the Regis Affiliates.

Franchise Transactions Manager: Deborah Puchalla

Ms. Puchalla became the Franchise Compliance Manager for us, Regis and the Regis Affiliates in December 2020. She was a contractor through Robert Half for us, Regis and the Regis Affiliates from October 2018 to December 2020. From December 2003 to June 2018, she was a Sr. Franchise Paralegal for Buffalo Wild Wings in Minneapolis, MN.

ITEM 3
LITIGATION

Current Matters

Supercuts, Inc. v. Mohamed Aboukoura and iEndeavor, LLC (AAA Case No. 01-21-0000-3502, filed January 26, 2021). This case was a collections matter against a franchisee; the franchisee asserted counterclaims for violation of the Virginia Franchising and Consumer Protection Acts, the Minnesota Franchise Act, and common law fraud claims. The parties have agreed to a resolution and documentation of settlement agreement are in process, with Aboukoura agreeing to pay Supercuts and Regis $95,000.00.

Delamarter v. Supercuts, Inc. (Case No. 27-cv-19-19280, Hennepin County District Court, Minnesota). This case was filed as a class action against Supercuts on November 19, 2019 on behalf of Plaintiff and a putative class of consumers who, within the applicable statute of limitations, were allegedly provided a receipt at the point of sale or transaction from a Supercuts-branded salon, where the receipt displayed more than the last five digits of the person's credit or debit card number. The case was removed to federal court and proceeded there for roughly 18 months before it was remanded for lack of subject matter jurisdiction because the Plaintiff lacked Article III standing. Plaintiff moved for class certification after remand, which the District Court denied. Plaintiff subsequently sought immediate appellate review of this denial of class certification from both the Minnesota Court of Appeals and Minnesota Supreme Court, which both declined to review the decision. Accordingly, unless Plaintiff were to prevail on post-judgment appeal, the case is now an individual case where, if the Plaintiff demonstrates the violation was willful—committed knowingly or recklessly under the U.S. Supreme Court's jurisprudence—then he is entitled to up to $1,000 in statutory damages and his reasonable attorneys' fees and costs. If the violation is found to only be negligent, he is entitled to his actual damages only, which he has already disclaimed. The Parties are working to set a date for mediation to attempt to resolve this matter.

Concluded Matters

Supercuts, Inc. v. Scott and Vicki Furber and Dawg Concepts, Inc., AAA Case No. 01-21-0000-3512 (Filed January 26, 2021). Supercuts filed an arbitration with the American Arbitration Association ("AAA") against Scott and Vicki Furber and Dawg Concepts, Inc. (collectively, "Furber"), for past due royalties, advertising fund contributions and rent in the amount of $656,725.96. Furber filed counterclaims against Supercuts violation of Virginia Franchising and Consumer Protection Acts, the Minnesota Franchise Act, and common law fraud claims of $556,795. This matter was settled on April 12, 2022, for $110,000.00 to be paid by Supercuts to Furber.

Supercuts, Inc. v. Daniel C. Negussie, Grimt Habtermariam, and DnG, LLC, AAA Case No. 01-21-0000-3507 (Filed January 26, 2021). Supercuts filed an arbitration with the AAA against Daniel C. Negussie, Grimt Habtermariam, and DnG, LLC (collectively, "Negussie"), for past due royalties, advertising fund contributions and rent in the amount of $105,721.13. Negussie filed counterclaims against Supercuts violation of Virginia Franchising and Consumer Protection Acts, the Minnesota Franchise Act, and common law fraud claims of $ 458,982. This matter was settled on April 12, 2022, for $150,000.00 to be paid by Supercuts to Negussie

Joseph and Elizabeth Sims, Big Hair Salons, LLC v. The Barbers, Hairstyling for Men & Women, Inc., AAA Case No. 01-21-0001-9146 (filed February 16, 2021). A Smartstyle franchisee ("Franchisee") and its owners (collectively with the Franchisee, the "Sims") filed an arbitration with the AAA against The Barbers, Hairstyling for Men & Women, Inc. , Regis Corporation, and Regis Corp. (collectively, the "Regis Entities") alleging the Regis Entities made material misrepresentations and omissions to induce Franchisee to enter into area development agreements, franchise agreements, asset purchase agreements, subleases, and related agreements surrounding Franchisee's purchase of nine (9) Smartstyle salons and that The Barbers, Hairstyling for Men & Women, Inc., breached its contract-in-fact and contract-in-law obligations, as well as violated other statutory and common law duties. the Sims sought rescission and monetary damages. This matter was settled on August 9, 2022, for $210,000.00 to be paid by The Regis Entities to the Sims.

Supercuts, Inc. v. Keith and Marie Shaffer, KeiMar LLC, KieMar II LLC, and KeiMar III LLC (AAA Case No. 01-21-0000-3504, filed January 26, 2021). This case involved a collections matter against franchisee. Franchisee asserted counterclaims for violation of the Virginia Franchising and Consumer Protection Acts, the Minnesota Franchise Act, and common law fraud claims. This matter was settled on June 16, 2022, with Supercuts Inc. and Regis Corporation agreeing to pay the franchisee and its principals $280,000.00.

Supercuts, Inc. v. Court Curneen and Quartz, LLC (AAA Case No. 01-21-0000-3506, filed January 26, 2021). This case was a collections matter against a franchisee. The franchisee asserted counterclaims for violation of the Virginia Franchising and Consumer Protection Acts, the Minnesota Franchise Act, and common law fraud claims. This matter was settled on March 3, 2022, with Supercuts, Inc. and Regis Corporation agreeing to pay the franchisee $29,500.00.

Sea Fever Ventures, Inc., John Lovegrove, and Judith Lafleur-Lovegrove v. Regis Corporation and Supercuts, Inc. (AAA Case No. 01-20-0015-7648, filed November 18, 2020). A Supercuts franchisee and its owners filed an arbitration with the American Arbitration Association ("AAA") against Regis Corporation ("Regis") and Supercuts, Inc. ("Supercuts") alleging Regis and Supercuts violated the Virginia Retail Franchising Act (VRFA), Virginia Consumer Protection Act (VCPA), Minnesota Franchise Act (MFA), and committed common law fraud and negligent misrepresentation by making misrepresentations prior to the franchisee's execution of the Franchise Agreement and prior to the execution of the Sublease related to their store's build-out costs, break-even timeline, and financial performance, including illegal financial performance representations outside of Item 19 of the Franchise Disclosure Document, and by failing to disclose their market area's historical performance, and facilitating misleading validation calls and steering the franchisee to contact only certain successful franchisees outside their market, as well as misrepresenting the business as "absentee owner", "recession resistant" "under competitive", and "simple and easy". They further alleged the Franchisor violated the VRFA and MFA by illegally and constructively terminating their franchise by failing to provide adequate assistance and support. The franchisee also alleges that Regis and Supercuts breached the Franchise Agreement and Development Agreement and the implied covenant of good faith and fair dealing contained therein by failing to provide adequate assistance and support for the franchise. The franchisee also claims that Regis and Supercuts breached the Agreement to Mediate and the implied covenant of good faith and fair dealing contained therein by failing to mediate in good faith by failing to bring a business executive with authority to settle the dispute to the mediation. The franchisee seeks to rescind all of their agreements and actual damages, rescission damages in the amount of their investment, damages for uncompensated time, breach of contract damages, and their costs, disbursements, interest, and reasonable attorneys' fees. Regis and Supercuts denied all of the franchisee's allegations defended the arbitration. On November 23, 2021, the Arbitrator issued his final award and found that Supercuts' sale of the franchise to the franchisee violated the FTC Rule, the VRFA, and the VCPA and awarded a total amount to the franchisee of $1,015,104.83, representing damages for the aforementioned claims, together with interest, attorneys' fees, and costs.

Propoint Solutions, LLC v. Regis Corporation, Chad Kapadia, et al. Case No. 3:20-cv-2181-MMC (N.D. Cal. Filed March 31, 2020). The Franchisor's parent, Regis Corporation ("Regis") and Regis's Chief Technology Officer were sued by Regis's point of sale and back office system supplier, ProPoint Solutions, LLC ("ProPoint"), accusing Regis and the other defendants of improperly accessing ProPoint's computer systems by using the credentials of a franchisee of one of Regis's affiliates and misappropriating and improperly using the source code, trade secrets, and copyrighted content related to ProPoint's SuperSalon point-of-sale software in connection with Regis's development of its Opensalon Pro point of sale system in violation of the federal Defend Trade Secrets Act ("DTSA"), 18 U.S.C. § 1836 *et seq*., the Minnesota Uniform Trade Secrets Act, Minn. Stat. § 325C.01 *et seq*., and the federal Computer Fraud and Abuse Act, 18 U.S.C. § 1030. In addition, Propoint accused Regis of intentional interference with contractual relations under Minnesota law by causing the franchisee to provide its credentials to Regis in violation of the franchisee's software agreement with Propoint. Propoint sought an order prohibiting Regis and the other defendants from accessing Propoint's servers, replicated databases, or copies of Propoint's proprietary information; restraining Regis and the other defendants from deleting, modifying, or accessing any of Propoint's proprietary information, including its schema and source code, on Regis's and the other defendants computers, devices, systems, and storage devices; restraining Regis and the other defendants from using Propoint's proprietary information, including its schema and source code and otherwise using any knowledge derived from Propoint's proprietary and confidential information; and restraining Regis and the other defendants from any further development of Regis's Opensalon Pro platform. Propoint further sought preliminary and permanent injunctive relief requiring Regis and the other defendants to remove all instances of ProPoint's proprietary information from any and all computer systems in their possession, custody, or control and to permit Propoint to verify such removal; restraining Regis and the other defendants from using any information derived from or developed based on Propoint's proprietary information, including its schema and source code; awarding damages, disgorgement of profits, unjust enrichment damages, and/or a reasonable royalty. Propoint further sought a finding that Regis's and the other defendants actions have been willful, entitling Propoint to exemplary damages of twice the amount awarded plus attorneys' fees and pre- and post-judgment interest. Regis and Propoint entered into a settlement agreement, effective June 25, 2021, that provided for the dismissal of the lawsuit and set forth a commercial services agreement pursuant to which Propoint would assist in the transfer of Regis's franchised salons, including Supercuts salons, from its point-of-sale system to Regis's salon management system, *Opensalon*® Pro. Under the agreement, Regis expected to pay Propoint between $3 million and $5 million over two years in consideration of Propoint's services (the "ProPoint Settlement Agreement"). The ProPoint Settlement Agreement was amended effective June 15, 2022 to require Regis to pay a total of $2 million to ProPoint by December 10, 2022 provided ProPoint continues to provide transition services through December 31, 2022.

David Williams, Shelly Williams, and Look Sharp, LLC v. RPC Acquisition Corp. and Regis Corporation (AAA Case No. 01-15-0004-2079, filed July 10, 2015); *Scott Carlson, Jacquelyn Carlson, and SKC Concepts, Inc. v. RPC Acquisition Corp. and Regis Corporation* (AAA Case No. 01-15-0004-2072, filed July 13, 2015); *Jason Link and Link JAS, Inc. v. RPC Acquisition Corp and Regis Corporation* (AAA Case No. 01-15-0005-2403, filed October 6, 2015); *Chad Schwinghammer, Andrea Woodley Schwinghammer, and Schwings Centennial Lakes, Inc. v. RPC Acquisition Corp., Regis Corporation, and Pro-Cuts Corporate Shops, Inc.* (AAA Case No. 01-15-0006-0307, filed December 18, 2015*); Kevin Waters, Mary Jane Waters, and Salon Waters, Inc. v. RPC Acquisition Corp. and Regis Corporation* (AAA Case No. 01-16-0001-0283, filed March 25, 2016); and *Jason Ansari and JBJL, LLC v. RPC Acquisition Corp. and Regis Corporation* (AAA Case No. 01-16-0001-7616, filed May 13, 2016). Six Pro-Cuts Sports franchisees and their owners filed separate arbitrations with the American Arbitration Association against RPC Acquisition Corp. ("RPC"), the franchisor of their Pro-Cuts Sports franchises and an affiliate of Supercuts, Inc., each alleging violation of the Minnesota Franchise Act (or Wisconsin

Fair Dealership Law), common law fraud, and negligent misrepresentation in RPC's sale to them of their Pro-Cuts Sports franchises, and breach of contract and breach of the implied covenant of good faith and fair dealing in the performance of the Franchise Agreements, and a declaratory judgment as to the invalidity of the appeal provision in the arbitration clause of their Pro-Cuts franchise agreements. Another franchisee also named Pro-Cuts Corporate Shops, Inc., an affiliate of Supercuts, Inc., alleging it breached the purchase agreement between the parties and breached the implied covenant of good faith and fair dealing for that franchisee's purchase of a company-owned store. The franchisees each claimed that during the franchise sales process RPC made illegal financial performance representations and misrepresented the expected growth of the Pro-Cuts brand in Minnesota and nationally, the marketing and advertising RPC would conduct for the Pro-Cuts brand in Minnesota, and the operational and financial services support RPC would provide to the franchisees. The franchisees each sought rescission of their franchise agreements, unspecified restitution damages for the various alleged violations, attorneys' fees and costs, and other relief the arbitrator deemed appropriate. Each of the franchisees also named Regis Corporation ("Regis"), the parent company of both RPC and Supercuts, Inc., in the arbitrations but only in connection with the alleged violation of the Minnesota Franchise Act. While not asserting that Regis was directly involved in any of the matters triggering the lawsuit or otherwise engaged in misconduct, the franchisees alleged that Regis nonetheless was statutorily liable as a "control person" of RPC. All six of the disputes described previously were settled in March 2017 and April 2017. All the arbitrations were dismissed on April 27, 2017. In return for releases of all claims related to the disputes, franchise agreements, and subleases, Regis and its affiliates paid $300,000 to Chad and Andrea Schwinghammer and Schwings Centennial Lakes, Inc. and assumed their remaining lease liabilities; $300,000 to David and Shelly Williams and Look Sharp, LLC; $215,000 to Scott Carlson, Jacquelyn Carlson and SKC Concepts, Inc.; $175,000 to Jason Link and Link JAS, Inc. and assumed their remaining lease liabilities; $115,000 to Kevin and Mary Jane Waters, and Salon Waters, Inc. and assumed their remaining lease liabilities; and $200,000 to Jason Ansari and JBJL, LLC.

North Star Solutions, Inc. v. Supercuts, Inc. a Division of Regis, Inc. (AAA Case No. 01-18-0001-6461, filed May 4, 2018). A Supercuts franchisee filed an arbitration against Supercuts, Inc., the franchisor, and its affiliate, Regis, Inc. (n/k/a Regis LLC), alleging violation of the Minnesota Franchise Act, Minnesota Administrative Rules, Texas Business and Commerce Code, FTC Act, Lanham Act, Sherman Act, Clayton Act, breach of contract, common law fraud, negligent misrepresentation, and the implied covenant of good faith and fair dealing in the marketing, sale, and performance of the franchisee's franchise opportunity. The franchisee sought a refund of its $29,500 development fee, plus attorneys' fees, arbitration costs, and rescission of its development agreement and franchise agreement. Supercuts and Regis denied the allegations and settled the matter in October 2018 without admitting liability by refunding $25,000 to the franchisee and rescinding franchisee's development agreement and franchise agreement in return for a release of all claims related to the dispute, the franchise agreement, and the development agreement.

Rent and royalty collection lawsuits

None.

Other than these 11 actions, no litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Development Fees and Franchise Fees

The Barbers' current practice is to sign a Development Agreement with all franchisees for each new franchise acquisition, even if the franchisee expects to develop only one Store. The Barbers currently grants single-Store development rights (the "Single Store Program") and 3-Store and 6-Store development rights (the "Fast Start Program"). If you are a new franchisee or an existing franchisee that signed a Development Agreement after September 29, 2011, the Development Fee is full payment for your development and franchise rights, whether for one Store, or more than one Store. If you are such a "new" franchisee, The Barbers does not charge you any initial franchise fees for Stores to be developed under the Development Agreement.

The Development Fee you pay is not refundable under any circumstances. This means that if you decide not to move forward after signing The Barbers' Development Agreement (and the first Franchise Agreement for the first new Store to be developed), cannot find suitable sites for your Store(s), or otherwise fail to meet your Store opening requirements, in which case The Barbers terminates the applicable agreement(s), you do not receive back any of your Development Fee.

The Development Fees you must pay to us are shown in the table below.

Single Store Program **(Note 1)**	**Fast Start Program** **(Note 2)**		
Development Fee Amount (1 Store)	**Development Fee Amount (3 Store)**	**Development Fee Amount (6 Store)**	**Development Fee Amount (6+ Store)** **(Note 2)**
$39,500	$69,500	$99,500	$10,000 for each additional Store

Note 1: If you acquire development rights for more than 6 Stores, the Development Fee will be $10,000 for each additional Store (i.e. $109,500 for 7-Store development, $119,500 for 8-Store development, etc.).

Note 2: The fees in the table above are the same for a New Franchisee and an Existing Franchisee signing a Development Agreement after September 29, 2011.

Single Store Program

The Single Store Program applies if you acquire the right to develop just one The Barbers Store. In that case, you will sign the Development Agreement and that Store’s Franchise Agreement at the same time.

Fast Start Program

The Fast Start Program applies if you acquire the right to develop three or more The Barbers Stores. In that case, you will concurrently sign the Development Agreement and the Franchise Agreement for the first Store to be developed. In accordance with the Development Agreement, you will also sign The Barbers' then-current standard Franchise Agreement for each subsequent The Barbers Store you open. In multi-Store development, we allocate $39,500 to the first Store and the remaining Development Fees are split equally among the Stores subsequently developed. For 3 or more Store development, we allocate $20,000 to the second Store and $10,000 to each additional Store.

Existing Franchisees

Franchisees who joined the The Barbers system before September 30, 2011 pay a lower Development Fee per Store to be developed and also pay separate franchise fees.

Franchisee Type	Development Fee Amount	Initial Franchise Fee Amount (Note A)
Existing Franchisee (signed before September 29, 2011)	$5,000 per Store to be developed	$0
Existing Franchisee (signed between July 1, 1999 and September 28, 2011) (Note B)	$12,500 per Store to be developed	$0
Existing Franchisee (signed before June 30, 1999) (Note C)	$10,000 per Store to be developed	$0

Note A: The Initial Franchisee is due if the Store location has been identified and secured or upon signing the Location Identification Amendment to Franchise Agreement, the form of which is included in Exhibit B of this disclosure document.

Note B: The Development Fee is paid as follows - $5,000 when the Development Agreement is signed, and the remaining $7,500 when the Franchise Agreement or Location Identification Amendment is signed.

Note C: The Development Fee is paid as follows - $5,000 is due when the Development Agreement is signed, and the remaining $5,000 is due when the Franchise Agreement or Location Identification Amendment is signed.

Purchase of Smartstyle-Owned Store or Affiliated Branded Salon for Conversion

If you choose to buy the assets of an existing Smartstyle Store from The Barbers' affiliate or an existing affiliated branded salon for conversion to a Smartstyle Store (in each case to operate the Store as a Smartstyle franchise going-forward), you will sign the Asset Purchase Agreement with Smartstyle' subsidiary or other affiliate, as applicable, when you sign the Franchise Agreement and, if applicable, Sublease. You will pay the subsidiary or other affiliate the applicable purchase price and the applicable Initial Franchise Fees and Development Fee at the time you sign the Asset Purchase Agreement, Franchise Agreement(s) and Development Agreement for the Stores and/or salons you acquire and will develop. Purchase prices for company-owned Stores will depend on their age, location, condition, profitability, cash flow, strategic considerations, and other relevant market factors. If you are interested in purchasing a particular company-owned Store or affiliated branded salon and your negotiations.

As a condition to your purchase of one or more existing company-owned Smartstyle Stores or one or more existing affiliated branded salons for conversion to a Smartstyle Store, we may require you to develop at least one brand new Smartstyle Store (each a "New Store"). For example, if you acquire five or fewer existing company-owned Smartstyle Stores and/or affiliated branded salons, we may require you to develop at least one New Store, or if you acquire six to eight such Stores and/or salons, we may require you to develop at least two New Stores, and so on. In all cases when you buy the assets of an existing Smartstyle Store or an existing affiliated branded salon for conversion to a Smartstyle Store, that Store will count as one of the Stores to be developed under your Development Agreement.

Generally, our Development Fees and Initial Franchise Fees are non-refundable and uniformly imposed on our franchisees. However, in certain unique situations we may reduce or waive those fees. During last fiscal year, our Development Fees ranged $0 to $39,500.

Construction Fees

If you want Smartstyle' approved vendor, Build Point Solutions Group Inc. ("Build Point Solutions") to supervise and oversee your Store's construction or remodel process, you must pay Build Point Solutions a fee of either $5,500 or $7,500 when you sign Build Point Solutions' services agreement the form of which is presented in Exhibit L of this disclosure document. You also must pay for the cost of construction or remodeling and any Store FF&E that Build Point Solutions arranges for you to purchase, plus shipping and handling.

If you elect not to use Build Point Solutions to coordinate your Store construction or remodel, then you must use architects and contractors that we approve and pay us a fee of $500-$1,000 to review your construction/remodel and design plan prior to commencing construction (the "Construction and Design Plan Review Fee) and a fee of $1,500-$3,000 for us to review your Store upon completion of the construction or remodel upon completion of construction (the "Post Build Review Fee").

Rental Costs

You may rent your salon from us. You will need to lease approximately 650-1,000 square feet for your salon and your rent will generally be the greater of $1,000 and 16% of your Store's monthly gross sale, which we estimate is $1,000 to $5,600, although your actual rent will vary based on the size of your salon, its geographic location, and other economic factors. Before opening your salon, you may need to pay both a security deposit equal to one month's rent plus your first month's rent. Walmart may also charge tenant taxes, surcharges or other charges as stated in Section 4.9 of its master lease which charges will be passed through to franchisee.

ITEM 6
OTHER FEES

Column 1 Type of Fee[1]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Continuing Fees[2]	Weeks 1 through 52: 4% of Gross Sales[3] Week 53 through end of Franchise Agreement Term: 5% of Gross Sales or $100 per week, whichever is greater	Wednesday of each week for the preceding week	Smartstyle collects a 4% Continuing Fee for the first 52 weeks that you operate your Smartstyle Business. The Continuing Fee increases to 5% as of the 53rd week of operation. Beginning with the 53rd week of operation, a minimum Continuing Fee of $100 per week is payable. Smartstyle requires you to pay this fee by direct bank transfer to Smartstyle's bank account. See Note (2)
Advertising Fees[4]	2% of Gross Sales	Wednesday of each week for the preceding week	Smartstyle requires you to pay these fees by direct bank transfer to Smartstyle's bank account. See Note (4)
Tax Reimbursement	Reimbursement of Smartstyle's tax payments	When billed	You must reimburse Smartstyle for taxes it must pay due to your operations (including any sales tax and/or gross receipts tax Smartstyle must pay based on Continuing Fees and/or Advertising Fees paid or payable by you but not including income taxes paid by Smartstyle on account of your Continuing Fees and Advertising Fees).

Column 1 Type of Fee[1]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Reimbursement of Audit Costs	The unpaid amounts due, plus our administrative fee and interest from the date originally due until the date of payment.	Immediately after receipt of audit report	If an inspection or audit is necessary due to your failure to furnish reports, supporting records, or other information as required or on a timely basis, or if our examination reveals an understatement exceeding two percent (2%) of the amount you actually reported to us for the period examined, you must reimburse our costs for the examination, including, without limitation, legal fees, independent accountants' fees, and compensation and travel related expenses for our employees.
Annual Conventions[5]	Up to $1,000 per person attending	Registration fee is due upon registration to attend convention, and other costs are due as incurred	You must attend an annual system-wide convention. In addition to the registration fee payable to Smartstyle, you must pay your travel, lodging and food expenses. See Note (5)
Transfer Fee	1 store $2,500 2 stores $4,500 3 stores $6,000 4 stores $7,000 5 stores $7,500 Each store after is $500	Before transfer's effective date	In addition to transfer fee, if the prospective franchisee is a new franchisee, they must attend Smartstyle's mandatory training course for initial franchisees.
Sublease payments [6]	Amount due under lease which ranges from $1,000 - $5,600. Amount due for Smartstyle located in a Walmart is the greater of $1,000/month or Percentage Rent defined in the Mater Lease, but not to exceed $5,500/month	Monthly at least 10 days before date Smartstyle or its affiliate must pay rent to landlord	See Note (6)
Lease Renewal Fee [7]	$1,500	Immediately upon execution of the lease renewal	See Note (7)

Column 1 Type of Fee[1]	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Interest Charges & Late Fees	1.5% per month or the highest commercial contract interest rate the law allows, whichever is less. In addition, you must pay us a One-Hundred Dollar ($100) administrative fee. $100 late fee for failure to submit weekly sales reports on time.	On demand	For each payment not made to us or our affiliate when due (or for each dishonored payment). In addition, we may charge you a $100 late fee if you fail to submit report of gross revenues with weekly Continuing Fees payment.
Electronic Communications Fee [8]	Up to $500 per year	Within 5 days of receipt of an invoice indicating amount owed	If obtained through Smartstyle, you will reimburse Smartstyle for the affiliated fees. See Note (8)
Modernization [9]	$50,000 adjusted for inflation for capital improvements to modernize and update Store location or as required by Walmart	Every 10 years. Smartstyle may require that 25% be spent before end of seventh year or as demanded by Walmart	See Note (9)
Gift Card Transactions	$45 per download software download fee and $15 per terminal annual software maintenance fee (both if you supply your own terminal device); per transaction fees range from $.0225 to $.07; non-sufficient funds recovery fee of $.05 per card	As incurred and/or per transaction	You buy cards from our approved supplier and make payments to our third-party vendor. *See also* Item 8 of this disclosure document

(1) Unless otherwise indicated, each fee is imposed by and payable to Smartstyle. All fees are uniformly imposed and are nonrefundable. Increases in fees and costs are possible and fees and cost may vary due to circumstances

(2) Smartstyle may require you to pay these fees by direct bank transfer to Smartstyle's bank account. If you do not submit your weekly report of Gross Sales with your weekly Continuing Fees payment, Smartstyle may charge you a $100 late fee.

(3) "Gross Sales" is, as defined in Article 29.5 of the Franchise Agreement, the gross total dollar income of the your Smartstyle Store from all cash, credit or charge sales of all merchandise, products and services sold or rendered in, upon, about or resulting from, in connection with or as a result of the your Smartstyle Store, and will include all sales, receipts and revenues, in any form and from any and all sources whatsoever, including the redemption of gift certificates and gift cards and sales made to your employees. This definition will be

applicable regardless of whether such sales, receipts or revenues are produced or received by you, by any permitted sublicensee, tenant, agent, employee, concessionaire, vending machine, coin-operated machine or vendor of the yours, or by any other business associate of the yours who or which is associated with the you in order to receive the benefits of the rights granted hereunder to you. "Gross Sales" will include all sales made by you whether made for cash or on credit or by the redemption of gift certificates or gift cards including, but not limited to, those sales charged or made for orders placed or deliveries from the Business franchised hereunder, including orders placed or filled, or services provided at a location other than the Franchised Location, including mail order. No deductions shall be made from Gross Sales for charitable or other donations. "Gross Sales" does not include any sales, use or gross receipts tax imposed by any federal, state, municipal or governmental authority directly upon sales, if: (A) the amount of the tax is added to the selling price and is expressly charged to the customer; (B) a specific record is made at the time of each sale of the amount of such tax; and (C) the amount thereof is paid over to the appropriate taxing authority by you. .

(4) Smartstyle has the right at any time to increase the Advertising Fees you must pay from 2.0% of your Gross Sales to up to 2.5% of your Gross Sales. If you first became a Smartstyle franchisee before January 31, 2018, you will pay Advertising Fees of 1.5% of your Gross Sales and Smartstyle has the right at any time to increase these Advertising Fees to up to 2% of your Gross Sales. If Smartstyle decides to conduct a national promotion(s) for the Smartstyle brand, then Smartstyle may use all Advertising Fees necessary to create and conduct such national promotion(s), including all associated media buys, in which case, you will incur additional costs for collateral and local advertising to the extent Advertising Fees are not available in the Advertising Fund due to their use for such national promotion.

(5) Smartstyle will require you to pay the registration fee of up to $1,000 for the annual convention regardless of whether you attend the annual convention.

(6) You will sublease your Store location from Smartstyle or its affiliate. Your rent will generally be the greater of $1,000 and 16% of your Store's monthly gross sales. See Item 10. Smartstyle estimates that your monthly rent will range from $1,000 to $5,600, although your actual rent will vary based on your Store's monthly gross revenues. Before opening your salon, you may need to pay both a security deposit equal to one month's rent plus your first month's rent. Walmart may also charge tenant taxes, surcharges or other charges as stated in Section 4.9 of its master lease which charges will be passed through to you.

(7) If you hire Franchisor to negotiate the lease renewal for your Franchised Location, you must pay Franchisor $1,500 upon execution of the lease renewal. This is an optional service offered by Franchisor. Not applicable to Walmart locations.

(8) Smartstyle may require you to use certain methods of electronic communications (e.g. email, web-based) which you must obtain from an approved vendor (including through Smartstyle) at your sole cost (including reimbursing Smartstyle).

(9) You must remodel your Store to meet Smartstyle's then current approved design standards for Smartstyle Stores. You will also incur a fee not to exceed $5,000 to our affiliate for construction management services (unless you first became a Smartstyle franchisee prior to January 31, 2018 in which case construction management services are optional) and FF&E coordination services associated with your remodel. Smartstyle may require you to submit proof (*e.g.,* photographs) that the modernization has been timely completed. In addition to the

fees described above which are payable to Smartstyle, you will incur various expenses in operating your Smartstyle Business. In addition, you will be required to remodel to the extent required by the master lease. If your Smartstyle Store is located in a Walmart, you may need to remodel as a condition of renewal, when the Walmart is remodeled, or as otherwise required by Walmart.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

SINGLE STORE FRANCHISE AGREEMENT				
Column 1 **Type of Expenditure**	**Column 2** **Amount**	**Column 3** **Method Of Payment[9]**	**Column 4** **When Due**	**Column 5** **To Whom Payment is to be Made**
Initial Franchise Fee/Development Fee[1]	$39,500	Per Agreement	At signing of Franchise Agreement	Smartstyle See Note (1)
Leasehold Improvements[2]	$60,000 - $120,000	As Incurred	Before Start/As Incurred	Landlord, Suppliers & Contractors See Note (2)
Furniture, Fixtures, Equipment and Supplies[3]	$30,000 - $50,000	Lump Sum	Before Start/As Arranged	Suppliers See Note (3)
Construction Management Services Fee [4]	$5,500-$7,500	Lump Sum	Upon Signing Construction Management Services Agreement	Independent Supplier See Note (4)
Construction and Design Plan Review [4]	$500-$1,000	Lump Sum	Prior to starting construction	Smartstyle or its affiliate See Note (4)
Post Build Review [4]	$1,500-$3,000	Lump Sum	Prior to opening for business	Smartstyle or its affiliate See Note (4)
Professional Fees[4]	$6,000 - $12,000	Lump Sum	As arranged	Suppliers which may include Consultants, if city, county or state requires engineering drawings.

SINGLE STORE FRANCHISE AGREEMENT				
Column 1 **Type of Expenditure**	**Column 2** **Amount**	**Column 3** **Method Of Payment[9]**	**Column 4** **When Due**	**Column 5** **To Whom Payment is to be Made**
Computer Software (Point of Sale System)[5]	$2,040 ($170 per month)	Lump Sum or Monthly	Before and After Opening	Approved Supplier
Computer Hardware/Installation and Onsite Training[5]	$1,876 - $2,418	Lump Sum, Lease, or Financing is Available	Before Opening	Approved Supplier
Opening Inventory[6]	$10,000 - $15,000	Lump Sum	As Arranged	Smartstyle's designated and/or approved suppliers
Travel and Living Expenses during Orientation Training	$2,050 - $4,500	As Incurred	As Incurred	Airlines, Hotels & Restaurants
Rent and Security Deposit [7]	$1,000 - $5,600	Lump Sum	Before Start	Landlord or Regis
Grand Opening[8] Advertising	$5,000	Lump Sum	Within 60 days of opening of a brand new Smartstyle Business	Independent Suppliers
Signs	$6,000 - $12,000	Lump Sum	Before Start	Independent Supplier
Additional Funds – 3-6 Months[9]	$15,000 - $30,000	As Incurred	As Incurred	Employees, Suppliers, Utilities and Smartstyle
TOTAL	$180,966 - $309,558			

DEVELOPMENT AGREEMENT				
Column 1 **Type of Expenditure**	**Column 2** **Amount**	**Column 3** **Method of Payment**	**Column 4** **When Due**	**Column 5** **To Whom Payment is to be Made**
Development Fee for three Smartstyle Businesses[1]	$69,500	Lump Sum	At signing of Development Agreement	Smartstyle See Note (1)

DEVELOPMENT AGREEMENT				
Column 1 **Type of Expenditure**	**Column 2** **Amount**	**Column 3** **Method of Payment**	**Column 4** **When Due**	**Column 5** **To Whom Payment is to be Made**
Leasehold Improvements[(2)]	$60,000 - $120,000	As Incurred	Before Start/As Incurred	Landlord, Suppliers & Contractors See Note (2)
Furniture, Equipment and Supplies[(3)]	$30,000 - $50,000	Lump Sum	Before Start	Suppliers or Regis See Note (3)
Construction Management Services Fee [(4)]	$5,500 - $7,500	Lump Sum	Upon Signing Construction Management Services Agreement	Independent Supplier See Note 4
Construction and Design Plan Review[(4)]	$500-$1,000	Lump Sum	Prior to starting construction	Smartstyle or its affiliate See Note 4
Post Build Review[(4)]	$1,500-$3,000	Lump Sum	Prior to opening for business	Smartstyle or its affiliate See Note 4
Professional Fees[(5)]	$6,000 - $12,000	Lump Sum	Within 5 days of receipt of an invoice	Suppliers which may include Consultants, if city, county or state requires engineering drawings. See Note (5)
Computer Software (Point of Sale System)[(6)]	$2,040 ($170 per month)	Monthly	Before and After Opening	Approved Supplier
Computer Hardware/Installation and Onsite Training[(6)]	$1,876 - $2,418	Lump Sum, Lease or Financing is Available	Before Opening	Approved Supplier See Note (6)

DEVELOPMENT AGREEMENT				
Column 1 **Type of Expenditure**	**Column 2** **Amount**	**Column 3** **Method of Payment**	**Column 4** **When Due**	**Column 5** **To Whom Payment is to be Made**
Opening Inventory[7]	$10,000 - $15,000	Lump Sum	As Arranged	Smartstyle's designated and/or approved suppliers See Note (7)
Travel and Living Expenses during Orientation Training	$2,050 - $4,500	As Incurred	As Incurred	Airlines, Hotels & Restaurants
Rent and Security Deposit [8]	$1,000 - $5,600	Lump Sum	Before Start	Landlord or Regis See Note (8)
Grand Opening[9] Advertising	$5,000	Lump Sum	Within 60 days of opening of a brand new Smartstyle Business	Independent Suppliers See Note (9)
Signs	$6,000-$12,000	Lump Sum	Before Start	Independent Supplier
Additional Funds - 3-6 Months[9]	$15,000 - $30,000	As Incurred	As Incurred	Employees, Suppliers, Utilities and Smartstyle
TOTAL	$210,996 - $339,558			

General Statements

A. Except for the security deposit for the store's premises (if any), no expenditure paid to us that is in this table is refundable.

B. The table above assumes that you will develop a brand new Smartstyle Store. However, if you choose to buy the assets of an existing Smartstyle Store from Smartstyle's affiliate, the purchase price will depend on age, location, condition, profitability, cash flow, strategic considerations, and other relevant market factors. If you are interested in purchasing a particular company-owned store, then Smartstyle and its affiliate and you will negotiate the appropriate purchase price. If you buy an existing company-owned Smartstyle Store, (1) you will incur certain costs as required by us to remodel and upgrade the location to Smartstyle's then current standards, which costs currently will not exceed $50,000, or what is required by the landlord under the master lease, (2) you will not incur the same costs set forth in the table above for leasehold improvements, furniture, fixtures, and equipment, engineering drawings, opening inventory, grand opening advertising, and signs like you would if you were building a brand new Smartstyle location, and (3) your initial investment will include the negotiated purchase price, the cost of remodeling/upgrading to our current standards (currently capped at $50,000), any remodel costs required by the landlord under the master lease, the initial franchise/development fee, construction management services fee, computer software (point of sale system), computer hardware/installation, the cost of travel and living expenses for onsite training during orientation training, rent and security deposit (if any), and additional funds. During the fiscal year ended June 30, 2022, the highest purchase price paid by a franchisee for an existing company-owned Smartstyle Store (acquired to be operated as a franchise) was $77,100. No Smartstyle Stores were sold by vendition during last fiscal year.

C. You should review these figures carefully with a business advisor before deciding to acquire the franchise. Except as described in Item 10, Smartstyle does not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and lending policies of financial institutions from which you request a loan. Smartstyle recommends that you use these categories and estimates as a guide for your own budget and investigate specific costs in your area.

Notes

(1) Smartstyle describes the initial franchise fee and development fees in Item 5. The Initial Franchise Fee for a franchise who became a franchisee of any Regis brand between July 1, 1999 and September 29, 2011 is $12,500. The Initial Franchise Fee for a franchisee who became a franchisee of any Regis brand prior to July 1, 1999 is $10,000. No separate initial investment is required when you sign the Development Agreement. If you sign a Development Agreement, you will be required to open a minimum of one or 3 or 6 Smartstyle salons.

(2) The estimated amounts payable for leasehold improvements are based on Smartstyle's experience with affiliate-owned and franchised locations located inside Walmart stores and will vary based on the size of your salon, its geographic location, if there are costs assumed by your landlord in the form of either cash or free rent, the overall condition of the premises, the cost of construction materials such as steel, drywall, flooring and other construction materials, and other economic factors. You must make certain modifications and leasehold improvements to your Store's premises according to Smartstyle's Architectural Design Manual. Smartstyle must approve all plans and specifications, which must be prepared by a firm Smartstyle approves. You must strictly comply with the Architectural Design Manual and approved plans and specifications. Smartstyle anticipates that leasehold improvement costs, including architectural fees, will be between $60,000 and $120,000 for a 650 to 1,000 square foot Store.

(3) Your costs for furniture, fixtures, signs, and equipment will vary depending on the size of your salon, its geographic location, shipping costs, and other economic factors.

(4) The estimated amounts here include engineering and/or architectural drawings, site survey fees, permits and other professional services. If you want Smartstyle's approved vendor to supervise and oversee your store's construction process, you must pay that approved vendor a fee (either $5,500 or $7,500) when you sign its services agreement. (If you elect not to use Smartstyle's approved vendor to coordinate your store buildout, then you must use architects and contractors that we approve and pay us a fee of $500-$1,000 to review your construction and design plan and a fee of $1,500-$3,000 for us to review your store after it is built and before it opens for business.

(5) Smartstyle requires that you purchase the designated computerized point of sale cash register and backoffice system for your business. See Items 8 and 10. The designated point-of-sale and backoffice computer system is Soham, Inc. ("Zenoti").

(6) You must purchase all of the initial inventory for your salon from our designated and/or approved suppliers. Your costs for initial inventory will vary depending on the size of your salon, its geographic location, shipping costs, and other economic factors.

(7) You will need to lease approximately 650-1,000 square feet for your salon. Your rent will generally be the greater of $1,000 and 16% of your Store's monthly gross sales. See Item 10. Smartstyle estimates that your monthly rent will range from $1,000 to $5,600, although your actual rent will vary based on the size of your salon, its geographic location, and other economic factors. Before opening your salon, you may need to pay both a security deposit equal to one month's rent plus your first month's rent. Walmart may also charge tenant taxes, surcharges or other charges as stated in Section 4.9 of its master lease which charges will be passed through to franchisee.

(8) If you are developing a brand new Smartstyle Business, you are required to spend a minimum of $5,000 on your grand opening advertising. The $5,000 is only a minimum amount. You may need to spend more than $5,000 to produce an effective grand opening depending on your market conditions.

(9) This is an **estimate** of the funds needed to cover your initial expenses during the first 3 months of operation (other than the items identified separately in the table). It includes supplies, training fees, security deposit, utility deposits, prepaid insurance, legal and accounting fees, license fees, uniforms, rent, taxes, etc. but not any draw or salary for you. However, this is only an estimate, and you might need additional working capital during the first 3 months you operate your Business and for a longer timeframe afterward. This estimate is based on Regis Corp.'s 24 years of experience in operating Smartstyle Businesses.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We restrict your sources of items and services in many cases to protect trade secrets and other intellectual property, help assure quality and a reliable supply of products meeting our standards, achieve better purchase and delivery terms, control third-party use of the Marks, and monitor the manufacture, packaging, processing, sale, and delivery of these items.

Required Purchases and Leases

You must operate your Smartstyle Store according to our Brand Standards. Brand Standards may regulate the following, among other things:

a. Types, models, and brands of required furniture, fixtures, signs, and equipment (including components of and required software licenses for the Computer System) for your Smartstyle Store (collectively, "Operating Assets");

b. Required, authorized, and unauthorized products and services for the Store;

c. Designated and approved manufacturers, suppliers, and distributors of products and services;

d. Completion of, and certification in, required training programs; and

3. Participation in certain test programs for new services, products, and/or Operating Assets.

We periodically may modify Brand Standards, which may accommodate regional or local variations, and those modifications may obligate you to invest additional capital in the Smartstyle Store and/or incur higher operating costs. You must implement any changes in mandatory Brand Standards within the time period we request for which the timing and amounts are not limited during the franchise term. You must incur these costs in order to comply with this obligation and our requirements (even if such expenditures cannot be amortized over the remaining franchise term). Within 30 days after receiving written notice from us, you must prepare plans according to our standards and specifications and, if we require, using architects and contractors we designate or approve, and then submit those plans to us for written approval.

a. Operating Assets

You must buy or lease all Operating Assets and other products and services for the Store in accordance with Brand Standards and, if we require, only from manufacturers, suppliers, or distributors we designate or approve at the prices the suppliers choose to charge. The approved manufacturers, suppliers and distributors may include or be limited to us or our affiliates.

b. Point of Sale and Back Office System

As of June 29, 2022, you must purchase your computer point of sale cash register and back office hardware and software-as-a-service (SaaS) system from our approved supplier, Zenoti (the "Zenoti System"). *See* Item 1 for more information about Zenoti. To obtain the Zenoti System you must sign the Franchisee Participation Agreement included in Exhibit K of this disclosure document. Zenoti may require you to use a specific payment processor who will charge you a fee to settle all credit, debit or other mobile payments.

c. Marketing Materials

You must send us samples or proofs of all Marketing Materials (defined as advertising, marketing, promotional, and lead-generation formats and materials) we have not prepared or already approved and all approved Marketing Materials that you propose to change in any way. While we will not unreasonably withhold our approval, you may not use any Marketing Materials we have not approved or have disapproved.

d. Plans

You must develop the Store at your expense. You must follow our construction guidelines and mandatory specifications and layouts for a Smartstyle Store ("Plans"), including requirements for dimensions, design, interior layout, improvements, color scheme, décor, signage, and Operating Assets. All other decisions regarding the Smartstyle Store's development are subject to our review and prior written approval. You must adapt the Plans for the Smartstyle Store ("Adapted Plans") and make sure they comply with the Americans with Disabilities Act ("ADA"), all federal, state, and local laws, codes, ordinances, and regulations, and lease requirements and restrictions. You must send us the Adapted Plans for pre-approval before the Smartstyle Store's build-out begins and all revised or "as built" plans and specifications prepared during construction and development. Our review is limited to reviewing compliance with our Plans. Our review is not intended or designed to assess your compliance with applicable laws or lease requirements, which is your responsibility. We have the right to pre-approve your proposed architect and general contractor.

e. Construction

You must at your expense construct, install all trade dress and Operating Assets in, and otherwise develop the Smartstyle Store according to our, and Walmart's, standards, specifications, and directions. The Store must contain all Operating Assets, and only those Operating Assets, we and Walmart specify or pre-approve. You agree to place or display at the Smartstyle Store (interior and exterior), according to our, and Walmart's guidelines, only the signs, emblems, lettering, logos, and materials we and Walmart approve.

f. Sublease

You must sublease from us any Smartstyle located in a Walmart. The form of that sublease is included in Exhibit F to this disclosure document (the "Walmart Sublease"), that is subject to our Master Lease with Walmart, including in many instances, a separate schedule to the Master Lease. Pursuant to our Master Lease, Walmart may not renew our lease, and thus we cannot renew your Walmart Sublease, if your sales fall below $150,000 per year or any other sales threshold designated by Walmart. Additionally, Walmart can compel us, and thus you, to remodel your Smartstyle salon if Walmart deems it necessary for various reasons, including that Walmart remodeled the Walmart store and as a condition of renewal of your Walmart Sublease. If we approve a Store location outside of a Walmart store, reserve the right to require you to lease directly from the landlord.

The required first and last months' rent and security deposit represent approximately 5%-8% of your total cost to establish your Store. Your monthly lease payment will normally represent approximately 8%-20% of your total monthly operating expenses. If you request and Smartstyle agrees to guarantee your lease obligations in any way (e.g., as tenant or guarantor), then Smartstyle reserves the right to charge you a monthly fee of the amount by which twelve percent (12%) of your monthly gross sales exceeds your monthly lease payments for as long as such guaranty is in effect. Smartstyle has no obligation to guarantee your lease in any way, but if it does, you must pay such monthly lease guaranty fee. Because you pay rent directly to the landlord, although you Non-Walmart Sublease from us, we do not derive any revenue from your Non-Walmart Sublease.

g. Insurance

You must maintain insurance coverage for the Smartstyle Store at your own expense in the amounts, and covering the risks, we periodically specify. Your insurance carriers must be licensed to do business in the Smartstyle Store's state and be rated A-, VII or higher by A.M. Best and Company, Inc. (or satisfy our other criteria). We may periodically increase the required coverage amounts and/or require different or additional insurance coverage at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or relevant changes in circumstances. Insurance policies must be written in your name and name us (and our parent companies, subsidiaries, and all other affiliates, and our and their respective officers, owners, directors, agents, representatives, and employees) as additional insureds for claims arising from your products and operations. You must provide updated insurance policies and proof of payment to us within 10 days of the expiration or termination of such policy or policies. The minimum insurance coverage we require is as follows: (a) commercial general liability insurance (including product, contractual, and owned and non-owned vehicle liability coverages) in minimum amounts of $2,000,000, aggregate single limit coverage; (b) "All Risk" property damage insurance; (c) plate glass insurance and boiler insurance (if applicable); (d) employer's liability, workers' compensation, and such statutory insurance as may be required in the state in which the Smartstyle Store is located; and (e) employment practices liability insurance with a limit of not less than $1,000,000 per occurrence and $1,000,000 aggregate. You also must obtain and maintain all other insurance required under applicable state law.

h. Gift Cards/Customer Loyalty Programs

You must participate in, and comply with the requirements of, our gift/loyalty/stored-value card program pursuant to our Gift Card Participation Agreement that is included in Exhibit L of this disclosure document (the "Gift Card Participation Agreement"). You must also participate in, and comply with, the requirements of any of our other customer loyalty programs as well as use our mobile or digital-ordering and franchise system applications and other digital channels.

Approved Vendors

Except as described above, there are no goods, services, supplies, fixtures, equipment, inventory, computer hardware and software, real estate, or comparable items related to establishing or operating the Smartstyle Store that you currently must buy or lease from us (or our affiliates) or designated or approved suppliers. In the future, we may designate other products and services that you must buy only from us, our affiliates, or designated or approved suppliers. To maintain the quality of Smartstyle Store products and services and our franchise network's reputation, all Operating Assets and other products and services your Store uses or sells (besides those described above that you currently may obtain only from us, our affiliates, and/or approved and designated suppliers) must meet our minimum standards and specifications, which we issue and modify based on our, our affiliates', and our franchisees' experience in operating Smartstyle Stores. Standards and specifications may impose minimum requirements for production, performance, safety, reputation, prices, quality, design, and appearance. Our Operations Manual, other technical manuals, and written and on-line communications will identify our standards and specifications for you. When appropriate and authorized, you may provide those standards and specifications to suppliers if they agree to maintain confidentiality.

If we require you to buy or lease the product or service only from an approved supplier or distributor but you want to purchase or lease any Operating Assets, products, or services from a supplier or distributor we have not then approved, then you must establish to our reasonable satisfaction that the quality and functionality of the item or service are equivalent to that of the item or service it replaces and that the supplier or distributor is, among other things, reputable, financially responsible, and adequately insured for product-liability claims. You must pay upon request any actual expenses we incur to determine whether the items, services, suppliers, or distributors meet our requirements and specifications, which we will decide within 90 days of your request. We may condition supplier or distributor approval on the following requirements: (a) quality; (b) safety; (c) third-party lab testing; (d) prices; (e) consistency; (f) warranty; (g) supply-chain reliability and integrity; (h) financial stability; (i) customer relations; (j) frequency, economy, and efficiency of delivery; (k) the benefits of concentrating purchases with limited suppliers; (l) standards of service, including prompt attention to complaints; and (m) other reasonable criteria.

We have the right to inspect the proposed supplier's or distributor's facilities and require the proposed supplier or distributor to send samples or items either directly to us or to a third-party testing service. We may re-inspect a supplier's or distributor's facilities and items and revoke our approval of any supplier, distributor, product, or service no longer meeting our criteria by notifying you and/or the supplier or distributor. We do not make our supplier approval criteria available to franchisees.

Despite these procedures, we may limit the number of approved suppliers and distributors, designate sources you must use, and refuse your requests for any reason, including because we already have designated an exclusive source (which might be us or our affiliate) for a particular item or service or believe that doing so is in the Smartstyle Store network's best interest. If we approve any supplier or distributor you recommend, we may authorize other Smartstyle Stores to buy or lease any Operating Assets, products, or services from that supplier or distributor without compensating you.

<u>Our Revenue from Required Purchases or Leases</u>

We and/or our affiliates may derive revenue—in the form of promotional allowances, volume discounts, commissions, other discounts, performance payments, signing bonuses, rebates, marketing and advertising allowances, free products, and other economic benefits and payments—from suppliers that we designate, approve, or recommend for some or all Smartstyle Stores on account of those suppliers' prospective or actual dealings with your Store and other Smartstyle Stores. That revenue may or may not be related to services that we and our affiliates perform. All amounts we or our affiliates receive from suppliers shall be our and our affiliates' exclusive property, which we and our affiliates may retain and use without restriction for any purposes we and our affiliates deem appropriate. Any products or services that we or our affiliates sell you directly may be sold to you at prices exceeding our and their costs.

The approved supplier of store build-out coordination services will pay Regis of 20%-80% of revenue from all franchisee purchases. The designated supplier of hair care products to franchisees will pay Regis 6% of the sales price of Regis private label hair care products and 3% of the sales price of other hair care products sold to franchisees. Last fiscal year, the designated credit card processor paid Regis $.0065-$.0315 per authorization and 2%-6% of eligible revenue based on authorizations by and revenue received from franchisees. The current credit card processor does not pay Regis any incentive or rebate.

In the fiscal year ended June 30, 2022, Regis' total revenue was $279,778,286. The amount of Regis' total revenue derived from required purchases and leases is shown in the table below.

Required Purchase or Lease by Smartstyle Franchisees	Amount of Revenue from the Required Purchase or Lease	Percentage of Regis' Total Revenue from the Required Purchase or Lease
Computer point-of-sale and back-office system	$1,438,774	0.51%
Construction management and FF&E coordination services	$0	0.00%
Hair Care Products and Supplies	$3,827,368	1.37%

Collectively, your purchases and leases from us or our affiliates, from designated or approved suppliers, or according to our standards and specifications represent about 5% of your overall purchases and leases to establish and then to operate the Smartstyle Store.

<u>Purchasing Cooperatives/Purchasing Arrangements</u>

There currently are no purchasing or distribution cooperatives. We and our affiliates currently negotiate purchase arrangements with suppliers (including price terms). In doing so, we and our affiliates seek to promote the overall interests of the franchise system and affiliate-owned operations and our interests as the franchisor (and not for the benefit of a particular franchisee). We and our affiliates might not obtain the best pricing or most advantageous terms on behalf of Smartstyle Stores. We and our affiliates also are not responsible for the performance of suppliers and distributors to Smartstyle Stores, including if their products or services fail to conform to or perform in compliance with Brand Standards or our contractual terms with the supplier or distributor.

We may negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees.

We do not provide material benefits to a franchisee (for example, renewal or granting additional franchises) for purchasing particular products or services or using particular suppliers. However, we may provide additional marketing opportunities or business insights to franchisees that use the Zenoti software system because of the customer data available through that system.

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.

FRANCHISEE'S OBLIGATIONS		
Obligation	**Section in Agreement**	**Disclosure Document Item**
a. Site selection and acquisition/ lease	Articles 1, 21.1 and 22 of Franchise Agreement; Article 1 of Development Agreement	7 and 11
b. Pre-opening purchases/leases	Articles 7.3 and 7.8 of Franchise Agreement and Construction Management Services Agreement	7, 8 and 10
c. Site development and other pre-opening requirements	Articles 1, 7.3 and 7.5 of Franchise Agreement and Construction Management Services Agreement	6, 7 and 11
d. Initial and ongoing training	Articles 14 and 15.3 of Franchise Agreement	11
e. Opening	Articles 9.1 and 14.1 of Franchise Agreement	11
f. Fees	Articles 4, 5 and 6 of Franchise Agreement and Article 3 and 4 of Development Agreement and 3 and 4 of Construction Management Services Agreement	5, 6 and 10
g. Compliance with standards and policies/Operating Manual	Articles 7 and 8 of Franchise Agreement and Article 5 of Development Agreement	11
h. Trademarks and proprietary information	Articles 3, 7.7 and 8 of Franchise Agreement and Article 5 of Development Agreement	13 and 14
i. Restrictions on products/services offered	Articles 7.8 and 7.11 of Franchise Agreement	16
j. Warranty and customer service requirements	Article 7 of Franchise Agreement	11
k. Territorial development and sales quotas	Articles 1 and 3 of Development Agreement	12

FRANCHISEE'S OBLIGATIONS		
Obligation	**Section in Agreement**	**Disclosure Document Item**
a. Site selection and acquisition/ lease	Articles 1, 21.1 and 22 of Franchise Agreement; Article 1 of Development Agreement	7 and 11
l. Ongoing product/service purchases	Articles 7.8 and 7.11 of Franchise Agreement	8
m. Maintenance, appearance and remodeling requirements	Articles 7.5, 7.6 and 7.12 of Franchise Agreement	11
n. Insurance	Article 17 of Franchise Agreement	6 and 8
o. Advertising	Articles 6, 7.4 and 7.24 of Franchise Agreement	6 and 11
p. Indemnification	Article 18 of Franchise Agreement	6
q. Owner's participation/ management/staffing	Article 7.23 of Franchise Agreement and Article 4 of Development Agreement	11 and 15
r. Records and reports	Article 19 of Franchise Agreement	6
s. Inspections and audits	Articles 7.19 and 19.4 of Franchise Agreement	6 and 11
t. Transfer	Article 20 of Franchise Agreement; Articles 10 and 11 of Development Agreement	17
u. Renewal	Article 2 of Franchise Agreement	17
v. Post-termination obligations	Article 11 of Franchise Agreement; Articles 7 and 8 of Development Agreement	17
w. Noncompetition covenants	Article 12 of Franchise Agreement	17
x. Dispute resolution	Article 23 of Franchise Agreement and Article 12 of Development Agreement	17

ITEM 10
FINANCING

Except as described below, Smartstyle and its agents and affiliates do not offer direct or indirect financing or guarantee your note, lease, or obligation.

In all cases, you must sublease your Store's premises directly from Smartstyle's affiliate, pursuant to the Sublease attached hereto as Exhibit F, if your Smartstyle Store is located in a Walmart. Your sublease will be governed by the then-current applicable master lease Agreement with Walmart. The Sublease's term is coterminous with the term of the master lease, including all extensions and renewals of such term, which is generally a five-year initial term with an option to extend for an additional five years. (Sublease—Article 2)

You must pay Smartstyle or its affiliate, as rent and other tenant charges, the same rent and other charges that Smartstyle or its affiliate must pay Walmart under the master lease. That amount for rent is generally the greater of $1,000 or 16% of the gross revenues of the salon which, if you purchase a company-owned Smartstyle salon, will generally commence within two (2) months following your acquisition of that company-owned store. Prior to then, you will pay the prorated amount of rent remaining under the company-owned store's previous rental rate. In addition to rent, Walmart may charge tenant taxes, surcharges or other charges as stated in Section 4.9 of its master lease, which you must pay. You must pay Smartstyle or its affiliate those amounts in advance on the first day of every month. (Sublease—Article 3) Because the master lease's terms are fully incorporated into the Sublease, you must fully comply with all obligations of the "tenant" under the master lease as if you had signed it directly. (Sublease—Articles 1.2 and 1.5) This includes any remodels required by Walmart (regardless of cost), including without limitation in the event Walmart renovates the Walmart store within which your Store is located and upon renewal of the master lease for your Store's location. In addition, you will incur cost upon expiration or termination of the master lease to return your Store to white box condition. You must indemnify Smartstyle or its affiliate against any claims arising from your failure to do so. In addition, your failure allows Smartstyle or its affiliate to terminate the Sublease or your right to possession under the Sublease, and if your right to possession is terminated, Smartstyle or its affiliate may re-enter the premises and you will remain liable under the Sublease (Sublease—Article 5), and Smartstyle or its affiliate Corp. has the right, but not the obligation, to assume the Sublease. (Sublease—Article 6).

Smartstyle or its affiliate does not assume the landlord's obligations under the master lease, meaning that you cannot hold Smartstyle or its affiliate responsible for the landlord's non-performance. However, because of the Sublease with you, Smartstyle or its affiliate may enforce the landlord's rights under the master lease. (Sublease—Article 5.1) You may not assign the Sublease without Smartstyle or its affiliate Corp.'s prior consent. (Sublease—Article 7) Your breach of the Franchise Agreement is also considered a breach of the Sublease. Termination of the Franchise Agreement for any reason also terminates the Sublease (at Smartstyle or its affiliate's election). The defaulting party is liable to the non-defaulting party for all of its damages due to the Sublease's termination. (Sublease—Article 5.4) Termination of the master lease also terminates the Sublease. (Sublease—Article 2) Your owners (if you are an entity) must guarantee your performance under the Sublease.

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

Except as listed below, Smartstyle need not provide any assistance to you.

<u>Development Agreement</u>

Smartstyle grants franchises for the operation of Smartstyle Stores located within geographic areas defined by Smartstyle. Unless you are signing a Franchise Agreement for a new Smartstyle Store to be developed under a previously-signed Development Agreement or as a result of your exercise of Expansion Policy rights, Smartstyle' current practice is to sign a Development Agreement with all franchisees for each new franchise acquisition in a Development Area, even if the franchisee expects to develop only one Store. If you acquire the right to develop just one Smartstyle Store, you will sign the Development Agreement and that Store's Franchise Agreement at the same time. If you acquire development rights under the Fast Start Program, you will concurrently sign the Development Agreement and the Franchise Agreement for the first Store to be developed. You then will look for your first location. (You will sign the lease or, if Smartstyle requires you to sublease the location, Smartstyle' Sublease, when the Smartstyle Store's site is found and secured. You and Smartstyle also will sign the Location Identification Amendment to Franchise Agreement at that time.) You sign Smartstyle' then current standard Franchise Agreement and, if applicable, Sublease, for each subsequent Smartstyle Store you open according to the Development Agreement.

Pre-Opening Assistance

Listed below are our pre-opening obligations under the Development Agreement and Franchise Agreements.

a. Accept or reject your proposed Store site. Review potential Store sites that you identify within the Site Selection Area and may, but have no obligation to, visit the Site Selection Area once (for no additional fee) to review potential Store sites. We may condition our acceptance of a proposed site, or a proposed site visit, on your first sending us complete site reports and other materials (including photographs and digital recordings) we request. We will give you our then-current criteria for Smartstyle Store sites (including population density and other demographic characteristics, visibility, traffic flow, competition, accessibility, ingress and egress, size, and other physical and commercial characteristics) to help in the site-selection process. We will use reasonable efforts to review and accept or reject each site you propose within 30 days after we receive all requested information and materials. If we do not accept the site in writing within 30 days, the site is deemed rejected. We will not unreasonably withhold our acceptance of a site if, in our and our affiliates' experience and based on the factors outlined above, the proposed site is not inconsistent with sites that we and our affiliates regard as favorable or that otherwise have been successful sites in the past for Smartstyle Stores. However, we have the absolute right to reject any site not meeting our criteria or to require you to acknowledge in writing that a site you prefer is accepted but not recommended due to its incompatibility with certain factors bearing on a site's suitability as a location for a Smartstyle Store. After we accept and you secure a proposed site, we will identify that site as the Smartstyle Store's address in Section 1.1 of the Franchise Agreement. We do not own locations for lease to franchisees but we may sublease the premises of the Smartstyle Store to you as explained in Item 8. Under the Development Agreement, we first must accept each new site you propose for each new Smartstyle Store. Our then-current standards for sites will apply. If you do not find and secure an acceptable Store site and develop and open your Store for business within 12 months after the Franchise Agreement's effective date, we may terminate the Franchise Agreement upon written notice to you. If we terminate the Agreement for that reason, we will not return any portion of the initial franchise fee. You do not have the right to terminate the Franchise Agreement due to your failure or inability to find and secure an acceptable Store site and develop and open for business within 12 months after the Agreement's effective date. (Franchise Agreement—Section 9.5(A))

b. Accept or reject your Store's lease or sublease. You must send us for review both the proposed terms of the lease or sublease (as they appear in, for example, a landlord letter of intent) and the actual lease or sublease, in each case after receipt from the landlord. We will have 30 days after receiving the proposed lease terms, and another 30 days after receiving the actual lease (these timeframes will not overlap or run concurrently), to review and either accept or reject what you send us. We also reserve the right to require your lease to contain certain terms and conditions that we specify, including step-in rights provided to us or our designee. You may not sign any lease we have not accepted in writing.

c. Make template Plans available to you. Our Plans might not reflect the requirements of any federal, state, or local laws, codes, ordinances, or regulations, including those arising under the ADA, or any lease requirements or restrictions. You are solely responsible for complying with all laws and must inform us of any changes to the Smartstyle Store's specifications that you believe are necessary to ensure such compliance. You must ensure that your Adapted Plans for the Smartstyle Store comply with all laws and lease requirements and restrictions. We have the right to pre-approve the architect and general contractor you propose to use to develop the Smartstyle Store. We must pre-approve in writing the Adapted Plans before the Smartstyle Store's build-out begins and all revised or "as built" plans prepared during the Smartstyle Store's construction and development. You must develop the Smartstyle Store in compliance with the Adapted Plans. During the Smartstyle Store's build-out, we may physically inspect the Smartstyle Store or have you send us pictures and images (including recordings) of the Smartstyle Store's interior and exterior so we can review your development of the Smartstyle Store in compliance with our Brand Standards. (Franchise Agreement—Article 7)

d. Provide initial training. We will provide initial training for your Managing Owner and additional persons whom you employ in a managerial capacity (e.g., Store managers). We describe this training later in this Item. (Franchise Agreement – Article 14 and 21)

e. Provide our minimum standards and specifications. We will identify in writing or electronically the Operating Assets, inventory, supplies, and other products and services you must use to develop and operate the Smartstyle Store, the minimum standards and specifications you must satisfy, and the designated and approved suppliers from which you must or may buy or lease items and services (which may include or be limited to us and/or our affiliates). (Franchise Agreement – Article 7, 14, 15, and16) Except for the point-of-sale and backoffice computer system, which may be delivered and installed by our affiliate, we and our affiliates currently are not involved in delivering or installing fixtures, equipment, or signs, although we will provide direction for you to comply with our Brand Standards.

f. Give access to our Operations Manual. Give you access to our operations and technical manuals, bulletins, and other materials (collectively, the "Operations Manual"). The Operations Manual may consist of and is defined to include audio, video, computer software, other electronic and digital media, and/or written and other tangible materials. The Operations Manual contains Brand Standards and information on your other obligations under the Franchise Agreement. We may modify the Operations Manual periodically to reflect changes in Brand Standards, but those modifications will not alter your fundamental rights or status under the Franchise Agreement. If there is a dispute over the Operations Manual's contents, our master version controls. The Operations Manual currently contains the equivalent of approximately 625 total pages; its current table of contents is Exhibit O. (Franchise Agreement – Article 8)

g. Grant development rights. We will designate a specific number of Stores that you (and your Approved Affiliates) must develop and open at accepted locations within your development Territory and the development deadlines (if we grant you development rights). (Development Agreement – Section 3.4) We will accept your Stores' proposed locations only if they meet our then-current standards for Store sites.

Time Between Signing and Opening

Smartstyle Businesses generally open within 60 to 90 days from the date the Franchise Agreement or the Development Agreement is signed. Factors affecting this length of time include ability to find a suitable location for your business, obtaining financing, local ordinance compliance, completion of remodeling, completion of initial training, delivery and installation of signs and equipment, and delivery of initial inventory. If you lease a Smartstyle Store inside of a Walmart, in addition to the conditions in the preceding sentence, your opening will depend on how quickly Walmart approves you to sublease the location and provides the terms of that sublease.

You may not open the Smartstyle Store for business until: (1) we or our designee inspects and approves in writing the Smartstyle Store as having been developed in compliance with our specifications and standards; (2) your Managing Owner completes the initial training program to our satisfaction; (3) the Smartstyle Store has sufficient trained employees to manage and operate the Smartstyle Store on a day-to-day basis in compliance with our Brand Standards; (4) the Smartstyle Store's employees are appropriately licensed and trained; (5) you have satisfied all state and federal permitting, licensing, and other legal requirements and, at our request, have sent us copies of all required permits, licenses, and insurance policies; and (6) you have paid all amounts owed to, and are not in default under any agreement with, us, our affiliates, and principal suppliers and have met our other opening requirements. (Franchise Agreement—Article 24) If you lease a Smartstyle Store inside of a Walmart, in addition to the conditions in the preceding sentence, you must also meet any conditions Walmart may impose are met prior to opening.

<u>**Ongoing Assistance**</u>

During your Store's operation, we will provide you with the following assistance:

a. **Advice on Store Operations.** Advise you or make recommendations regarding the Smartstyle Store's operation with respect to standards, specifications, operating procedures, and methods that Smartstyle Stores use; purchasing required or recommended Operating Assets and other products, services, supplies, and materials; supervisory-employee training methods and procedures (although you are solely responsible for the employment terms and conditions of all Store employees); and accounting, advertising, and marketing. We may guide you through our Operations Manual, by electronic media, by telephone, and/or at our office or the Smartstyle Store. (Franchise Agreement – Article 15)

b. **Ongoing Training.** Provide, at your request and expense (and our option), additional or special guidance, assistance, and training. We have no obligation to continue providing any specific ongoing training, conventions, advice, or assistance. (Franchise Agreement – Section 14.1)

c. **Manuals.** Continue to give you access to our Operations Manual, including any updates, as well as other manuals. (Franchise Agreement – Section 15.1)

d. **Brand Standards.** Changes in Brand Standards may require you to invest additional capital in the Smartstyle Store and/or incur higher operating costs. You must comply with those obligations within the timeframe we specify. Brand Standards may regulate (to the extent the law allows) price advertising policies and maximum, minimum, or other pricing requirements for products and services the Smartstyle Store sells, including requirements for promotions, special offers, and discounts in which some or all Smartstyle Stores must participate. (Franchise Agreement – Section 7.5)

e. **Trademark License.** We will license our trademarks to you in your Franchise Agreement. (Franchise Agreement – Section 3.1 and Item 13)

f. **Advertising and Marketing Assistance**. Our advertising and marketing assistance includes maintaining an Advertising Fund for advertising and promotion of the Smartstyle brand and franchise system (Franchise Agreement – Section 6.01), as well as reviewing advertising and promotional materials you want to use Franchise Agreement – Section 6.01).

g. **Promotional/Loyalty/Gift Card Programs.** We will create and implement promotions and loyalty programs aimed at driving customers to Smartstyle. We have implemented a gift card program with our approved vendor, SVS, and you must participate in that gift card program and sign the Participation Agreement in Exhibit L of this disclosure document. (Franchise Agreement – Section 7.25)

Although not required, you may elect to participate in our recruiting program with Paradox, our approved vendor, that licenses software to assist you with posting available positions on job sites and other stages of the recruiting process. If you decide to participate, you will sign a contract directly with Paradox.

Additionally, we may provide you with guidance regarding pricing the goods and services sold at your Smartstyle Store, however we do not mandate pricing.

Advertising and Promotion

a. Advertising Fund

We have established the Advertising Fund to which you and other franchisees must contribute 2% of your Store's weekly Gross Sales, excluding all Gross Sales directly derived from sales of retail merchandise. Company- and affiliate-owned Stores contribute to the Advertising Fund on the same basis as franchised Stores. The Advertising Fund is used to obtain advertising and marketing materials such as print, digital or other media that we determine, in our discretion, are needed to promote the Smartstyle brand.

We will maintain a separate fund for amounts collected as advertising fees from all franchisees and spend this money only on advertising and sales promotion. The manner, media, and cost of such advertising or promotion will be decided by Smartstyle. Smartstyle uses Advertising Fees for production of advertising materials and store collateral (whether using Smartstyle's in-house marketing department or an outside agency). Smartstyle may also use the advertising fund monies to purchase and pay for any services or products relating to advertising for Smartstyle Businesses, including the purchase of production materials, ad slicks, brochures, radio and television commercials, services provided by advertising agencies, market research and development costs, advertising and promotion, development and production (including all costs relating to media costs for television, radio, newspaper, direct mail and point-of-purchase advertising, and all costs of collateral materials required for such advertising), creative costs, product research costs, internet website costs, all costs and expenses incurred in administering the advertising fund (including, but not limited to, salaries, travel expenses, office supplies, and related general and administrative expenses), and all other costs relating to the advertising and promotion of Smartstyle Businesses. Media may be in-store, local, regional, or national, at Smartstyle's discretion. Without limiting the generality of the foregoing, if Smartstyle decides to conduct a national promotion(s) for the Smartstyle brand, then Smartstyle may use all Advertising Fees necessary to create and conduct such national promotion(s), including all associated media buys. In the event of such national promotion(s) by Smartstyle, franchisees will incur additional costs for collateral and local advertising they conduct to the extent Advertising Fees are not available in the Advertising Fund due to their use for such national promotion(s). The costs incurred by Smartstyle in developing and producing advertising materials for the benefit of all franchised Smartstyle Businesses will be paid from the Advertising Fund. Smartstyle's in-house marketing department coordinates production and distribution of advertising materials for use by franchisees. Smartstyle may also use outside advertising agencies of Smartstyle's choosing. Smartstyle has no obligation to spend or reimburse you for amounts for advertising and promotion (including advertising agency fees) in your local market area.

Smartstyle has the right at any time to increase the Advertising Fees you must pay from 2.0% of your Gross Sales to up to 2.5% of your Gross Sales (or 1.5% of your Gross Sales to up to 2.0% of your Gross Sales if you first became a Smartstyle franchisee before January 31, 2018), provided that if it does so, company-owned Smartstyle businesses must then spend the same percentage of their Gross Sales on marketing, advertising, promotion, and related matters for the Smartstyle brand and/or Smartstyle businesses while such Smartstyle businesses are owned by Smartstyle or its affiliates.

Except as described in this Item, neither Smartstyle, its affiliates, nor company-owned Smartstyle businesses have any obligation to contribute to the Advertising Fund or otherwise spend for advertising, marketing, promotion, or related matters.

For the fiscal year ended June 30, 2022, Smartstyle spent 39% of the total advertising fund expenditures on production and creation of advertising, 32% for Smartstyle's general and administrative advertising fund expenses, shipping and courier expenses, creative duplication and printing of advertising materials and 29% for media placement. Smartstyle carries over the balance of monies retained by the advertising fund to pay for advertising programs during Smartstyle's next fiscal year.

Smartstyle has established an advisory council composed of five Smartstyle franchisees who are elected by all the Smartstyle franchisees (the "Smartstyle Council"). Smartstyle administers the advertising fund, with advisory input from the advisory council. Smartstyle has the right to modify or dissolve the advisory council.

The advertising fund is not audited. An unaudited accounting of expenditures made by the fund is available to you for review on request. Advertising fund monies not spent in a given fiscal year are retained in the fund for use during the following fiscal year. Smartstyle has no fiduciary duty to you with respect to the collection or expenditure of Advertising Fees, and any advertising fund will not be a trust or escrow account. Smartstyle has no obligation to ensure expenditures are proportionate or equivalent to your contributions to the Advertising Fund, or are for the benefit of your market area or your Smartstyle Business(s), or that your (or any) Smartstyle Business will benefit directly or pro rata from Smartstyle's expenditures from the Advertising Fund.Smartstyle may require you to participate in an advertising cooperative.

Smartstyle does not use advertising fund monies to solicit franchise sales.

Neither Smartstyle nor its affiliated companies receive payment for goods or services provided to the Advertising Fund.

If all advertising fees are not spent in the fiscal year in which they accrue, the funds remain in the advertising account for future use and are usually spent in the following year. The Fund solely administrated by Smartstyle.

b. System Website and Electronic Advertising

We or our designees may establish a website or series of websites (with or without restricted access) for the Smartstyle Store network: (1) to advertise, market, identify, and promote Smartstyle Stores, the products and services they offer, and/or the Smartstyle Store franchise opportunity; (2) to help us operate the Smartstyle Store network; and/or (3) for any other purposes we deem appropriate for Smartstyle Stores or otherwise (collectively, the "System Website"). The System Website need not provide you with a separate interior webpage or "micro-site" referencing your Store. We will own all intellectual property and other rights in the System Website and all information it contains.

All Marketing Materials you develop for the Smartstyle Store must comply with Brand Standards and contain notices of the System Website's URL as we specify. You may not develop, maintain, or authorize any Digital Marketing or Social Media mentioning or describing the Smartstyle Store or displaying any Marks without our prior written approval and, if applicable, without complying with our Brand Standards for such Digital Marketing and Social Media. Except for the System Website and approved Digital Marketing and Social Media, you may not conduct commerce or directly or indirectly offer or sell any products or services using any Digital Marketing, Social Media, or website. We have the right to maintain websites other than the System Website and to offer and sell products and services under the Marks from the System Website, another website, or otherwise over the Internet without payment or other obligation to you. (Franchise Agreement – Section 6.1 and 7.7)

<u>**Computer System**</u>

You must obtain and use the computer hardware and software, point-of-sale and backoffice system, credit card processing system, computer-related accessories and peripheral equipment, tablets, smart phones, on-line, digital, and mobile-app ordering systems, and on-line inventory-ordering system we periodically specify (the "Computer System"). You must use the Computer System to access the System Website or other system of ours and to input and access information about your sales and operations. The Computer System must permit 24-hours-per-day, 7-days-per-week electronic communications between you and us. (Franchise Agreement – Section 7.11) We and our designee have continuous, unlimited, independent access to all operational information on the Computer System, excluding employment-related information. There are no contractual limitations on our right to access the information on your Computer System, except that we will not unreasonably interfere with your Store's operation.

The current approved Computer System is the Zenoti System that must be licensed from Soham, Inc. that is offered solely on a software-as-a-service (SaaS) basis (the "Zenoti System"). The total annual cost for the Zenoti System, is approximately $2,040 ($170 per month). The hardware and installation required for the Zenoti System ranges from $1,700-$3,950. The total initial investment required for the Zenoti hardware and SaaS software service in the first year is $5,360-$8,810. Payment processing fees are set by Zenoti, our third party point-of-sale platform. Integrated processing is required for its use. Rates start at the below and are subject to change, and subject to individual franchisee discussion with Zenoti via zenotipaymentssupport@zenoti.com. Rates are currently:

a. Non-Amex Card Fees: Interchange (including Visa FANF and MC location fee): +0.15% +$0.15

b. Monthly Fee: $10 per center

c. Card Failed Auth Fee: $0.05 per failed auth

d. Chargeback Fee $15/lost dispute

e. Amex Card processing fee: 2.9% (no additional interchange fees apply)
* All these are billed monthly based on Gross Monthly Card Processing

In addition to point-of-sale capabilities, the Computer System also should be used to access our Education Playground, Franchise Resource Center, Salon Detail Admin, order retail product on Super Center portal, and LMS. Additionally, the Managing Owner and Store Manager should have the ability to send and receive email as well as telephone calls. Hardware specifications are defined at help.zenoti.com. To ensure compatibility with web applications, the Computer System must be able to run current versions of browsers and other runtime components listed below, including the expected cost:

a. Point of Sale

   - PC on Windows 10 or newer (Price new $700-$1,300 USD) with minimum 8 GB RAM (16 GB recommended), or

   - Mac running Mac OS 10.6 or later (Price new $1,000-1,600USD) with minimum 8 GB RAM (16 GB recommended)

b. Internet service with recommended minimum speed 50 Mbps, preferred speed 150 Mbps or faster (Estimated monthly cost $125-$225USD, Installation fee $100-200USD)

c. Switch/router/hub and some cabling, depending upon, among other things, whether you hardwire the Computer System or have wifi. ($250-450USD)

d. Zenoti compatible Credit Card Terminal ($375USD)

e. Receipt Printer ($200-$450USD)

f. Cash Drawer recommended ($75-$150USD)

g. Customer-facing price display if required ($300-600USD)

You may elect to have a barcode scanner, although that is not required. Additionally, if Education Playground is used heavily in the salon, you may need to upgrade your internet service to ensure good performance of the POS and other internet based systems.

We may periodically modify the Computer System's specifications and components. Our modification of Computer System specifications and/or other technological developments or events may require you to purchase, lease, or license new or modified computer components, software, and peripherals and to obtain service and support for the Computer System. Although we cannot estimate the future costs of the Computer System or required service or support, you must incur the costs to obtain the computer components, software, and peripherals comprising the Computer System (and additions and modifications) and required service or support. Within sixty (60) days after we deliver notice to you, you must obtain the Computer System components we designate and ensure that your Computer System, as modified, is functioning properly.

We and our affiliates may condition any license to you of required or recommended proprietary software, and/or your use of technology developed or maintained by or for us, on your signing a software license agreement, liability waiver, and/or similar document, or otherwise agreeing to the terms (for example, by acknowledging your consent in a click-through license agreement), that we and our affiliates require to regulate your use of the software or technology.

Despite your obligation to buy, use, and maintain the Computer System according to our standards and specifications, you have sole and complete responsibility for: (1) acquiring, operating, maintaining, and upgrading the Computer System; (2) the manner in which your Computer System interfaces with our and any third party's computer system; (3) any and all consequences if the Computer System is not properly operated, maintained, and upgraded; and (4) independently determining what is required for you to comply (and then complying) at all times with the most-current version of the Payment Card Industry Data Security Standards, and with all laws (including privacy laws) governing the use, disclosure, and protection of Consumer Data and the Computer System, and validating compliance with those standards and laws as periodically required. "Consumer Data" means the names, addresses, telephone numbers, email addresses, dates of birth, demographic or related information, buying habits, preferences, credit-card information, and other personally-identifiable information of customers. Computer systems are vulnerable in varying degrees to computer viruses, bugs, power disruptions, communication-line disruptions, Internet access failures, Internet content failures, and attacks by hackers and other unauthorized intruders. It is your responsibility to protect yourself from these problems, which include taking steps to secure your systems (including continually updating firewalls, password protection, and anti-virus systems) and using backup systems.

Training

a. Initial Training Program

We will furnish through virtual learning and other electronic means and, at our option, at a designated training location of our choice (which may be our corporate headquarters, an operating Smartstyle Store, and/or your Store) an initial training program ("Initial Training") on operating a Smartstyle Store. We will train you and your other managerial employees, although you must satisfactorily complete Initial Training only once, regardless of the number of Smartstyle Stores that you or your affiliates own and operate. (Franchise Agreement—Section 14.1 and 15.3) We expect training to occur after you sign the Franchise Agreement and while you develop the Smartstyle Store. Before you open the Smartstyle Store for business, you must complete Initial Training to our satisfaction. The Store must have one manager on-site, whether that individual is you or another Store manager.

We try to be flexible in scheduling training to accommodate our personnel and your Managing Owner. There currently are no fixed (i.e., monthly or bi-monthly) training schedules. We use manuals, videos, online resources, and other hands-on training aids during the training program. Your training attendees must complete training before the Smartstyle Store's scheduled opening date. We provide the initial training program for no additional fee. You must pay your employees' wages, benefits, and travel, hotel, and food expenses while they complete training. Our training program may include a "train the trainer" module so your senior-level personnel can learn how to train your other employees to follow Brand Standards.

The following chart describes our current initial training program:

TRAINING PROGRAM			
Column 1 **Subject**	**Column 2** **Hours Of Classroom Training**	**Column 3** **Hours of On The Job Training**	**Column 4** **Location**
In depth review of Operations	5.25	0	Online or virtual learning, Smartstyle Corporate Office in Minneapolis, MN, or other location designated by us.
Recruitment, selection and retention	1.5	0	Online or virtual learning, Smartstyle Corporate Office in Minneapolis, MN, or other location designated by us.
Product Retailing	0.25	0	Online or virtual learning, Smartstyle Corporate Office in Minneapolis, MN, or other location designated by us.
Marketing, Advertising and Public Relations	1.25	0	Online or virtual learning, Smartstyle Corporate Office in Minneapolis, MN, or other location designated by us.

TRAINING PROGRAM			
Column 1 **Subject**	**Column 2** **Hours Of Classroom Training**	**Column 3** **Hours of On The Job Training**	**Column 4** **Location**
Bookkeeping, Computer Department	0.25	0	Online or virtual learning, Smartstyle Corporate Office in Minneapolis, MN, or other location designated by us.

Tara Aiken, our Associate Vice President of Training & Development, oversees Training. Ms. Aiken became the Associate Vice President, Training & Development for us, Regis and the Regis Affiliates in August 2020. She was Senior Manager, Learning & Development Strategy & Operations of Target in Minneapolis, MN from October 2017 to August 2020. The training staff is large and changes frequently, and includes instructors in operations, marketing, merchandising, education, IT, and talent acquisition with varying years of experience.

b. Additional Training

Additionally, we provide you with optional online technical training in Customer service, Haircutting, Color, Textured hair services, Styling, Back Bar services, Waxing and Retail. We also hold a Design Team Training event annual that you may elect to attend.

You may also request additional training for your employees from Smartstyle at any time during the term of the Franchise Agreement (Franchise Agreement Article 15.3). There may or may not be a charge to you for additional training depending upon the type, location and duration of the training provided. You pay the salaries, fringe benefits, transportation expenses, living expenses, worker's compensation, and federal and state unemployment compensation for all persons who attend the optional additional training courses offered by Smartstyle. The types of optional training currently available from Smartstyle are listed on the internal website and include Franchise Orientation, Situational Management Training, and Customized Workshops. These programs are offered either at the Franchised Location or at various regional locations or online.

ITEM 12
TERRITORY

Franchise Agreement

You will operate the Smartstyle Store at an approved location in a Walmart store. You may operate the Smartstyle Store only at that site. You receive no territorial rights. You may not relocate the Smartstyle Store. Smartstyle reserves the right to offer Smartstyle franchises at approved locations outside Walmart stores.

You do not receive an exclusive territory or area when granted a single Smartstyle franchise. Although exclusivity is not dependent upon achieving a certain sales volume, Walmart has the right to deny your option to renew the lease for the location if the gross sales of your salon are lower than $150,000 per year. If Walmart does not renew the lease, your franchise agreement will terminate.

You will operate your Smartstyle Business at a site that we first accept. You will sublease that site from our affiliate unless we approve a location outside of a Walmart store, in which case, we may require you to lease directly from the landlord.

The Barbers and its affiliates have established other franchises and company-owned stores selling or leasing similar products and services under different trade names and trademarks and reserves the right to continue do so in the future. Item 1 describes in detail the franchising and other operations in the hair care area of The Barbers and The Barbers' current affiliates. The Barbers and its affiliates own, operate, and/or franchise numerous brands, including Smartstyle, Cost Cutters, City Looks, Cool Cuts 4 Kids, BSO Beauty Supply Outlet, The Barbers, Supercuts, Pro-Cuts, Roosters, Holiday Hair, HairMasters, Haircrafters, and Great Expectations. There may be new franchise programs by The Barbers and its affiliates in the future. You will compete with the stores and salons operated by The Barbers and its affiliates and their franchisees that are located near your Store. The current affiliated franchise programs in the United States share The Barbers' principal business address. There is no formal mechanism in place for resolving any conflict that may arise between your Store and the stores/salons of The Barbers and its affiliated franchise systems in terms of area of operation, customers, and franchisor support.

Development Agreement

You may (if you qualify) develop and operate more than one Smartstyle Stores within a specific territory (the "Territory"). We and you will identify the Territory in the Development Agreement before signing it. The Territory typically is a city, cities, counties, or specific zip codes and may be depicted on a map attached to the Agreement. We base the Territory's size primarily on the number of Smartstyle Stores you agree to develop, demographics, competitive businesses, and site availability. We will determine the number of Stores you must develop, and the deadlines for development, to keep your development rights. We and you then will complete the schedule in the Development Agreement before signing it. Under the Development Agreement, we first must accept each new site you propose for each new Smartstyle Store. Our then-current standards for sites will apply. We may terminate the Development Agreement if you do not satisfy your development obligations.

Whether we grant you non-exclusive or exclusive development rights under the Development Agreement, you may face competition from other franchisees, from outlets that Smartstyle owns, or from other channels of distribution, including the Internet, or competitive brands that Smartstyle or its affiliates controls.

If we grant you non-exclusive development rights under the Development Agreement, Smartstyle and its affiliates reserve all rights, at any location inside or outside the territory and under either the trade name "Smartstyle" or any other trade name, to acquire, merge with, develop, establish or operate other franchise systems for the same, similar, or different services or products; and to grant and sell similar franchises and licenses to others to operate, and to establish, own, or operate for their own account or with others, other hair care establishments; and to sell the services and products authorized for Smartstyle Stores through any other channels of distribution, including the Internet, and under any terms and conditions they deem appropriate; and to engage in all other activities not expressly prohibited under the Development Agreement. Smartstyle need not compensate you for these activities.

In addition, another franchisee's or licensee's development and operation of a Smartstyle Store in the Territory pursuant to its other rights will not count toward your compliance with the development schedule.

We may delay your development and/or opening of additional Smartstyle Stores within the Territory if we believe, when you apply for another Store or after you (or your Approved Affiliate) have developed and constructed but not yet opened a particular Store, that you (or your Approved Affiliate) are not yet operationally, managerially, or otherwise prepared (no matter the reason) to develop, open, and/or operate the additional Smartstyle Store in full compliance with our standards and specifications. We may delay additional development and/or a Store's opening for the time period we deem best if the delay will not in our reasonable opinion cause you to breach your development obligations under the development schedule (unless we are willing to extend the schedule to account for the delay).

Except as described above, continuation of your territorial rights does not depend on your achieving a certain sales volume, market penetration, or other contingency. We may not alter your Territory during the term of the Development Agreement.

Development Obligations

During the term of the Development Agreement you must at all times faithfully, honestly, and diligently perform your contractual obligations and continuously exert your best efforts to promote and enhance the development of Smartstyle Stores within the Development Area. You also must have open and operating within the Development Area the minimum agreed upon number of Smartstyle Stores at the end of each Development Period, which may be one Store or 3 or 6 Stores total ("Minimum Development Quota"). The Development Periods are fixed for all franchisees to locate and open Stores. Therefore, once you sign the Development Agreement and Franchise Agreement for the first (and, if applicable, only) Store to be developed in the Development Area, you will have 12 months to find a site for and then open that Store. If you commit to the Fast Start Program described in Item 1 of this disclosure document, you will have 12 months from contract signing to find a site for and then open your first Store, 18 months from the deadline for opening your first Store to find a site for and then open your second Store, 18 months from the deadline for opening your second Store to find a site for and then open your third Store, and then a final 18 months from the deadline for opening your third Store to find a site for and then open your fourth Store.

If you fail to meet any Minimum Development Quota, Smartstyle has the right to terminate the Development Agreement by delivering a termination notice to you. While Smartstyle' right to terminate the Development Agreement is, except as described below, its sole and exclusive remedy for your failure to meet a Minimum Development Quota, no development fees paid are refundable. If the Development Agreement requires you to develop more than one Smartstyle Store within the Development Area, then Smartstyle' decision to terminate the Development Agreement due to your failure to meet the Minimum Development Quota for your first Store also will, without separate notice, concurrently and automatically terminate the Franchise Agreement for that first Store (which you and Smartstyle will sign concurrently with signing the Development Agreement). If the Development Agreement requires the development of only one Store within the Development Area, your failure to meet the Minimum Development Quota by the last day of the lone Development Period results in the expiration of the Development Agreement and, without separate notice, the concurrent and automatic expiration of the Franchise Agreement for that first Store (which you and Smartstyle will sign concurrently with signing the Development Agreement).

Grant of Additional Development Rights/Rights of First Refusal

When the Development Agreement expires, your non-exclusive rights in the Development Area automatically end, and you have no right to renew or extend the Development Agreement. If you want to acquire additional development rights in the Development Area after the Development Agreement expires (if you complied with your development obligations), you must notify Smartstyle at least 60 days before the Development Agreement expires. Smartstyle has the right to evaluate the prospects for additional Smartstyle Stores in the Development Area. If Smartstyle determines that the Development Area may not or should not be further developed at that time, or that you do not comply with its then-current requirements for developers, Smartstyle will so notify you, and, except as otherwise provided below, you will have no right to acquire additional development rights for Smartstyle Stores in the Development Area.

If Smartstyle determines that the Development Area may or should be further developed at such time, and you meet all of Smartstyle' then-current requirements for developers, Smartstyle will notify you of its proposal to develop additional Smartstyle Stores in the Development Area. You will have 30 days to accept Smartstyle' proposal in writing and sign its then-current form of Development Agreement incorporating the terms of the proposal (and sign concurrently a Franchise Agreement for the first Store to be developed). If you fail to do so, these rights automatically terminate, and Smartstyle has the absolute right, except as otherwise provided below, to open and develop Smartstyle Stores in the Development Area at any time after the Development Agreement has expired.

Competition

You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We and our affiliates retain all rights with respect to Smartstyle Stores, the Marks, the offer and sale of products and services that are similar to, competitive with, or dissimilar from the products and services your Store offers and sells, and any other activities we and they deem appropriate, whenever and wherever we and they desire. Those rights include the following:

(1) to own and operate, and to allow other franchisees and licensees to own and operate, Smartstyle Stores at any physical locations (other than at the Smartstyle Store's specific premises), in any geographic markets, and on any terms and conditions we and they deem appropriate;

(2) to offer and sell and to allow others (including franchisees, licensees, and other distributors) to offer and sell, on any terms and conditions we deem appropriate, products and services that are identical or similar to and/or competitive with those offered and sold by Smartstyle Stores, whether such products and services are identified by the Marks or other trademarks or service marks, through any advertising media, distribution channels (including the Internet), and shipping and delivery methods and to any customer, no matter where located;

(3) to establish and operate, and to allow others (including franchisees and licensees) to establish and operate, anywhere any business (whether operated at a set physical location or through trucks, vans, and other mobile methods) offering identical, similar, and/or competitive products and services under trademarks and service marks other than the Marks;

(4) to acquire the assets or ownership interests of one or more businesses offering and selling products and services similar to those offered and sold at Smartstyle Stores (even if such a business operates, franchises, or licenses "Competitive Businesses"), and operate, franchise, license, or create similar arrangements for those businesses once acquired, wherever those businesses (or the franchisees or licensees of those businesses) are located or operating;

(5) to be acquired (through acquisition of assets, ownership interests, or otherwise, regardless of the transaction form) by a business offering and selling products and services similar to those offered and sold at Smartstyle Stores, or by another business, even if such a business operates, franchises, or licenses Competitive Businesses; and

(6) to engage in all other activities the Franchise Agreement does not expressly prohibit.

We and our affiliates need not compensate you if we engage in these activities.

ITEM 13
TRADEMARKS

Smartstyle gives you the right to operate a hair care establishment under the SMARTSTYLE® trademark and to use other trademarks, service marks, names, logos, and symbols. You must follow Smartstyle' rules when you use these Marks. You may not use any Mark as part of any corporate name or with any modifying words, terms, designs or symbols except for those Smartstyle licenses to you. You may not use "SMARTSTYLE" or another Mark in selling any unauthorized product or service or in any other manner Smartstyle does not explicitly authorize in writing. If you use any of the "SMARTSTYLE" Marks, you must include a clear disclaimer that you are the employer of the employees at your Store and that Smartstyle is not their employer and does not engage in any employer-type activities for which only you are responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

Smartstyle has an exclusive, perpetual, royalty-free worldwide license from its affiliate, Regis, LLC to use the following trademark registrations, all of which are on the Principal Register of the United States Patent and Trademark Office (USPTO):

Trademark	Registration	Registration Date
S M A R T **S T Y L E** (stylized)	5,285,436	12-Sep-2017
Smartstyle (word Mark)	2,296,736	30-Nov-1999

We have filed, and intend to file, all required renewals and affidavits when due in order to maintain these registrations. There are no current effective material determinations of the USPTO, any Trademark Trial and Appeal Board, any state trademark administrator or any court, nor is there any pending interference, infringement, opposition or cancellation proceedings or material litigation, involving any of the Proprietary Marks in any manner that is material to the franchised business. There are no infringements, cancellation or opposition proceedings that are decided in which we unsuccessfully fought to prevent registration of another trademark to protect the Proprietary Marks.

Agreements

Smartstyle has an exclusive, perpetual, royalty-free worldwide license from its affiliate, Regis, LLC to use the following trademark registrations in the table above. The license granted by Regis, LLC to Smartstyle (the "Trademark License") cannot be terminated by Regis, LLC for any reason. Regis, LLC is a Minnesota corporation and a wholly owned subsidiary of Regis

Corp., which is a wholly owned subisidary of Regis. See Item 1 for more information about Regis. Regis, LLC and Regis Corp. both have their corporate offices located at 3701 Wayzata Blvd., Suite 500, Minneapolis, MN 55416.

Other than the Trademark License, there are no currently effective agreements that significantly limit our rights to use or license the use of the Proprietary Marks in any manner that is material to the franchised business.

Protection of Rights

We will control any administrative proceedings or litigation involving the Proprietary Marks. You must notify us promptly of any use by any person or legal entity other than us or our franchisees, of any of our Proprietary Marks or any variation of any of our Proprietary Marks. We will decide the actions to be taken against the use of any of our Proprietary Marks by any persons or legal entities other than us or our franchisees. Our current intent is to take strong and progressive actions (that may include bringing litigation) against that use. Any actions that we take will be at our expense.

You must notify us promptly of any litigation brought against you involving any of our Proprietary Marks, and you must deliver to us copies of any documents for the litigation that we request. We will decide whether to settle or defend any trademark litigation brought against you. If we decide to take action, we will do so at our expense, but you must cooperate with us. If the defense does not involve issues concerning the operation of the franchised business, we will reimburse you for your out-of-pocket costs. If we decide not to defend or settle any trademark litigation brought against you, you must defend or settle the litigation at your expense.

We may acquire or develop additional trademarks, and may use those trademarks ourselves, make those trademarks available for use by you and other Smartstyle Men's Grooming Center businesses, or make those trademarks available for use by other persons or entities. You may not directly or indirectly contest our rights in our Proprietary Marks.

Indemnification of You

We will indemnify you to the extent that litigation involves defending against infringement or unfair competition if you: (i) are using our trademarks in strict compliance and accordance with the franchise agreement and our manuals, (ii) allow us sole control of the defense and settlement of any claim and (iii) give us notice of a claim within thirty (30) days after you learn about the claim.

Modification of Trademarks

We may require you to modify or use a substitute for any trademark. If we do, you must pay your cost of compliance. We will allow you sufficient time to make the change in a cost effective matter. We also may require you to use and display a notice in a form we approve that you are a franchisee under the Smartstyle Men's Grooming Center system using the Proprietary Marks under a franchise agreement.

Superior Prior Rights or Infringing Uses

We do not know of any superior prior rights or infringing uses that could materially affect your use of the Proprietary Marks.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Smartstyle does not own any patents or any pending patent applications. Smartstyle claims common law copyrights consisting primarily of advertising copy and design; training, operation, and procedure manuals; and other items relating to the operation of Smartstyle Stores. Smartstyle has not registered these copyrights with the United States Copyright Office but currently need not do so to protect them. You may use copyrighted items only as Smartstyle specifies while operating your Store (and must stop using them at Smartstyle's direction).

There currently are no effective adverse determinations of the USPTO, the United States Copyright Office, or any court regarding Smartstyle's copyrighted materials. Smartstyle does not know of any infringing uses that could materially affect your use of any copyrighted material. No agreement limits Smartstyle's right to use or license the use of copyrighted materials in any manner material to the franchise.

You may not contest Smartstyle's ownership, title, right or interest in its copyrighted materials which are part of the Smartstyle business or franchise operation or contest Smartstyle's sole right to register, use, or license others to use this copyrighted material. While Smartstyle has no contractual obligation to defend you against or indemnify you for a third-party copyright infringement claim (whether you bring it to Smartstyle's attention or Smartstyle independently learns about it), Smartstyle intends to hold you harmless from this type of claim if you used the copyrighted materials in compliance with the Franchise Agreement. Smartstyle intends to protect its copyrights to the extent they are material to the Smartstyle system. Smartstyle may control all litigation involving its copyrights.

In addition to the Marks and copyrights, Regis owns proprietary rights to numerous technical processes used in cutting hair that are licensed to you to use in your Smartstyle store according to the Franchise Agreement. You agree that your entire knowledge of these processes, services and products, all proprietary formulations, technology, and know-how, and the operation of a Smartstyle Store comes from information licensed to you and that this information is proprietary, confidential, and a trade secret of Smartstyle and Regis. You (1) may disclose this information to your employees only to the extent necessary to market Smartstyle products and services and to operate your Smartstyle Store; (2) may not use any of this information in any other business or in any manner that Smartstyle and Regis do not specifically authorize or approve in writing; and (3) must exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all this information during and after the franchise term.

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

Brand Standards may require adequate staffing levels to operate the Smartstyle Store in compliance with Brand Standards and may address appearance of Store personnel and courteous service to customers. However, you have sole responsibility and authority for your labor relations and employment practices, including, among other things, employee selection, promotion, termination, hours worked, rates of pay, benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. Store employees are under your control at the Smartstyle Store. You must communicate clearly with Store employees in your employment agreements, human resources manuals, written and electronic correspondence, paychecks, and other materials that you (and only you) are their employer and that we, as the franchisor of Smartstyle Stores, and our affiliates are not their employer and do not engage in any employer-type activities (including those described above) for which only franchisees are responsible. You must obtain an acknowledgment (in the form we specify or approve) from all Store employees that you (and not we or our affiliates) are their employer.

The Store must have at least 1 on-site manager, whether that individual is you or another Store manager. A Store manager need not have an equity interest in you or the Smartstyle Store. Store managers and your officers and directors must sign confidentiality and other agreements (including non-compete agreements) we specify or pre-approve (if applicable law allows). Our right to pre-approve your forms is solely to protect Confidential Information and the competitiveness of Stylestyle Stores. Under no circumstances will we control the forms or terms of employment agreements you use with Store employees or otherwise be responsible for your labor relations or employment practices. We do not limit whom your Store may hire.

You (or a managing partner or owner Smartstyle approves) must exert your best efforts to comply with the obligations under the Development Agreement. You (or the managing partner or owner) must supervise the development and operations of franchised Smartstyle Stores according to the Development Agreement but need not be engaged in the day-to-day operations of any Store. If you are a legal entity, each owner must personally guarantee all of your obligations under the Development Agreement and agree to be bound personally by every contractual obligation, both monetary and non-monetary, including the covenant not to compete. This "Guaranty and Assumption of Obligations" is at the end of the Development Agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

The Store must offer for sale all products and services we periodically specify. The Store may not offer, sell, or otherwise distribute at the Smartstyle Store premises or another location any products or services we have not authorized. There are no limits on our right to modify the products and services your Store must or may offer and sell. We may change such products and services from time to time and from market to market based on numerous considerations. Brand Standards may regulate (to the extent the law allows) price advertising policies and maximum, minimum, or other pricing requirements for products and services the Smartstyle Store sells, including requirements for national, regional, and local promotions, special offers, and discounts in which some or all Smartstyle Stores must participate.

Your right to operate the Smartstyle Store is limited to products sold, and services provided, at the Smartstyle Store's physical location. It does not include the right to distribute products and services over the Internet, on a wholesale basis (for resale to another retailer or wholesaler), through delivery, or through other supply or distribution channels (for example, unapproved mobile apps, catalog sales, mail-order sales, infomercials, or telemarketing). There otherwise are no limits on the customers to whom your Store may sell products.

You may communicate with the Smartstyle Store's customers only through branded mobile apps, branded email domains, online brand-reputation-management sites, or other channels we expressly designate.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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 Agreement	Summary
a. Length of the franchise term	Article 2.1,	For the term of the master lease for your Smartstyle Store located within a Walmart, including all extensions and renewals thereof. Generally the term of the lease is five years with an option for five additional years.

Provision	Section in Franchise Agreement	Summary
b. Renewal or extension of the term	Article 2.2, 2.3 and 2.4	If you have the right to continue occupying the Smartstyle Store located in a Walmart under your sublease, for a period of at least five (5) additional years. Your right to continue to occupy the Smartstyle Store pursuant to your sublease depends upon whether you achieve $150,000 gross sales per year or such minimum gross sales required by the master lease. You may be asked to sign a current franchise agreement with materially different terms and conditions than your original agreement and the Continuing Fees on renewal will not be greater than the Continuing Fees that we then impose on similarly-situated renewing franchisees.
c. Requirements for you to renew or extend	Article 2.3	Give 180 days notice; satisfy all material requirements of your current Franchise Agreement; pay all amounts due to Smartstyle; modernize your Smartstyle Store; be in a position to occupy the Smartstyle Store for at least 5 years; and sign a new Franchise Agreement, which may have different terms and conditions than the Franchise Agreement you originally signed; and if you are located within a Walmart, meet Walmart's then-current gross sales requirements, if any.
d. Termination by you	Article 10	Smartstyle violates any material term of the Franchise Agreement; Smartstyle fails to pay any amount due to you; or Smartstyle assigns its assets to creditors
e. Termination by Smartstyle without cause	Not Applicable	The Franchise Agreement does not include this provision. Termination of the Development Agreement does not permit the Franchisor to also terminate a Developer's single unit Franchise Agreement, and termination of a Developer's single unit Franchise Agreement does not permit the franchisor to also terminate Developer's development agreement unless termination of a single unit franchise agreement results in a breach of Developer's development schedule under the Development Agreement.
f. Termination by Smartstyle with cause	Article 9.1	You are in breach of the Franchise Agreement Termination of the Development Agreement does not permit the Franchisor to also terminate a Developer's single unit Franchise Agreement, and termination of a Developer's single unit Franchise Agreement does not permit the franchisor to also terminate Developer's development agreement unless termination of a single unit franchise agreement results in a breach of Developer's development schedule under the Development Agreement.
"Cause" defined – curable defaults	Article 9.1	You will have 30 days to cure if you violate any material provision, term or condition of the Agreement, including failure to timely pay the Initial Fee or any Continuing Fees, Advertising

Provision	Section in Franchise Agreement	Summary
		Fees, monetary obligations or other fees to Smartstyle; fail to conform to the Business System, the standards of uniformity and quality for the goods and services or the policies and procedures promulgated by Smartstyle in connection with the Business System: are involved in any act or conduct which materially impairs the goodwill associated with the Marks or the Business System; fail to timely pay any uncontested obligations or liabilities due and owing to Smartstyle, suppliers, banks, purveyors, other creditors or any federal, state or municipal government (including, if applicable, federal and state taxes); are determined to be insolvent within the meaning of any state or federal law, file for bankruptcy or are adjudicated a bankrupt under any state or federal law; make an assignment for the benefit of creditors or enter into any similar arrangement for the disposition of your assets for the benefit of creditors; any check is dishonored because of insufficient funds (except where the check is dishonored because of a bookkeeping or accounting error) or closed accounts; fail to finance or purchase and pay for the leasehold improvements, furniture, fixtures, supplies and equipment required for your Smartstyle Store prior to opening; or divert, at any time, any business, or any of the products from the Franchise, including the sale of any hair care product to a non end user consumer from the Franchised location or the sale of hair care products through other distribution channels (including the Internet).
		Termination of the Development Agreement does not permit the Franchisor to also terminate a Developer's single unit Franchise Agreement, and termination of a Developer's single unit Franchise Agreement does not permit the franchisor to also terminate Developer's development agreement unless termination of a single unit franchise agreement results in a breach of Developer's development schedule under the Development Agreement. Termination of the Development Agreement does not permit the Franchisor to also terminate a Developer's single unit Franchise Agreement, and termination of a Developer's single unit Franchise Agreement does not permit the franchisor to also terminate Developer's development agreement unless termination of a single unit franchise agreement results in a breach of Developer's development schedule under the Development Agreement.

Provision	Section in Franchise Agreement	Summary
h. “Cause” defined – non-curable defaults	Article 9.5	If you fail to open and commence operations of your Smartstyle Store within the time period required by the master lease; you breach any material term of your sublease or the sublease or master lease for the Smartstyle Store is terminated or canceled or expires; you lose possession or are evicted from the Smartstyle Store; you or any of your partners, directors, officers or majority stockholders are convicted of, or plead guilty or no contest to, a charge of violating any law relating to your Smartstyle Store, or any felony; you or your owners make any material misrepresentations or omissions to Smartstyle in connection with the franchise; you voluntarily or otherwise abandon your Smartstyle Store; you are involved in any act or conduct which materially impairs the goodwill associated with Smartstyle’s Marks or Business System, and you fail to correct such act or conduct within 24 hours of receipt of written notice from Smartstyle; or you fail or refuse to produce your books and financial records for audit by Smartstyle; or Smartstyle has sent a notice of termination under another franchise agreement (for a Smartstyle store or any other brand store) between you (or any of your affiliates) and Smartstyle, or you (or any of your affiliates) has terminated another franchise agreement with Smartstyle without cause. Termination of the Development Agreement does not permit the Franchisor to also terminate a Developer’s single unit Franchise Agreement, and termination of a Developer’s single unit Franchise Agreement does not permit the franchisor to also terminate Developer’s development agreement unless termination of a single unit franchise agreement results in a breach of Developer’s development schedule under the Development Agreement.
i. Your obligations on termination/ nonrenewal	Article 11	You must cease using Smartstyle’s marks; alter your Smartstyle Store to distinguish it from Smartstyle Storees; pay what you owe Smartstyle pursuant to the Franchise Agreement; return all printed materials Smartstyle provided you; and transfer your telephone directory listings to Smartstyle
j. Assignment of the contract by Smartstyle	Article 20.1	No restriction on Smartstyle’s right to assign
k. “Transfer” by you – defined	Articles 20.2 and 20.3	Assignment of rights under the Franchise Agreement or transfer of ownership interests in the franchisee entity.
l. Smartstyle’s approval of transfer by you	Article 20.4	Smartstyle has the right to approve any transfer made by you but will not unreasonably withhold its consent

Provision	Section in Franchise Agreement	Summary
m. Conditions for Smartstyle's approval of transfer	Articles 20.4, 20.6 and 20.7	You pay all money owed to Smartstyle; comply with Smartstyle's right of first refusal; complete a written agreement satisfactory to Smartstyle; transferee's shareholders agree to be personally bound to the Franchise Agreement; if required by Smartstyle transferee franchisee meets Smartstyle's then-current standards and specifications and agrees to modernize the Smartstyle Store within 6 months of the transfer date if the store is more than 7 years old and has not been remodeled within the past 5 years; transferee acquires the Smartstyle Store; transferee signs a current Franchise Agreement; transferee pays deposit for and completes training program; you pay the transfer fee; and Smartstyle may require you to remain liable for obligations of the transferee franchisee if the transferee franchisee does not meet Smartstyle's net worth requirements
n. Smartstyle's right of first refusal to acquire your business	Article 13	You must first send the written offer from your buyer to purchase your Smartstyle Store, then Smartstyle has ten (10) days to exercise it's right of first refusal. Smartstyle has exclusivity on the offer for sixty (60) days or until you and Smartstyle agree in writing that exclusivity has ended. Any modified offer must be communicated to Smartstyle and Smartstyle will have a right of first refusal pursuant to that offer.
o. Smartstyle's option to purchase your business	Article 13	In addition to the right of first refusal, Smartstyle has the right to purchase the Smartstyle Store for fair market value upon expiration or termination of your Franchise Agreement.
p. Your death or disability	Article 20.3	You may transfer your Franchise Agreement without first offering it to Smartstyle
q. Noncompetition covenants during the term of the franchise	Article 12.2	You may not participate in any business that competes with Smartstyle Stores
r. Noncompetition covenants after the franchise is terminated or expires	Article 12.3	You may not participate in any business that competes with (including over the Internet) or that is within six miles of any Smartstyle Store for two years after the termination or expiration of your Franchise Agreement
s. Modification of the agreement	Article 24.11	No modifications generally, but Smartstyle may change Operations Manual and its standards and specifications for Smartstyle Stores
t. Integration/ merger clauses	Article 24.9	Only terms of Franchise Agreement and other documents you sign with Smartstyle are binding (subject to state and federal law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable

Provision	Section in Franchise Agreement	Summary
u. Dispute resolution by arbitration or mediation	Article 23	Except for certain claims, disputes must be arbitrated in Minneapolis, Minnesota. Any arbitration, or any claim in arbitration (including any defense and any claim of setoff or recoupment), must be brought or asserted before the expiration of the earlier of (1) the time period for bringing an action under any applicable state or federal statute of limitation; (2) one year after the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim; or (3) two years after the first act or omission giving rise to an alleged claim. Claims of the franchisor attributable to the underreporting of sales and claims of the parties for indemnification shall be subject only to the applicable state or federal statute of limitation (subject to state law)
v. Choice of forum	Article 24.6	Arbitration and litigation must be in Hennepin County, Minnesota (subject to state law)
w. Choice of law	Article 28.1	Governing law will be the law of the state where your Smartstyle Store is located

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

Provision	Section in Development Agreement	Summary
a. Length of the development term	Article 2.1	To be determined by you and Smartstyle. Depends on your development obligations
b. Renewal or extension of the term	Article 2.2	You do not have a right to extend the term of the Development Agreement, but you do have a right of first refusal to acquire development rights to the Designated Market Area under terms then-proposed by Smartstyle if Smartstyle determines that the Designated Market Area may be further developed and if you meet Smartstyle'S then-current requirements for an area developer.
c. Requirements for you to renew or extend	Article 2.2	Accept Smartstyle'S written proposal to develop the Designated Market Area within 30 days.
d. Termination by you	Not Applicable	The Development Agreement does not contain this provision.
e. Termination by us without cause	Not Applicable	The Development Agreement does not contain this provision.
f. Termination by us with cause	Article 6	We may terminate the Development Agreement with cause if you are in breach of the Development Agreement.
g. "Cause" defined –curable defaults	Article 6.1	You will have 30 days to cure if you: violate any material provision; fail to conform to the Business System; fail to pay any uncontested fee to anyone; are determined to be insolvent; make an assignment for the benefit of creditors; issue any check which is

Provision	Section in Development Agreement	Summary
		dishonored; have a Franchise Agreement terminated by Smartstyle or wrongfully terminated by you.
h. "Cause" defined – non-curable defaults	6.5	You are convicted of any law relating to any of your Smartstyle Businesses or a felony; you abandon the Designated Market Area; or your conduct materially impairs Smartstyle'S marks or Business System and you fail to correct such conduct within 24 hours of written notice.
i. Your obligations on termination/nonrenewal	Article 7	You are still obligated to perform any and all of your obligations under the franchise agreements for those Smartstyle Businesses you have already entered into an agreement to open and operate. Your rights pursuant to the Development Agreement revert back to Smartstyle.
j. Assignment of contract by us	Article 10	There are no limits on our right to assign any part of our interest in the Development Agreement
k. "Transfer" by you – definition	Article 10.2 and 10.3	Includes transfer of interest in the Franchise Agreement, franchise business, franchise location, assets of the franchise business, or any interest in the corporation or other business entity owning the franchise.
l. Our approval of transfer by you	Article 10.4	You must obtain our prior written approval of any proposed transfer.
m. Conditions for our approval of transfer	Article 10.4	You pay all money owed to Smartstyle; complete a written agreement satisfactory to Smartstyle; transferee's shareholders agree to be personally bound to the Development Agreement; transferee meets Smartstyle'S standards; you pay the transfer fee; and you may be required to remain liable for obligations of the transferee franchisee if the transferee franchisee does not meet Smartstyle'S net worth requirements.
n. Our right of first refusal to acquire your business	Article 11.1	You must first make a written offer to transfer your Development Agreement to Smartstyle
o. Our option to purchase your business	Not Applicable	Not Applicable
p. Your death or disability	Article 10.3	You may transfer your Development Agreement without first offering it to Smartstyle.
q. Non-competition covenants during the term of the franchise	Article 8.2	You may not participate in any business that competes with Smartstyle Businesses.
r. Non-competition covenants after the franchise is terminated or expires	Article 8.3	You may not participate in any business that competes with (including over the Internet) or that is within six miles of any Smartstyle Business for two years after the termination of your Development Agreement.
s. Modification of the agreement	Article 13.12	Any modification must be in writing and signed by both you and Smartstyle.
t. Integration/merger clause	Article 13.9	Only the terms of the Development Agreement, individual franchise agreements we have previously entered into, and the representations in this disclosure document are binding. Any other

Provision	Section in Development Agreement	Summary
		representations or promises may not be enforceable. Nothing in this Section, or any related agreement, is intended to disclaim the representations we made in this disclosure document (subject to state law).
u. Dispute resolution by arbitration or mediation	Articles 12 and 13	Except for certain claims, disputes must be arbitrated in Minneapolis, Minnesota (subject to state law)
v. Choice of forum	Article 13.6	Arbitration and litigation must be in Hennepin County, Minnesota (subject to state law)
w. Choice of law	Article 17.1	Governing law will be the laws of the state where the Designated Market Area is located

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote the Smartstyle 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.

Fiscal Year 2021-2022							
	Total Salon Count	**Average Sales**	**Median Sales**	**Max**	**Min**	**Number of Salons Exceeding Average**	**Percentage of Salons Exceeding Avg**
Top	714	$393,255	$369,811	$875,755	$294,425	270	37.82%
Mid	716	$247,838	$247,937	$294,304	$206,013	360	50.28%
Bottom	715	$151,820	$155,987	$205,993	$24,931	386	53.99%
TOTALS	**2145**	**$264,237**[1]	**$247,873**	**$875,755**	**$24,931**	**920**	**42.89%**[1]

(1) This is an average of the numbers presented above.

The Average, Median, and High/Low Store Gross Sales Information for the Fiscal-Year Period from July 1, 2021 through June 30, 2022, for franchised Cost Cutters Stores that were open during that period ("Fiscal Year 2021-2022") and located throughout the United States with sales in all 12 months as shown in Item 20 of this Disclosure Document.

The products and services offered by each franchised Store covered in this financial performance representation are essentially the same, and the franchised Stores whose gross sales numbers appear in this financial performance representation are substantially similar to the franchises that we currently offer in all states. These Stores receive substantially the same services from us. However, we do not provide services to franchisees that a Store's owner normally provides, such as financing, accounting, legal, personnel, construction, and management services.

This financial performance representation does not reflect the cost of sales, operating expenses, or other costs or expenses that must be deducted from gross revenue or gross sales figures to obtain your net income or profit. You should independently investigate the costs and expenses you will incur in operating your Cost Cutters Store. Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

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

Written substantiation of the information in this financial performance representation will be made available to you at Cost Cutters' offices upon reasonable request.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Franchise Development, 3701 Wayzata Boulevard, Suite 500, Minneapolis, MN 55416, (952) 947-7777, franchisedevelopment@regiscorp.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

All year-end numbers appearing in the tables below are as of June 30 in each year (Smartstyle's fiscal year end). All "Company-Owned" Stores listed in the tables below are owned and operated by Regis Corp.

Table No. 1

Systemwide Outlet Summary

For years 2020 to 2022

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the end of the Year	Column 5 Net Change
Franchised	2020	378	547	+169
	2021	548	638	+90
	2022	638	604	-34
Company-Owned	2020	206	129	-77
	2021	129	6	-123
	2022	6	1	-5
Total Outlets	2020	584	676	+92
	2021	677	644	-33
	2022	644	605	-39

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2020 to 2022

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Arizona	2020	0
	2021	4
	2022	0
Colorado	2020	0
	2021	1
	2022	17
Florida	2020	0
	2021	5
	2022	0
Illinois	2020	0
	2021	0
	2022	1
	2020	0

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Indiana	2021	3
	2022	1
Iowa	2020	1
	2021	0
	2022	0
Kentucky	2020	0
	2021	0
	2022	3
Maine	2020	0
	2021	5
	2022	0
Michigan	2020	1
	2021	0
	2022	0
Missouri	2020	0
	2021	5
	2022	0
Nebraska	2020	2
	2021	0
	2022	0
New York	2020	0
	2021	3
	2022	0
North Carolina	2020	1
	2021	0
	2022	10
Ohio	2020	0
	2021	5
	2022	3
	2020	0

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Oklahoma	2021	0
	2022	11
Pennsylvania	2020	0
	2021	8
	2022	0
South Carolina	2020	1
	2021	7
	2022	4
Tennessee	2020	0
	2021	4
	2022	0
Texas	2020	13
	2021	9
	2022	20
Wisconsin	2020	0
	2021	0
	2022	3
Total	2020	19
	2021	59
	2022	73

Table No. 3

Status of Franchised Outlets
For Years 2020 to 2022

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Operations—Other Reasons	Outlets at End of the Year
Alabama	2020	11	0	0	0	0	0	11
	2021	11	1	0	0	0	2	10
	2022	10	0	0	0	0	0	10
Arizona	2020	2	1	0	0	0	0	3
	2021	3	24	0	0	0	0	27

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Re-acquired by Fran-chisor	Ceased Opera-tions—Other Reasons	Outlets at End of the Year
	2022	27	3	0	0	0	1	29
California	2020	7	0	0	0	0	2	5
	2021	5	0	0	0	0	3	2
	2022	2	0	0	0	0	0	2
Colorado	2020	0	4	0	0	0	0	4
	2021	4	34	0	0	0	0	38
	2022	38	0	0	0	0	0	38
Connecticut	2020	14	0	0	0	0	1	13
	2021	13	3	0	0	0	0	16
	2022	16	0	0	0	0	0	16
Delaware	2020	0	4	0	0	0	0	4
	2021	4	1	0	0	0	0	5
	2022	5	0	0	0	0	0	5
Florida	2020	1	2	0	0	0	0	3
	2021	3	0	0	0	0	2	1
	2022	1	0	0	0	0	0	1
Idaho	2020	8	0	0	0	0	1	7
	2021	7	0	0	0	0	4	3
	2022	3	0	0	0	0	0	3
Iowa	2020	47	8	0	0	0	7	48
	2021	48	0	0	0	0	6	42
	2022	42	0	0	0	0	0	42
Illinois	2020	19	4	0	0	0	2	21
	2021	21	1	0	0	0	3	19
	2022	19	0	0	0	0	3	16
Indiana	2020	5	10	0	0	0	0	15
	2021	15	13	0	0	0	1	27
	2022	27	0	0	0	0	2	25
Kentucky	2020	19	0	0	0	0	1	18
	2021	18	0	0	0	0	5	13
	2022	13	0	0	0	0	1	12
Massachusetts	2020	18	0	0	0	0	2	16
	2021	16	0	0	0	0	2	14
	2022	14	0	0	0	0	1	13
Michigan	2020	10	11	0	0	0	0	21

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Re-acquired by Fran-chisor	Ceased Opera-tions—Other Reasons	Outlets at End of the Year
	2021	21	0	0	0	0	0	21
	2022	21	0	0	0	0	3	18
Minnesota	2020	25	0	0	0	0	0	25
	2021	25	1	0	0	0	4	22
	2022	22	0	0	0	0	3	19
Missouri	2020	9	0	0	0	0	3	6
	2021	6	1	0	0	0	1	6
	2022	6	0	0	0	0	1	5
Montana	2020	0	0	0	0	0	0	0
	2021	0	3	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Nebraska	2020	23	1	0	0	0	0	24
	2021	24	4	0	0	0	1	27
	2022	27	0	0	0	0	1	26
Nevada	2020	0	0	0	0	0	0	0
	2021	0	3	0	0	0	0	3
	2022	3	0	0	0	0	0	3
New Jersey	2020	1	2	0	0	0	1	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
New Mexico	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
New York	2020	0	6	0	0	0	0	6
	2021	7	4	0	0	0	0	11
	2022	11	1	0	0	0	0	12
North Carolina	2020	3	0	0	0	0	0	3
	2021	3	4	0	0	0	0	7
	2022	7	0	0	0	0	0	7
North Dakota	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	1	4
	2022	4	0	0	0	0	0	4
Ohio	2020	9	65	0	0	0	3	71

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Re-acquired by Fran-chisor	Ceased Opera-tions—Other Reasons	Outlets at End of the Year
	2021	71	1	0	0	0	2	70
	2022	70	0	0	0	0	2	68
Oregon	2020	1	0	0	0	0	0	1
	2021	1	2	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Pennsylvania	2020	0	26	0	0	0	0	26
	2021	26	0	0	0	0	1	25
	2022	25	0	0	0	0	4	21
South Carolina	2020	9	0	0	0	0	0	9
	2021	9	2	0	0	0	1	10
	2022	10	0	0	0	0	1	9
South Dakota	2020	9	0	0	0	0	0	9
	2021	9	0	0	0	0	3	6
	2022	6	0	0	0	0	2	4
Tennessee	2020	16	1	0	0	0	3	14
	2021	14	0	0	0	0	3	11
	2022	11	0	0	0	0	1	10
Texas	2020	18	23	0	0	0	2	39
	2021	39	28	0	0	0	2	65
	2022	65	1	0	0	0	4	62
Virginia	2020	8	5	0	0	0	0	13
	2021	13	0	0	0	0	0	13
	2022	13	0	0	0	0	3	10
Washington	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Wisconsin	2020	77	24	0	0	0	3	98
	2021	98	9	0	0	0	4	103
	2022	103	1	0	0	0	5	99
West Virginia	2020	3	3	0	0	0	0	6
	2021	6	0	0	0	0	0	6
	2022	6	0	0	0	0	2	4
Wyoming	2020	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Termina-tions	Non-Renewals	Re-acquired by Fran-chisor	Ceased Opera-tions—Other Reasons	Outlets at End of the Year
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Totals	2020	378	200	0	0	0	31	547
	2021	548	141	0	0	0	51	638
	2022	638	6	0	0	0	40	604

Table No. 4

Status of Company-Owned Outlets
For years 2020 to 2022

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Alabama	2020	1	0	0	0	0	1
	2021	1	0	0	0	1	0
	2022	0	0	0	0	0	0
Arizona	2020	40	2	0	0	8	34
	2021	34	0	0	7	24	3
	2022	3	0	0	2	0	1
Colorado	2020	52	0	0	0	8	44
	2021	44	0	0	13	30	1
	2022	1	0	0	1	0	0
Connecticut	2020	4	0	0	0	0	4
	2021	4	0	0	1	3	0
	2022	0	0	0	0	0	0
Florida	2020	1	0	0	1	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Illinois	2020	7	0	0	1	4	2
	2021	2	0	0	1	1	0
	2022	0	0	0	0	0	0
Iowa	2020	6	0	0	2	4	0

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Massachusetts	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	1	0	0
Minnesota	2020	1	0	0	1	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Mississippi	2020	1	0	0	0	0	1
	2021	1	0	0	1	0	0
	2022	0	0	0	0	0	0
Montana	2020	9	0	0	1	0	8
	2021	8	0	0	5	3	0
	2022	0	0	0	0	0	0
Nevada	2020	6	0	0	2	0	4
	2021	4	0	0	1	3	0
	2022	0	0	0	0	0	0
New Hampshire	2020	2	0	0	0	0	2
	2021	2	0	0	2	0	0
	2022	0	0	0	0	0	0
New York	2020	16	0	0	0	6	10
	2021	10	0	0	4	5	1
	2022	1	0	0	0	1	0
North Carolina	2020	1	0	0	0	0	1
	2021	1	0	0	0	1	0
	2022	0	0	0	0	0	0
Pennsylvania	2020	13	0	0	0	12	1
	2021	1	0	0	1	0	0
	2022	0	0	0	0	0	0
Texas	2020	1	0	0	1	0	0
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Virginia	2020	4	0	0	2	2	0

State	Year	Outlets at Start of the Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
Wisconsin	2020	36	0	0	0	24	12
	2021	12	0	0	4	8	0
	2022	0	0	0	0	0	0
Wyoming	2020	4	0	0	0	0	4
	2021	4	0	0	3	1	0
	2022	0	0	0	0	0	0
Totals	2020	206	0	0	11	66	129
	2021	129	0	0	43	80	6
	2022	6	0	0	4	1	1

Table No. 5

Projected Openings as of June 30, 2022

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	0	0
Alaska	0	0	0
Arizona	0	0	0
Arkansas	0	0	0
California	0	0	0
Colorado	0	0	0
Connecticut	0	0	0
Delaware	0	0	0
Florida	0	0	0
Georgia	0	0	0
Idaho	0	0	0
Illinois	0	0	0
Indiana	0	0	0

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
Iowa	0	0	0
Kansas	0	0	0
Kentucky	0	0	0
Louisiana	0	0	0
Maine	0	0	0
Maryland	0	0	0
Massachusetts	0	0	0
Michigan	0	0	0
Minnesota	0	0	0
Mississippi	0	0	0
Missouri	0	0	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	0	0	0
New Hampshire	0	0	0
New Jersey	0	0	0
New Mexico	0	0	0
New York	0	0	0
North Carolina	0	0	0
North Dakota	0	0	0
Ohio	0	0	0
Oklahoma	0	0	0
Oregon	0	0	0
Pennsylvania	0	0	0
Puerto Rico	0	0	0
Rhode Island	0	0	0
South Carolina	0	0	0
South Dakota	0	0	0
Tennessee	0	0	0

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
Texas	0	0	0
Utah	0	0	0
Vermont	0	0	0
Virginia	0	0	0
Washington	0	0	0
West Virginia	0	0	0
Wisconsin	0	0	0
Wyoming	0	0	0
Totals:	0	0	0

Exhibit A attached to this Disclosure Document lists the names, addresses, and telephone numbers of the operational franchised Smartstyle Businesses and Walmart Cost Cutters Store franchises in the United States as of Smartstyle's June 30, 2022 fiscal year end.

A list of the names, city and state, and current business telephone number (or, if unknown, the last known home telephone number) of every franchisee under a Franchise Agreement with Smartstyle, whose franchise has, within the fiscal year ended June 30, 2022, been terminated, canceled, not renewed, or who has, during the same period, otherwise voluntarily or involuntarily ceased to do business pursuant to the Franchise Agreement, or who has not communicated with the Franchisor within ten weeks of this Disclosure Document's issuance date, is attached as Exhibit B. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

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

Smartstyle is aware of an independent association of Smartstyle franchisees. You can contact Salon Owners Franchisee Association, Inc. at 1701 Barrett Lakes Blvd. NW, Suite 180, Kennesaw, GA 30144 or at www.salonownersfa.com or by email at info@salonownersfa.com. There are no other trademark-specific franchise organizations associated with the Smartstyle franchise system.

ITEM 21
FINANCIAL STATEMENTS

Exhibit C-2 Exhibit A is the unaudited financial statements of Smartstyle's parent company, Regis Corporation, as of and for the quarter ended September 30, 2022, and the audited financial statements of Regis Corporation as of and for the fiscal years ended June 30, 2022, June 30, 2021, and June 30, 2020. Regis Corporation absolutely and unconditionally guarantees Smartstyle's obligations to its franchisees under the Franchise Agreement. A copy of the Guarantee of Performance is included in Exhibit C-1.

ITEM 22
CONTRACTS

The following agreements/documents are attached to this disclosure document:

Exhibit D:	Franchise Agreement
Exhibit E:	Development Agreement
Exhibit F:	Regis Sublease for Walmart Sites
Exhibit G:	Wal-Mart Master Lease Agreement
Exhibit I:	State Specific Addenda
Exhibit K:	Franchisee Participation Agreement
Exhibit L	Gift Card Participation Agreement
Exhibit M:	Agreement for Purchase and Sale of Assets
Exhibit N:	Construction Management Services Agreement

ITEM 23
RECEIPTS

A detachable document in duplicate, which you will find in Exhibit P of this disclosure document, acknowledges your receipt of the disclosure document. The Federal Trade Commission requires Smartstyle to have one dated and signed copy of the Receipt back from you before Smartstyle can move forward with you. Please promptly sign and return one copy of the Receipt to Smartstyle. This does not obligate you to purchase a franchise or Smartstyle to sell you a franchise.

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT A: LIST OF OPERATIONAL SALONS

Salon	Address 1	Address 2	Address 3	City	ST	Zip	Country	Phone	Owner/VP
12777	SMARTSTYLE	LOCATED INSIDE WALMART #2722	537 JOHANSEN EXPY	FAIRBANKS	AK	99701	US	907-456-2191	DAVID WUNDERLIN AND KARI LYNN TUPPER
11509	SMARTSTYLE	LOCATED INSIDE WALMART #726	2643 HIGHWAY 280 BYPASS	ALEXANDER CITY	AL	35010	US	256-234-0333	BROWNING THORNTON
11506	SMARTSTYLE	LOCATED INSIDE WALMART #1091	1991 MARTIN LUTHER KING EXPY	ANDALUSIA	AL	36420	US	334-222-4500	BROWNING THORNTON
11513	SMARTSTYLE	LOCATED INSIDE WALMART #329	5560 MCCLELLAN BLVD	ANNISTON	AL	36206	US	256-820-1264	BROWNING THORNTON
11492	SMARTSTYLE	LOCATED INSIDE WALMART #306	1450 N BRINDLEE MOUNTAIN PKWY	ARAB	AL	35016	US	256-586-9123	BROWNING THORNTON
11490	SMARTSTYLE	LOCATED INSIDE WALMART #316	973 GILBERTS FERRY RD SW	ATTALLA	AL	35954	US	256-570-0603	BROWNING THORNTON
11493	SMARTSTYLE	LOCATED INSIDE WALMART #298	1972 US HIGHWAY 431	BOAZ	AL	35957	US	256-593-1192	BROWNING THORNTON
11489	SMARTSTYLE	LOCATED INSIDE WALMART #5126	1950 W MAIN ST	CENTRE	AL	35960	US	256-927-4802	BROWNING THORNTON
11486	SMARTSTYLE	LOCATED INSIDE WALMART #670	626 OLIVE ST SW	CULLMAN	AL	35055	US	256-734-1247	BROWNING THORNTON
11488	SMARTSTYLE	LOCATED INSIDE WALMART #7280	5601 HIGHWAY 157	CULLMAN	AL	35058	US	256-734-5618	BROWNING THORNTON
11482	SMARTSTYLE	LOCATED INSIDE WALMART #662	2800 SPRING AVE SW	DECATUR	AL	35603	US	256-350-4481	BROWNING THORNTON
11485	SMARTSTYLE	LOCATED INSIDE WALMART #604	4310 MONTGOMERY HWY	DOTHAN	AL	36303	US	334-677-1056	BROWNING THORNTON
11498	SMARTSTYLE	LOCATED INSIDE WALMART #2534	3300 S OATS ST	DOTHAN	AL	36301	US	334-673-8307	BROWNING THORNTON
11484	SMARTSTYLE	LOCATED INSIDE WALMART #734	600 BOLLWEEVIL CIR	ENTERPRISE	AL	36330	US	334-347-0854	BROWNING THORNTON
11511	SMARTSTYLE	LOCATED INSIDE WALMART #4333	10040 COUNTY ROAD 48	FAIRHOPE	AL	36532	US	251-990-5628	BROWNING THORNTON
11293	SMARTSTYLE	LOCATED INSIDE WALMART #4187	2701 CLOVERDALE RD	FLORENCE	AL	35633	US	256-767-1200	BROWNING THORNTON
11491	SMARTSTYLE	LOCATED INSIDE WALMART #301	340 E MEIGHAN BLVD	GADSDEN	AL	35903	US	256-549-1888	BROWNING THORNTON
11496	SMARTSTYLE	LOCATED INSIDE WALMART #1201	890 ODUM RD	GARDENDALE	AL	35071	US	205-631-1379	BROWNING THORNTON
11514	SMARTSTYLE	LOCATED INSIDE WALMART #2748	170 E FORT MORGAN RD	GULF SHORES	AL	36542	US	251-968-6130	BROWNING THORNTON
11494	SMARTSTYLE	LOCATED INSIDE WALMART #681	11697 US HIGHWAY 431	GUNTERSVILLE	AL	35976	US	256-891-7772	BROWNING THORNTON
11515	SMARTSTYLE	LOCATED INSIDE WALMART #1229	2780 JOHN HAWKINS PKWY	HOOVER	AL	35244	US	205-682-0725	BROWNING THORNTON

SMARTSTYLE FRANCHISED SALONS

11483	SMARTSTYLE	LOCATED INSIDE WALMART #433	2200 SPARKMAN DR NW	HUNTSVILLE	AL	35810	US	256-852-5067	BROWNING THORNTON
11519	SMARTSTYLE	LOCATED INSIDE WALMART #300	1625 PELHAM RD S	JACKSONVILLE	AL	36265	US	256-435-2153	BROWNING THORNTON
11520	SMARTSTYLE	LOCATED INSIDE WALMART #287	1801 US HIGHWAY 78 E	JASPER	AL	35501	US	205-221-0730	BROWNING THORNTON
11687	SMARTSTYLE	LOCATED INSIDE WALMART #5703	8580 HIGHWAY 72 W	MADISON	AL	35758	US	256-890-5200	BROWNING THORNTON
11499	SMARTSTYLE	LOCATED INSIDE WALMART #991	101 S BELTLINE HWY	MOBILE	AL	36606	US	251-478-5210	BROWNING THORNTON
11500	SMARTSTYLE	LOCATED INSIDE WALMART #853	685 SCHILLINGER RD S	MOBILE	AL	36695	US	251-634-0940	BROWNING THORNTON
11501	SMARTSTYLE	LOCATED INSIDE WALMART #866	5245 SERVICE RD S	MOBILE	AL	36619	US	251-665-0090	BROWNING THORNTON
11700	SMARTSTYLE	LOCATED INSIDE WALMART #938	6495 ATLANTA HWY	MONTGOMERY	AL	36117	US	334-260-0801	BROWNING THORNTON
11487	SMARTSTYLE	LOCATED INSIDE WALMART #315	2453 2ND AVE E	ONEONTA	AL	35121	US	205-625-5267	BROWNING THORNTON
11518	SMARTSTYLE	LOCATED INSIDE WALMART #809	92 PLAZA LN	OXFORD	AL	36203	US	256-835-3050	BROWNING THORNTON
11508	SMARTSTYLE	LOCATED INSIDE WALMART #5113	165 VAUGHAN LN	PELL CITY	AL	35125	US	205-338-2926	BROWNING THORNTON
11504	SMARTSTYLE	LOCATED INSIDE WALMART #1284	3700 HIGHWAY 431 N	PHENIX CITY	AL	36867	US	334-448-1848	BROWNING THORNTON
11292	SMARTSTYLE	LOCATED INSIDE WALMART #403	13675 HIGHWAY 43	RUSSELLVILLE	AL	35653	US	256-331-1405	BROWNING THORNTON
11607	SMARTSTYLE	LOCATED INSIDE WALMART #712	24833 JOHN TOREID PKWY	SCOTTSBORO	AL	35768	US	256-259-2588	BROWNING THORNTON
11699	SMARTSTYLE	LOCATED INSIDE WALMART #5174	7855 MOFFETT RD	SEMMES	AL	36575	US	251-645-9424	BROWNING THORNTON
11495	SMARTSTYLE	LOCATED INSIDE WALMART #1101	4538 US HIGHWAY 231	WETUMPKA	AL	36092	US	334-567-7175	BROWNING THORNTON
12551	SMARTSTYLE	LOCATED INSIDE WALMART #160	219 HIGHWAY 412	ASH FLAT	AR	72513	US	870-994-2005	JOHN DOBBINS
12560	SMARTSTYLE	LOCATED INSIDE WALMART #119	3150 HARRISON ST	BATESVILLE	AR	72501	US	870-698-1286	JOHN DOBBINS
11663	SMARTSTYLE	LOCATED INSIDE WALMART #4168	2003 W CENTER ST	BEEBE	AR	72012	US	501-882-6416	RADHIKA SIRIPIREDDY
11669	SMARTSTYLE	LOCATED INSIDE WALMART #85	17309 INTERSTATE 30	BENTON	AR	72015	US	501-882-6416	RADHIKA SIRIPIREDDY
12306	SMARTSTYLE	LOCATED INSIDE WALMART #100	406 S WALTON BLVD	BENTONVILLE	AR	72712	US	479-273-0089	GEORGE CHERAYIL
12555	SMARTSTYLE	LOCATED INSIDE WALMART #76	1000 W TRIMBLE	BERRYVILLE	AR	72616	US	870-423-4859	JOHN DOBBINS
11673	SMARTSTYLE	LOCATED INSIDE WALMART #3230	400 BRYANT AVE	BRYANT	AR	72022	US	501-653-2048	RADHIKA SIRIPIREDDY

SMARTSTYLE FRANCHISED SALONS

11661	SMARTSTYLE	LOCATED INSIDE WALMART #2587	304 S ROCKWOOD DR	CABOT	AR	72023	US	501-941-2205	RADHIKA SIRIPIREDDY
11662	SMARTSTYLE	LOCATED INSIDE WALMART #5	1155 SKYLINE DR	CONWAY	AR	72032	US	501-329-0202	RADHIKA SIRIPIREDDY
11674	SMARTSTYLE	LOCATED INSIDE WALMART #530	2730 N WEST AVE	EL DORADO	AR	71730	US	870-862-5102	RADHIKA SIRIPIREDDY
12311	SMARTSTYLE	LOCATED INSIDE WALMART #144	2875 W 6TH ST	FAYETTEVILLE	AR	72704	US	479-521-0488	GEORGE CHERAYIL
12312	SMARTSTYLE	LOCATED INSIDE WALMART #141	8301 ROGERS AVE	FORT SMITH	AR	72903	US	479-478-6930	GEORGE CHERAYIL
12313	SMARTSTYLE	LOCATED INSIDE WALMART #125	2425 S ZERO ST	FORT SMITH	AR	72901	US	479-649-8069	GEORGE CHERAYIL
12554	SMARTSTYLE	LOCATED INSIDE WALMART #2	161 N WALMART DR	HARRISON	AR	72601	US	870-365-7765	JOHN DOBBINS
11675	SMARTSTYLE	LOCATED INSIDE WALMART #52	1601 ALBERT PIKE RD	HOT SPRINGS	AR	71913	US	501-318-1501	RADHIKA SIRIPIREDDY
11676	SMARTSTYLE	LOCATED INSIDE WALMART #261	4019 CENTRAL AVE	HOT SPRINGS	AR	71913	US	501-525-0295	RADHIKA SIRIPIREDDY
11664	SMARTSTYLE	LOCATED INSIDE WALMART #24	2000 JOHN HARDEN DR	JACKSONVILLE	AR	72076	US	501-985-6440	RADHIKA SIRIPIREDDY
11666	SMARTSTYLE	LOCATED INSIDE WALMART #83	60 HIGHWAY 79 N	MAGNOLIA	AR	71753	US	870-901-6952	RADHIKA SIRIPIREDDY
11671	SMARTSTYLE	LOCATED INSIDE WALMART #348	427 HIGHWAY 425 N	MONTICELLO	AR	71655	US	870-367-4346	RADHIKA SIRIPIREDDY
12553	SMARTSTYLE	LOCATED INSIDE WALMART #11	65 WALMART DR	MOUNTAIN HOME	AR	72653	US	870-515-0212	JOHN DOBBINS
11670	SMARTSTYLE	LOCATED INSIDE WALMART #1105	4450 E MCCAIN BLVD	NORTH LITTLE ROCK	AR	72117	US	501-945-2191	RADHIKA SIRIPIREDDY
11668	SMARTSTYLE	LOCATED INSIDE WALMART #3331	5501 S OLIVE ST	PINE BLUFF	AR	71603	US	870-541-0951	RADHIKA SIRIPIREDDY
12304	SMARTSTYLE	LOCATED INSIDE WALMART #1	2110 W WALNUT ST STE 1 PMB 269	ROGERS	AR	72756	US	479-936-7780	GEORGE CHERAYIL
12307	SMARTSTYLE	LOCATED INSIDE WALMART #5260	4208 PLEASANT CROSSING BLVD	ROGERS	AR	72758	US	479-631-7772	GEORGE CHERAYIL
11667	SMARTSTYLE	LOCATED INSIDE WALMART #58	2409 E MAIN ST	RUSSELLVILLE	AR	72802	US	479-880-3290	RADHIKA SIRIPIREDDY
11665	SMARTSTYLE	LOCATED INSIDE WALMART #157	3509 E RACE AVE	SEARCY	AR	72143	US	501-279-0300	RADHIKA SIRIPIREDDY
11672	SMARTSTYLE	LOCATED INSIDE WALMART #7	9053 HIGHWAY 107	SHERWOOD	AR	72120	US	501-833-0699	RADHIKA SIRIPIREDDY
12309	SMARTSTYLE	LOCATED INSIDE WALMART #4	2901 HIGHWAY 412 E	SILOAM SPRINGS	AR	72761	US	479-549-3202	GEORGE CHERAYIL
12308	SMARTSTYLE	LOCATED INSIDE WALMART #4108	4870 ELM SPRINGS RD	SPRINGDALE	AR	72762	US	479-750-2305	GEORGE CHERAYIL
12310	SMARTSTYLE	LOCATED INSIDE WALMART #54	2004B S PLEASANT ST	SPRINGDALE	AR	72764	US	479-750-4788	GEORGE CHERAYIL

12358	SMARTSTYLE	LOCATED INSIDE WALMART #468	133 ARKANSAS BLVD	TEXARKANA	AR	71854	US	870-773-9750	PRASHANT AND RUCHIKA NAGRATH
12314	SMARTSTYLE	LOCATED INSIDE WALMART #16	2214 FAYETTEVILLE RD	VAN BUREN	AR	72956	US	479-471-5440	GEORGE CHERAYIL
18927	SMARTSTYLE	LOCATED INSIDE WALMART #1381	2555 W APACHE TRL	APACHE JUNCTION	AZ	85120	US	480-288-9919	KOTESWAR GAJAVELLI
11306	SMARTSTYLE	LOCATED INSIDE WALMART #2554	13055 W RANCHO SANTA FE BLVD	AVONDALE	AZ	85392	US	623-535-1864	THOMAS CHACKO AND SHINY THOMAS
11308	SMARTSTYLE	LOCATED INSIDE WALMART #3407	1060 S WATSON RD	BUCKEYE	AZ	85326	US	623-474-6714	THOMAS CHACKO AND SHINY THOMAS
18916	SMARTSTYLE	LOCATED INSIDE WALMART #1370	2840 HIGHWAY 95 STE 508	BULLHEAD CITY	AZ	86442	US	928-763-6343	MARISA GILARDONI
11681	SMARTSTYLE	LOCATED INSIDE WALMART #1218	1741 E FLORENCE BLVD	CASA GRANDE	AZ	85122	US	520-421-9800	RADHIKA SIRIPIREDDY
11680	SMARTSTYLE	LOCATED INSIDE WALMART #1334	100 S RAGUS RD	CLAYPOOL	AZ	85532	US	928-425-8394	RADHIKA SIRIPIREDDY
18917	SMARTSTYLE	LOCATED INSIDE WALMART #1299	2003 E RODEO DR	COTTONWOOD	AZ	86326	US	928-649-8485	MARISA GILARDONI
18123	SMARTSTYLE	LOCATED INSIDE WALMART #1846	199 W 5TH ST	DOUGLAS	AZ	85607	US	520-805-0474	JOHN FINA AND JENNIFER BARNER
11041	SMARTSTYLE	LOCATED INSIDE WALMART #3241	18551 N 83RD AVE	GLENDALE	AZ	85308	US	623-561-0538	RADHIKA SIRIPIREDDY
11042	SMARTSTYLE	LOCATED INSIDE WALMART #1532	5845 W BELL RD	GLENDALE	AZ	85308	US	602-942-4113	RADHIKA SIRIPIREDDY
11303	SMARTSTYLE	LOCATED INSIDE WALMART #5124	5605 W NORTHERN AVE	GLENDALE	AZ	85301	US	623-463-1011	THOMAS CHACKO AND SHINY THOMAS
11304	SMARTSTYLE	LOCATED INSIDE WALMART #3465	5010 N 95TH AVE	GLENDALE	AZ	85305	US	623-877-1188	THOMAS CHACKO AND SHINY THOMAS
19095	SMARTSTYLE	LOCATED INSIDE WALMART #1411	18680 S NOGALAS HWY	GREEN VALLEY	AZ	85614	US	520-625-0741	KOTESWAR GAJAVELLI
18232	SMARTSTYLE	LOCATED INSIDE WALMART #1364	5695 HIGHWAY 95 N	LAKE HAVASU CITY	AZ	86404	US	928-764-4546	RICHARD BERGER
11679	SMARTSTYLE	LOCATED INSIDE WALMART #4430	41650 W MARICOPA CASA GRANDE H	MARICOPA	AZ	85138	US	520-568-8717	RADHIKA SIRIPIREDDY
18828	SMARTSTYLE	LOCATED INSIDE WALMART #1646	6131 E SOUTHERN AVE	MESA	AZ	85206	US	480-985-8177	LEE & HEATHER KROLL
18829	SMARTSTYLE	LOCATED INSIDE WALMART #5428	1710 S GREENFIELD RD	MESA	AZ	85206	US	480-892-0152	LEE & HEATHER KROLL
18845	SMARTSTYLE	LOCATED INSIDE WALMART #2767	4505 E MICKELLIPS RD	MESA	AZ	85215	US	480-985-3100	CHRISTIAN KYUNG CHANG & JUNGMI YI
18931	SMARTSTYLE	LOCATED INSIDE WALMART #3833	1606 S SIGNAL BUTTE RD	MESA	AZ	85209	US	480-986-0495	KOTESWAR GAJAVELLI
19097	SMARTSTYLE	LOCATED INSIDE WALMART #1324	100 W WHITEPARK DR	NOGALES	AZ	85621	US	520-377-9118	KOTESWAR GAJAVELLI
18124	SMARTSTYLE	LOCATED INSIDE WALMART #3379	2150 E TANGERINE RD	ORO VALLEY	AZ	85755	US	520-544-0018	JOHN FINA AND JENNIFER BARNER

11683	SMARTSTYLE	LOCATED INSIDE WALMART #1369	300 N BEELINE HWY	PAYSON	AZ	85541	US	928-468-0010	RADHIKA SIRIPIREDDY
11302	SMARTSTYLE	LOCATED INSIDE WALMART #1533	7975 W PEORIA AVE	PEORIA	AZ	85345	US	623-776-2366	THOMAS CHACKO AND SHINY THOMAS
11310	SMARTSTYLE	LOCATED INSIDE WALMART #3896	21655 N LAKE PLEASANT PKWY	PEORIA	AZ	85382	US	623-566-0466	THOMAS CHACKO AND SHINY THOMAS
11299	SMARTSTYLE	LOCATED INSIDE WALMART #2512	1825 W BELL RD	PHOENIX	AZ	85023	US	602-938-0180	THOMAS CHACKO AND SHINY THOMAS
11301	SMARTSTYLE	LOCATED INSIDE WALMART #2113	1607 W BETHANY HOME RD	PHOENIX	AZ	85015	US	602-973-1333	THOMAS CHACKO AND SHINY THOMAS
11305	SMARTSTYLE	LOCATED INSIDE WALMART #1549	2020 N 75TH AVE	PHOENIX	AZ	85035	US	623-245-6645	THOMAS CHACKO AND SHINY THOMAS
11311	SMARTSTYLE	LOCATED INSIDE WALMART #5329	4435 W ANTHEM WAY	PHOENIX	AZ	85086	US	623-551-9025	THOMAS CHACKO AND SHINY THOMAS
11312	SMARTSTYLE	LOCATED INSIDE WALMART #5190	2501 W HAPPY VALLEY RD STE 34	PHOENIX	AZ	85085	US	623-587-1490	THOMAS CHACKO AND SHINY THOMAS
18918	SMARTSTYLE	LOCATED INSIDE WALMART #1417	3050 N HIGHWAY 69	PRESCOTT	AZ	86301	US	928-778-0705	MARISA GILARDONI
18233	SMARTSTYLE	LOCATED INSIDE WALMART #3751	1725 W HUNT HWY	QUEEN CREEK	AZ	85143	US	480-677-2043	JEFFREY AND MARJORIE CRENSHAW
18237	SMARTSTYLE	LOCATED INSIDE WALMART #4451	21055 E RITTENHOUSE RD	QUEEN CREEK	AZ	85142	US	480-888-9931	JEFFREY AND MARJORIE CRENSHAW
11678	SMARTSTYLE	LOCATED INSIDE WALMART #1149	755 S 20TH AVE	SAFFORD	AZ	85546	US	928-348-9086	RADHIKA SIRIPIREDDY
11300	SMARTSTYLE	LOCATED INSIDE WALMART #2766	15355 N NORTHSIGHT BLVD	SCOTTSDALE	AZ	85260	US	480-315-0179	THOMAS CHACKO AND SHINY THOMAS
11677	SMARTSTYLE	LOCATED INSIDE WALMART #1230	5401 S WHITE MOUNTAIN RD #D	SHOW LOW	AZ	85901	US	928-532-7372	RADHIKA SIRIPIREDDY
19096	SMARTSTYLE	LOCATED INSIDE WALMART #1240	500 N STATE HIGHWAY 90 BYPASS	SIERRA VISTA	AZ	85635	US	520-439-0406	KOTESWAR GAJAVELLI
11307	SMARTSTYLE	LOCATED INSIDE WALMART #5429	14111 N PRASADA GATEWAY AVE	SURPRISE	AZ	85388	US	623-584-6505	THOMAS CHACKO AND SHINY THOMAS
11309	SMARTSTYLE	LOCATED INSIDE WALMART #2777	13770 W BELL RD	SURPRISE	AZ	85374	US	623-544-4060	THOMAS CHACKO AND SHINY THOMAS
18125	SMARTSTYLE	LOCATED INSIDE WALMART #5626	1260 E TUCSON MARKETPLACE BLVD	TUCSON	AZ	85713	US	520-623-7676	JOHN FINA AND JENNIFER BARNER
19088	SMARTSTYLE	LOCATED INSIDE WALMART #1612	1650 W VALENCIA RD	TUCSON	AZ	85746	US	520-889-3050	KOTESWAR GAJAVELLI
19090	SMARTSTYLE	LOCATED INSIDE WALMART #2922	7695 N LA CHOLLA BLVD	TUCSON	AZ	85741	US	520-219-8333	KOTESWAR GAJAVELLI
19094	SMARTSTYLE	LOCATED INSIDE WALMART #5031	8280 N CORTARO RD	TUCSON	AZ	85743	US	520-744-3968	KOTESWAR GAJAVELLI
11682	SMARTSTYLE	LOCATED INSIDE WALMART #1328	700 MIKES PIKE ST	WINSLOW	AZ	86047	US	928-289-6615	RADHIKA SIRIPIREDDY

11684	SMARTSTYLE	LOCATED INSIDE WALMART #4325	8151 E 32ND ST	YUMA	AZ	85365	US	928-317-9140	RADHIKA SIRIPIREDDY
11685	SMARTSTYLE	LOCATED INSIDE WALMART #1474	2900 S PACIFIC AVE	YUMA	AZ	85365	US	928-314-3133	RADHIKA SIRIPIREDDY
11686	SMARTSTYLE	LOCATED INSIDE WALMART #5342	2501 S AVE B	YUMA	AZ	85364	US	928-317-3180	RADHIKA SIRIPIREDDY
12468	SMARTSTYLE	LOCATED INSIDE WALMART #5134	5075 GOSFORD RD	BAKERSFIELD	CA	93313	US	661-664-0704	HARDIAL GILL
12765	SMARTSTYLE	LOCATED INSIDE WALMART #3522	3250 BIG DALTON AVE	BALDWIN PARK	CA	91706	US	626-960-0280	HARDIAL GILL
12473	SMARTSTYLE	LOCATED INSIDE WALMART #5335	250 WILDCAT DR	BRAWLEY	CA	92227	US	760-351-9482	HARDIAL GILL
12466	SMARTSTYLE	LOCATED INSIDE WALMART #3516	1360 EASTLAKE PKWY	CHULA VISTA	CA	91915	US	619-656-7923	HARDIAL GILL
18827	SMARTSTYLE	LOCATED INSIDE WALMART #4340	13401 MAIN ST	HESPERIA	CA	92345	US	760-244-9282	ZAREH AMIRIAN
18824	SMARTSTYLE	LOCATED INSIDE WALMART #1563	44665 VALLEY CENTRAL WAY	LANCASTER	CA	93536	US	661-723-1380	ZAREH AMIRIAN
12767	SMARTSTYLE	LOCATED INSIDE WALMART #2950	37140 47TH ST E	PALMDALE	CA	93552	US	661-533-2087	HARDIAL GILL
12472	SMARTSTYLE	LOCATED INSIDE WALMART #1608	608 LUTHER RD	RED BLUFF	CA	96080	US	530-527-7606	HARDIAL GILL
12471	SMARTSTYLE	LOCATED INSIDE WALMART #2537	1515 DANA DR	REDDING	CA	96003	US	530-223-1648	HARDIAL GILL
11037	SMARTSTYLE	LOCATED INSIDE WALMART #1917	170 TOWN CENTER PKWY	SANTEE	CA	92071	US	619-956-0834	HARDIAL GILL
12467	SMARTSTYLE	LOCATED INSIDE WALMART #2708	32225 TEMECULA PKWY	TEMECULA	CA	92592	US	951-302-4619	HARDIAL GILL
12315	SMARTSTYLE	LOCATED INSIDE WALMART #869	3333 CLARK ST	ALAMOSA	CO	81101	US	719-587-3670	KOTESWAR GAJAVELLI
18635	SMARTSTYLE	LOCATED INSIDE WALMART #5137	6101 S AURORA PKWY	AURORA	CO	80016	US	303-766-2078	SCOTT GORMAN
18644	SMARTSTYLE	LOCATED INSIDE WALMART #5334	3301 N TOWER RD	AURORA	CO	80011	US	303-576-6426	SCOTT GORMAN
11944	SMARTSTYLE	LOCATED INSIDE WALMART #1199	171 YODER AVE	AVON	CO	81620	US	970-949-1611	KOTESWAR GAJAVELLI
18321	SMARTSTYLE	LOCATED INSIDE WALMART #4288	4651 W 121ST AVE	BROOMFIELD	CO	80020	US	303-465-0708	ERIC & JENNIFER HEWITT
18322	SMARTSTYLE	LOCATED INSIDE WALMART #5341	500 SUMMIT BLVD	BROOMFIELD	CO	80021	US	303-465-0288	ERIC & JENNIFER HEWITT
12475	SMARTSTYLE	LOCATED INSIDE WALMART #1019	3105 HIGHWAY 50 E	CANON CITY	CO	81212	US	719-275-5341	KOTESWAR GAJAVELLI
12437	SMARTSTYLE	LOCATED INSIDE WALMART #984	4400 FRONT ST	CASTLE ROCK	CO	80104	US	303-663-8238	SCOTT GORMAN
18913	SMARTSTYLE	LOCATED INSIDE WALMART #3582	1575 SPACE CENTER DR	COLORADO SPRINGS	CO	80915	US	719-622-1532	KOTESWAR GAJAVELLI

SMARTSTYLE FRANCHISED SALONS

18914	SMARTSTYLE	LOCATED INSIDE WALMART #1434	707 S 8TH ST	COLORADO SPRINGS	CO	80905	US	719-442-6829	KOTESWAR GAJAVELLI
18922	SMARTSTYLE	LOCATED INSIDE WALMART #5123	5550 E WOODMAN RD	COLORADO SPRINGS	CO	80920	US	719-536-0496	KOTESWAR GAJAVELLI
12443	SMARTSTYLE	LOCATED INSIDE WALMART #966	1835 E MAIN ST	CORTEZ	CO	81321	US	970-564-8193	ROBERT BRASHEAR
12441	SMARTSTYLE	LOCATED INSIDE WALMART #5458	37 STAFFORD LANE	DELTA	CO	81416	US	970-874-1577	ROBERT BRASHEAR
18323	SMARTSTYLE	LOCATED INSIDE WALMART #3566	9400 E HAMPDEN AVE	DENVER	CO	80231	US	303-751-5310	ERIC & JENNIFER HEWITT
18641	SMARTSTYLE	LOCATED INSIDE WALMART #3533	7800 E SMITH RD	DENVER	CO	80207	US	303-331-8591	SCOTT GORMAN
12444	SMARTSTYLE	LOCATED INSIDE WALMART #2270	1155 S CAMINO DEL RIO	DURANGO	CO	81303	US	970-382-5914	ROBERT BRASHEAR
11737	SMARTSTYLE	LOCATED INSIDE WALMART #2729	1250 E MAGNOLIA ST	FORT COLLINS	CO	80524	US	970-484-1714	ERIC & JENNIFER HEWITT
11935	SMARTSTYLE	LOCATED INSIDE WALMART #5033	1300 BARLOW RD	FORT MORGAN	CO	80701	US	970-542-0345	KOTESWAR GAJAVELLI
11748	SMARTSTYLE	LOCATED INSIDE WALMART #1273	6510 S US HIGHWAY 85-87	FOUNTAIN	CO	80817	US	719-392-7418	ERIC & JENNIFER HEWITT
11943	SMARTSTYLE	LOCATED INSIDE WALMART #1280	2881 NORTH AVE	GRAND JUNCTION	CO	81501	US	970-254-1096	ROBERT BRASHEAR
11945	SMARTSTYLE	LOCATED INSIDE WALMART #5099	2545 RIM ROCK AVE	GRAND JUNCTION	CO	81505	US	970-263-0661	ROBERT BRASHEAR
11934	SMARTSTYLE	LOCATED INSIDE WALMART #5051	920 47TH AVE	GREELEY	CO	80634	US	970-304-0710	KOTESWAR GAJAVELLI
11936	SMARTSTYLE	LOCATED INSIDE WALMART #980	3103 S 23RD AVE	GREELEY	CO	80631	US	970-339-5936	KOTESWAR GAJAVELLI
18325	SMARTSTYLE	LOCATED INSIDE WALMART #5957	5957 W 44TH AVE	LAKESIDE	CO	80212	US	303-477-4033	ERIC & JENNIFER HEWITT
18324	SMARTSTYLE	LOCATED INSIDE WALMART #2125	7455 W COLFAX AVE	LAKEWOOD	CO	80214	US	303-232-6565	ERIC & JENNIFER HEWITT
18326	SMARTSTYLE	LOCATED INSIDE WALMART #5049	13420 COAL MINE AVE	LITTLETON	CO	80127	US	303-979-8558	ERIC & JENNIFER HEWITT
18327	SMARTSTYLE	LOCATED INSIDE WALMART #1308	7700 W QUINCY AVE	LITTLETON	CO	80123	US	303-948-1158	ERIC & JENNIFER HEWITT
11736	SMARTSTYLE	LOCATED INSIDE WALMART #5370	2514 MAIN ST	LONGMONT	CO	80504	US	303-776-0542	ERIC & JENNIFER HEWITT
11743	SMARTSTYLE	LOCATED INSIDE WALMART #953	1325 N DENVER AVE	LOVELAND	CO	80537	US	970-663-0730	ERIC & JENNIFER HEWITT
12442	SMARTSTYLE	LOCATED INSIDE WALMART #1058	16750 S TOWNSEND AVE	MONTROSE	CO	81401	US	970-249-2716	ROBERT BRASHEAR
18920	SMARTSTYLE	LOCATED INSIDE WALMART #3227	16218 JACKSON CREEK PKWY	MONUMENT	CO	80132	US	719-488-4551	KOTESWAR GAJAVELLI
12438	SMARTSTYLE	LOCATED INSIDE WALMART #2892	11101 S PARKER RD	PARKER	CO	80134	US	720-842-1283	SCOTT GORMAN

18925	SMARTSTYLE	LOCATED INSIDE WALMART #3382	78 N MCCULLOCH BLVD	PEUBLO	CO	81007	US	719-547-9462	KOTESWAR GAJAVELLI
11747	SMARTSTYLE	LOCATED INSIDE WALMART #4335	11550 MERIDIAN MARKET VIEW	PEYTON	CO	80831	US	719-495-9773	ERIC & JENNIFER HEWITT
18911	SMARTSTYLE	LOCATED INSIDE WALMART #842	4200 DILLON DR	PUEBLO	CO	81008	US	719-544-7456	KOTESWAR GAJAVELLI
18912	SMARTSTYLE	LOCATED INSIDE WALMART #1001	4080 W NORTHERN AVE	PUEBLO	CO	81005	US	719-564-9332	KOTESWAR GAJAVELLI
18329	SMARTSTYLE	LOCATED INSIDE WALMART #1231	9901 GRANT ST	THORNTON	CO	80229	US	303-920-1173	ERIC & JENNIFER HEWITT
18903	SMARTSTYLE	LOCATED INSIDE WALMART #4599	4500 WEITZEL ST	TIMNATH	CO	80547	US	970-482-4448	ERIC & JENNIFER HEWITT
18330	SMARTSTYLE	LOCATED INSIDE WALMART #3824	7155 SHERIDAN BLVD	WESTMINSTER	CO	80003	US	303-426-4419	ERIC & JENNIFER HEWITT
18921	SMARTSTYLE	LOCATED INSIDE WALMART #3805	19600 E HIGHWAY 247	WOODLAND PARK	CO	80863	US	719-687-2610	KOTESWAR GAJAVELLI
11497	SMARTSTYLE	LOCATED INSIDE WALMART #2854	180 RIVER RD	LISBON	CT	06351	US	860-376-1253	DAVID & MCKELL KANE
12497	SMARTSTYLE	LOCATED INSIDE WALMART #1741	939 N DUPONT HWY	MILFORD	DE	19963	US	302-430-0881	KOTESWAR GAJAVELLI
17824	SMARTSTYLE	LOCATED INSIDE WALMART #955	1700 S ORANGE BLOSSOM TRL	APOPKA	FL	32703	US	407-880-1124	STEPHEN OJESHINA
18227	SMARTSTYLE	LOCATED INSIDE WALMART #811	2725 SE HIGHWAY 70	ARCADIA	FL	34266	US	863-494-0324	GREGORY AND PATRICIA JANSSEN
11207	SMARTSTYLE	LOCATED INSIDE WALMART #718	2120 US HIGHWAY 92 W	AUBURNDALE	FL	33823	US	863-965-1977	SCOTT SULLIVAN
11419	SMARTSTYLE	LOCATED INSIDE WALMART #3887	1041 US HIGHWAY 27 N	AVON PARK	FL	33825	US	863-452-0448	CYNTHIA AND BRANDON JONES
12689	SMARTSTYLE	LOCATED INSIDE WALMART #580	1050 VAN FLEET DR E	BARTOW	FL	33830	US	863-534-1996	SCOTT SULLIVAN
11191	SMARTSTYLE	LOCATED INSIDE WALMART #3474	6225 E STATE ROAD 64	BRADENTON	FL	34208	US	941-748-8145	GREGORY AND PATRICIA JANSSEN
17928	SMARTSTYLE	LOCATED INSIDE WALMART #528	2911 53RD AVE E	BRADENTON	FL	34203	US	941-751-9096	SCOTT SULLIVAN
17929	SMARTSTYLE	LOCATED INSIDE WALMART #1004	5315 CORTEZ RD W	BRADENTON	FL	34210	US	941-795-7800	SCOTT SULLIVAN
18148	SMARTSTYLE	LOCATED INSIDE WALMART #5727	5810 RANCH LAKE BLVD	BRADENTON	FL	34202	US	941-753-8208	GREGORY AND PATRICIA JANSSEN
17664	SMARTSTYLE	LOCATED INSIDE WALMART #3463	1208 E BRANDON BLVD	BRANDON	FL	33511	US	813-681-5087	SCOTT SULLIVAN
18908	SMARTSTYLE	LOCATED INSIDE WALMART #2387	11110 CAUSEWAY BLVD	BRANDON	FL	33511	US	813-654-8448	SCOTT SULLIVAN
17826	SMARTSTYLE	LOCATED INSIDE WALMART #3526	7305 BROAD ST	BROOKSVILLE	FL	34601	US	352-799-7599	STEPHEN OJESHINA
17830	SMARTSTYLE	LOCATED INSIDE WALMART #1213	13300 CORTEZ BLVD	BROOKSVILLE	FL	34613	US	352-597-7930	STEPHEN OJESHINA

17827	SMARTSTYLE	LOCATED INSIDE WALMART #959	2163 W C 48	BUSHNELL	FL	33513	US	352-793-2157	STEPHEN OJESHINA
18064	SMARTSTYLE	LOCATED INSIDE WALMART #1207	725 N TYNDALL PKWY	CALLAWAY	FL	32404	US	850-873-6478	BRIAN & CATHERINE DAVIS
11201	SMARTSTYLE	LOCATED INSIDE WALMART #819	1619 DEL PRADO BLVD S	CAPE CORAL	FL	33990	US	239-574-6671	SCOTT SULLIVAN
18260	SMARTSTYLE	LOCATED INSIDE WALMART #943	1241 STATE ROAD 436 STE 101	CASSELBERRY	FL	32707	US	407-677-9550	SHERRY (KORISHA) SOOKDEO
11409	SMARTSTYLE	LOCATED INSIDE WALMART #1297	2201 N YOUNG BLVD	CHEIFLAND	FL	32626	US	352-493-0097	CYNTHIA AND BRANDON JONES
11394	SMARTSTYLE	LOCATED INSIDE WALMART #2114	1621 MAIN ST	CHIPLEY	FL	32428	US	850-638-0018	BRIAN & CATHERINE DAVIS
19107	SMARTSTYLE	LOCATED INSIDE WALMART #5299	550 US HIGHWAY 27	CLERMONT	FL	34714	US	352-243-1151	SATISH AND SONAL PATEL
19108	SMARTSTYLE	LOCATED INSIDE WALMART #2695	1450 JOHNS LAKE RD	CLERMONT	FL	34711	US	352-394-1098	SATISH AND SONAL PATEL
11413	SMARTSTYLE	LOCATED INSIDE WALMART #174	2700 CLEARLAKE RD	COCOA	FL	32922	US	321-634-2000	CYNTHIA AND BRANDON JONES
18155	SMARTSTYLE	LOCATED INSIDE WALMART #1916	5571 W HILLSBORO BLVD	COCONUT CREEK	FL	33073	US	954-571-9229	PAM AND STEVE WHITE
18151	SMARTSTYLE	LOCATED INSIDE WALMART #1387	3801 TURTLE CREEK DR	CORAL SPRINGS	FL	33067	US	954-575-8808	PAM AND STEVE WHITE
11532	SMARTSTYLE	LOCATED INSIDE WALMART #3307	35 MIKE STEWART DR	CRAWFORDVILLE	FL	32327	US	850-926-9934	BROWNING THORNTON
17982	SMARTSTYLE	LOCATED INSIDE WALMART #1391	1101 BEVILLE RD	DAYTONA BEACH	FL	32119	US	386-763-4574	SATISH AND SONAL PATEL
11525	SMARTSTYLE	LOCATED INSIDE WALMART #1134	1226 FREEPORT RD	DE FUNIAK SPRINGS	FL	32435	US	850-892-0555	BROWNING THORNTON
17981	SMARTSTYLE	LOCATED INSIDE WALMART #860	1699 N WOODLAND BLVD	DELAND	FL	32720	US	386-740-7837	SATISH AND SONAL PATEL
18033	SMARTSTYLE	LOCATED INSIDE WALMART #1362	15017B EMERALD COAST PKWY	DESTIN	FL	32541	US	850-654-3381	BRIAN & CATHERINE DAVIS
11175	SMARTSTYLE	LOCATED INSIDE WALMART #960	11012 N WILLIAMS ST	DUNNELLON	FL	34432	US	352-489-5450	STEPHEN OJESHINA
11195	SMARTSTYLE	LOCATED INSIDE WALMART #1874	2931 S MCCALL RD	ENGLEWOOD	FL	34224	US	941-474-6952	GREGORY AND PATRICIA JANSSEN
11197	SMARTSTYLE	LOCATED INSIDE WALMART #5347	19975 S TAMIAMI TRL	ESTERO	FL	33928	US	239-437-9304	SCOTT SULLIVAN
11156	SMARTSTYLE	LOCATED INSIDE WALMART #2727	33501 S DIXIE HWY	FLORIDA CITY	FL	33034	US	305-248-6977	ALEJANDRO KONG
17756	SMARTSTYLE	LOCATED INSIDE WALMART #3625	3001 N STATE ROAD 7	FORT LAUDERDALE	FL	33313	US	954-739-6676	HUGO MENDOZA
11196	SMARTSTYLE	LOCATED INSIDE WALMART #987	14821 SIX MILE CYPRESS PKWY	FORT MYERS	FL	33912	US	239-437-1009	SCOTT SULLIVAN
11203	SMARTSTYLE	LOCATED INSIDE WALMART #5034	4770 COLONIAL BLVD	FORT MYERS	FL	33966	US	239-418-1153	SCOTT SULLIVAN

11523	SMARTSTYLE	LOCATED INSIDE WALMART #919	748 BEAL PKWY NW	FORT WALTON BEACH	FL	32547	US	850-864-4209	BROWNING THORNTON
17925	SMARTSTYLE	LOCATED INSIDE WALMART #5300	9205 GIBSONTON DR	GIBSONTON	FL	33534	US	813-741-3892	SCOTT SULLIVAN
11608	SMARTSTYLE	LOCATED INSIDE WALMART #2533	3767 GULF BREEZE PKWY	GULF BREEZE	FL	32563	US	850-916-1407	BROWNING THORNTON
11210	SMARTSTYLE	LOCATED INSIDE WALMART #725	36205 US HIGHWAY 27	HAINES CITY	FL	33844	US	863-421-2412	SCOTT SULLIVAN
11150	SMARTSTYLE	LOCATED INSIDE WALMART #1996	2551 E HALLENDALE BEACH BLVD	HALLANDALE	FL	33009	US	954-458-2133	ALEJANDRO KONG
17752	SMARTSTYLE	LOCATED INSIDE WALMART #1590	5851 NW 177TH ST	HIALEAH	FL	33015	US	305-556-0794	HUGO MENDOZA
17922	SMARTSTYLE	LOCATED INSIDE WALMART #5266	12610 US HIGHWAY 19	HUDSON	FL	34667	US	727-868-4578	SCOTT SULLIVAN
11177	SMARTSTYLE	LOCATED INSIDE WALMART #1104	2461 E GULF TO LAKE HWY	INVERNESS	FL	34453	US	352-726-6701	STEPHEN OJESHINA
11059	SMARTSTYLE	LOCATED INSIDE WALMART #3702	13227 CITY SQUARE DR	JACKSONVILLE	FL	32218	US	904-714-9433	VINISH DUREJA & KEERTI JUNEJA
11422	SMARTSTYLE	LOCATED INSIDE WALMART #1444	9890 HUTCHINSON PARK DR	JACKSONVILLE	FL	32225	US	904-724-1912	CYNTHIA AND BRANDON JONES
18245	SMARTSTYLE	LOCATED INSIDE WALMART #1090	6767 103RD ST	JACKSONVILLE	FL	32210	US	904-779-0779	VINISH DUREJA & KEERTI JUNEJA
11149	SMARTSTYLE	LOCATED INSIDE WALMART #1680	15885 SW 88TH ST	KENDALL	FL	33196	US	305-388-0215	ALEJANDRO KONG
18901	SMARTSTYLE	LOCATED INSIDE WALMART #817	4444 W VINE ST	KISSIMMEE	FL	34746	US	407-390-4556	SATISH AND SONAL PATEL
19109	SMARTSTYLE	LOCATED INSIDE WALMART #2881	1471 E OSCEOLA PKWY	KISSIMMEE	FL	34744	US	407-847-8376	SATISH AND SONAL PATEL
19112	SMARTSTYLE	LOCATED INSIDE WALMART #5420	3250 VINELAND RD	KISSIMMEE	FL	34746	US	321-677-0085	SATISH AND SONAL PATEL
19116	SMARTSTYLE	LOCATED INSIDE WALMART #5250	904 CYPRESS PKWY	KISSIMMEE	FL	34759	US	407-933-6500	SATISH AND SONAL PATEL
11618	SMARTSTYLE	LOCATED INSIDE WALMART #767	2767 W US HIGHWAY 90	LAKE CITY	FL	32055	US	386-752-5004	BROWNING THORNTON
11211	SMARTSTYLE	LOCATED INSIDE WALMART #859	2000 STATE ROAD 60 E	LAKE WALES	FL	33898	US	863-679-8942	SCOTT SULLIVAN
11212	SMARTSTYLE	LOCATED INSIDE WALMART #1245	5800 US HIGHWAY 98 N	LAKELAND	FL	33809	US	863-815-4320	SCOTT SULLIVAN
11187	SMARTSTYLE	LOCATED INSIDE WALMART #800	2501 CITRUS BLVD	LEESBURG	FL	34748	US	352-314-2423	STEPHEN OJESHINA
11617	SMARTSTYLE	LOCATED INSIDE WALMART #2626	6868 US HIGHWAY 129 STE A	LIVE OAK	FL	32060	US	386-362-5191	BROWNING THORNTON
18886	SMARTSTYLE	LOCATED INSIDE WALMART #988	1575 LAND O LAKES BLVD	LUTZ	FL	33549	US	813-909-7957	SCOTT SULLIVAN
11410	SMARTSTYLE	LOCATED INSIDE WALMART #1205	9218 STATE ROAD 228 S	MACCLENNY	FL	32063	US	904-259-9009	CYNTHIA AND BRANDON JONES

11396	SMARTSTYLE	LOCATED INSIDE WALMART #1375	2255 HIGHWAY 71	MARIANNA	FL	32448	US	850-482-2863	BRIAN & CATHERINE DAVIS
11414	SMARTSTYLE	LOCATED INSIDE WALMART #1702	1000 N WICKHAM RD	MELBOURNE	FL	32935	US	321-752-8155	CYNTHIA AND BRANDON JONES
11411	SMARTSTYLE	LOCATED INSIDE WALMART #771	1500 E MERRITT ISLAND CSWY	MERRITT ISLAND	FL	32952	US	321-453-8331	CYNTHIA AND BRANDON JONES
17750	SMARTSTYLE	LOCATED INSIDE WALMART #3235	1425 NE 163RD ST	MIAMI	FL	33162	US	305-354-3411	HUGO MENDOZA
18247	SMARTSTYLE	LOCATED INSIDE WALMART #3308	1580 BRANAN RD	MIDDLEBURG	FL	32068	US	904-282-0302	VINISH DUREJA & KEERTI JUNEJA
11188	SMARTSTYLE	LOCATED INSIDE WALMART #705	17030 US HIGHWAY 441	MOUNT DORA	FL	32757	US	352-383-1443	STEPHEN OJESHINA
11208	SMARTSTYLE	LOCATED INSIDE WALMART #5035	6745 N CHURCH AVE	MULBERRY	FL	33860	US	863-607-9927	SCOTT SULLIVAN
11204	SMARTSTYLE	LOCATED INSIDE WALMART #5055	9885 COLLIER BLVD	NAPLES	FL	34114	US	239-455-3414	SCOTT SULLIVAN
11205	SMARTSTYLE	LOCATED INSIDE WALMART #5391	5420 JULIET BLVD	NAPLES	FL	34109	US	239-592-1452	SCOTT SULLIVAN
11206	SMARTSTYLE	LOCATED INSIDE WALMART #3417	6650 COLLIER BLVD	NAPLES	FL	34114	US	239-793-0685	SCOTT SULLIVAN
11524	SMARTSTYLE	LOCATED INSIDE WALMART #3439	9360 NAVARRE PKWY	NAVARRE	FL	32566	US	850-939-6860	BROWNING THORNTON
11213	SMARTSTYLE	LOCATED INSIDE WALMART #994	8745 STATE ROUTE 54	NEW PORT RICHEY	FL	34655	US	727-372-1233	SCOTT SULLIVAN
11202	SMARTSTYLE	LOCATED INSIDE WALMART #623	545 PINE ISLAND RD	NORTH FORT MYERS	FL	33903	US	239-997-8885	SCOTT SULLIVAN
11198	SMARTSTYLE	LOCATED INSIDE WALMART #3387	17000 TAMIAMI TRL	NORTH PORT	FL	34287	US	941-426-6965	SCOTT SULLIVAN
11179	SMARTSTYLE	LOCATED INSIDE WALMART #5326	9570 SW HIGHWAY 200	OCALA	FL	34481	US	352-237-3757	STEPHEN OJESHINA
11183	SMARTSTYLE	LOCATED INSIDE WALMART #4368	34 BAHIA AVE	OCALA	FL	34472	US	352-261-1060	STEPHEN OJESHINA
11184	SMARTSTYLE	LOCATED INSIDE WALMART #1847	4980 E SILVER SPRINGS BLVD	OCALA	FL	34470	US	352-236-0119	STEPHEN OJESHINA
11185	SMARTSTYLE	LOCATED INSIDE WALMART #697	2600 SW 19TH AVENUE RD	OCALA	FL	34471	US	352-237-6829	STEPHEN OJESHINA
11417	SMARTSTYLE	LOCATED INSIDE WALMART #814	2101 S PARROTT AVE	OKEECHOBEE	FL	34974	US	863-467-6663	CYNTHIA AND BRANDON JONES
18906	SMARTSTYLE	LOCATED INSIDE WALMART #2796	3801 TAMPA RD # D	OLDSMAR	FL	34677	US	813-854-9021	SCOTT SULLIVAN
17983	SMARTSTYLE	LOCATED INSIDE WALMART #563	2400 VETERANS MEMORIAL PKWY	ORANGE CITY	FL	32763	US	386-851-0973	SATISH AND SONAL PATEL
11420	SMARTSTYLE	LOCATED INSIDE WALMART #2920	1505 COUNTY ROAD 220	ORANGE PARK	FL	32003	US	904-264-4727	CYNTHIA AND BRANDON JONES
18248	SMARTSTYLE	LOCATED INSIDE WALMART #1225	899 BLANDING BLVD	ORANGE PARK	FL	32065	US	904-276-3211	VINISH DUREJA & KEERTI JUNEJA

17817	SMARTSTYLE	LOCATED INSIDE WALMART #3782	5991 NEW GOLDENROD RD	ORLANDO	FL	32822	US	407-277-5577	STEPHEN OJESHINA
17820	SMARTSTYLE	LOCATED INSIDE WALMART #1220	2500 S KIRKMAN RD	ORLANDO	FL	32811	US	407-578-5100	STEPHEN OJESHINA
19110	SMARTSTYLE	LOCATED INSIDE WALMART #4332	8990 TURKEY LAKE RD	ORLANDO	FL	32819	US	407-345-8784	SATISH AND SONAL PATEL
19113	SMARTSTYLE	LOCATED INSIDE WALMART #890	11250 E COLONIAL DR	ORLANDO	FL	32817	US	407-281-9223	SATISH AND SONAL PATEL
11522	SMARTSTYLE	LOCATED INSIDE WALMART #613	1521 W GRANADA BLVD	ORMOND BEACH	FL	32174	US	386-677-4030	BROWNING THORNTON
11194	SMARTSTYLE	LOCATED INSIDE WALMART #5264	13140 S TAMIAMI TRL	OSPREY	FL	34229	US	941-966-6030	GREGORY AND PATRICIA JANSSEN
11527	SMARTSTYLE	LOCATED INSIDE WALMART #990	4965 HIGHWAY 90	PACE	FL	32571	US	850-994-0595	BROWNING THORNTON
11528	SMARTSTYLE	LOCATED INSIDE WALMART #551	1024 S STATE ROAD 19	PALATKA	FL	32177	US	386-329-4080	BROWNING THORNTON
11416	SMARTSTYLE	LOCATED INSIDE WALMART #5455	1040 MALABAR DR S R	PALM BAY	FL	32907	US	321-953-9931	CYNTHIA AND BRANDON JONES
11408	SMARTSTYLE	LOCATED INSIDE WALMART #1182	174 CYPRESS POINT PKWY	PALM COAST	FL	32164	US	386-446-0888	CYNTHIA AND BRANDON JONES
17931	SMARTSTYLE	LOCATED INSIDE WALMART #3370	508 10TH ST E	PALMETTO	FL	34221	US	941-721-0455	SCOTT SULLIVAN
11395	SMARTSTYLE	LOCATED INSIDE WALMART #818	10270 FRONT BEACH RD	PANAMA CITY BEACH	FL	32407	US	850-235-8003	BRIAN & CATHERINE DAVIS
11148	SMARTSTYLE	LOCATED INSIDE WALMART #2591	151 SW 184TH AVE	PEMBROKE PINES	FL	33029	US	954-431-0190	ALEJANDRO KONG
11526	SMARTSTYLE	LOCATED INSIDE WALMART #1224	2650 CREIGHTON RD	PENSACOLA	FL	32504	US	850-474-0788	BROWNING THORNTON
11615	SMARTSTYLE	LOCATED INSIDE WALMART #3484	2951 S BLUE ANGEL PKWY	PENSACOLA	FL	32506	US	850-456-8110	BROWNING THORNTON
11616	SMARTSTYLE	LOCATED INSIDE WALMART #1222	8970 PENSACOLA BLVD	PENSACOLA	FL	32534	US	850-471-9040	BROWNING THORNTON
18904	SMARTSTYLE	LOCATED INSIDE WALMART #1390	8001 US HIGHWAY 19 N	PINELLAS PARK	FL	33781	US	727-576-3941	SCOTT SULLIVAN
18909	SMARTSTYLE	LOCATED INSIDE WALMART #547	2602 JAMES L REDMAN PKWY	PLANT CITY	FL	33566	US	813-719-7354	SCOTT SULLIVAN
17755	SMARTSTYLE	LOCATED INSIDE WALMART #5325	5555 W ATLANTIC BLVD	POMPANO BEACH	FL	33063	US	954-971-3111	HUGO MENDOZA
11199	SMARTSTYLE	LOCATED INSIDE WALMART #721	19100 MURDOCK CIR	PORT CHARLOTTE	FL	33948	US	941-625-5563	SCOTT SULLIVAN
18228	SMARTSTYLE	LOCATED INSIDE WALMART #3349	375 KINGS HWY	PORT CHARLOTTE	FL	33983	US	941-235-4438	GREGORY AND PATRICIA JANSSEN
17984	SMARTSTYLE	LOCATED INSIDE WALMART #582	1590 DUNLAWTON AVE	PORT ORANGE	FL	32127	US	386-761-1482	SATISH AND SONAL PATEL
17915	SMARTSTYLE	LOCATED INSIDE WALMART #1085	8701 US HIGHWAY 19	PORT RICHEY	FL	34668	US	727-847-2421	SCOTT SULLIVAN

17757	SMARTSTYLE	LOCATED INSIDE WALMART #929	10855 S US HIGHWAY 1	PORT SAINT LUCIE	FL	34952	US	772-398-0031	HUGO MENDOZA
17761	SMARTSTYLE	LOCATED INSIDE WALMART #3527	1675 NW ST LUCIE WEST BLVD	PORT SAINT LUCIE	FL	34986	US	772-878-0246	HUGO MENDOZA
11200	SMARTSTYLE	LOCATED INSIDE WALMART #778	5001 TAYLOR RD	PUNTA GORDA	FL	33950	US	941-639-1346	SCOTT SULLIVAN
19115	SMARTSTYLE	LOCATED INSIDE WALMART #1086	4400 13TH ST	SAINT CLOUD	FL	34769	US	407-892-0411	SATISH AND SONAL PATEL
18149	SMARTSTYLE	LOCATED INSIDE WALMART #1536	10237 BAY PINES BLVD	SAINT PETERSBURG	FL	33708	US	727-398-8746	GREGORY AND PATRICIA JANSSEN
18261	SMARTSTYLE	LOCATED INSIDE WALMART #3207	1601 RINEHART RD	SANFORD	FL	32771	US	407-321-3203	SHERRY (KORISHA) SOOKDEO
18150	SMARTSTYLE	LOCATED INSIDE WALMART #1171	8320 LOCKWOOD RIDGE RD	SARASOTA	FL	34243	US	941-351-6457	GREGORY AND PATRICIA JANSSEN
17758	SMARTSTYLE	LOCATED INSIDE WALMART #1068	2001 US HIGHWAY 1	SEBASTIAN	FL	32958	US	772-589-9045	HUGO MENDOZA
11418	SMARTSTYLE	LOCATED INSIDE WALMART #666	3525 US HIGHWAY 27 N	SEBRING	FL	33870	US	863-385-4625	CYNTHIA AND BRANDON JONES
11190	SMARTSTYLE	LOCATED INSIDE WALMART #967	1485 COMMERCIAL WAY	SPRING HILL	FL	34606	US	352-666-9270	STEPHEN OJESHINA
17762	SMARTSTYLE	LOCATED INSIDE WALMART #1087	4001 SE FEDERAL HWY	STUART	FL	34997	US	772-283-7233	HUGO MENDOZA
11189	SMARTSTYLE	LOCATED INSIDE WALMART #2843	17861 S US HIGHWAY 441	SUMMERFIELD	FL	34491	US	352-245-6910	STEPHEN OJESHINA
11531	SMARTSTYLE	LOCATED INSIDE WALMART #1223	5500 THOMASVILLE RD	TALLAHASSEE	FL	32312	US	850-893-2515	BROWNING THORNTON
11533	SMARTSTYLE	LOCATED INSIDE WALMART #4520	4021 LAGNIAPPE WAY	TALLAHASSEE	FL	32317	US	850-219-7820	BROWNING THORNTON
17919	SMARTSTYLE	LOCATED INSIDE WALMART #2740	19910 BRUCE B DOWNS RD	TAMPA	FL	33647	US	813-994-2184	SCOTT SULLIVAN
17924	SMARTSTYLE	LOCATED INSIDE WALMART #5036	6192 GUNN HWY	TAMPA	FL	33625	US	813-961-5255	SCOTT SULLIVAN
11186	SMARTSTYLE	LOCATED INSIDE WALMART #4262	4085 WEDGEWOOD LN	THE VILLAGES	FL	32162	US	352-391-1040	STEPHEN OJESHINA
11412	SMARTSTYLE	LOCATED INSIDE WALMART #649	3175 CHENEY HWY	TITUSVILLE	FL	32780	US	321-264-0099	CYNTHIA AND BRANDON JONES
11192	SMARTSTYLE	LOCATED INSIDE WALMART #769	4150 TAMIAMI TRL	VENICE	FL	34293	US	941-497-5587	GREGORY AND PATRICIA JANSSEN
11415	SMARTSTYLE	LOCATED INSIDE WALMART #3538	8500 WICKHAM RD	VIERA	FL	32940	US	321-254-9921	CYNTHIA AND BRANDON JONES
17920	SMARTSTYLE	LOCATED INSIDE WALMART #3418	28500 STATE ROAD 54	WESLEY CHAPEL	FL	33543	US	813-973-1913	SCOTT SULLIVAN
17760	SMARTSTYLE	LOCATED INSIDE WALMART #1541	9990 BELVEDERE RD	WEST PALM BEACH	FL	33411	US	561-204-3365	HUGO MENDOZA
11214	SMARTSTYLE	LOCATED INSIDE WALMART #1203	4928 STATE ROAD 674	WIMAUMA	FL	33598	US	813-633-0300	SCOTT SULLIVAN

19106	SMARTSTYLE	LOCATED INSIDE WALMART #110	16313 NEW INDEPENDENCE PKWY	WINTER GARDEN	FL	34787	US	407-656-3009	SATISH AND SONAL PATEL
11215	SMARTSTYLE	LOCATED INSIDE WALMART #3347	7450 CYPRESS GARDENS BLVD	WINTER HAVEN	FL	33884	US	863-324-6576	SCOTT SULLIVAN
17666	SMARTSTYLE	LOCATED INSIDE WALMART #968	355 CYPRESS GARDEN BLVD	WINTER HAVEN	FL	33880	US	863-297-5367	SCOTT SULLIVAN
11209	SMARTSTYLE	LOCATED INSIDE WALMART #706	7631 GALL BLVD	ZEPHYRHILLS	FL	33541	US	813-779-9731	SCOTT SULLIVAN
12705	SMARTSTYLE	LOCATED INSIDE WALMART #588	2825 LEDO RD	ALBANY	GA	31707	US	229-446-9222	KOTESWAR GAJAVELLI
18757	SMARTSTYLE	LOCATED INSIDE WALMART #1400	1911 EPPS BRIDGE PKWY	ATHENS	GA	30606	US	706-543-9975	GARY AND ANGELA MITCHELL
18767	SMARTSTYLE	LOCATED INSIDE WALMART #2811	4375 LEXINGTON RD	ATHENS	GA	30605	US	706-425-9400	GARY AND ANGELA MITCHELL
12476	SMARTSTYLE	LOCATED INSIDE WALMART #1293	3209 DEANS BRIDGE RD	AUGUSTA	GA	30906	US	706-792-1791	JASON STEVENSON & RYAN ROSE
18386	SMARTSTYLE	LOCATED INSIDE WALMART #1586	1133 E WEST CONNECTOR	AUSTELL	GA	30106	US	770-433-2111	MIKE RICHARDS
12706	SMARTSTYLE	LOCATED INSIDE WALMART #5422	500 E ALICE ST	BAINBRIDGE	GA	39819	US	229-243-0369	KOTESWAR GAJAVELLI
18311	SMARTSTYLE	LOCATED INSIDE WALMART #1215	450 W BELMONT DR	CALHOUN	GA	30701	US	706-629-0533	MIKE RICHARDS
18593	SMARTSTYLE	LOCATED INSIDE WALMART #722	1735 S HIGHWAY 27 STE C BOX 6	CARROLLTON	GA	30117	US	678-796-9958	MARK DAY
18389	SMARTSTYLE	LOCATED INSIDE WALMART #615	101 MARKETPLACE BLVD	CARTERSVILLE	GA	30121	US	770-382-7882	MIKE RICHARDS
11695	SMARTSTYLE	LOCATED INSIDE WALMART #4283	2801 AIRPORT THRUWAY	COLUMBUS	GA	31909	US	706-322-1991	JASON STEVENSON & RYAN ROSE
11534	SMARTSTYLE	LOCATED INSIDE WALMART #3	30983 HIGHWAY 441	COMMERCE	GA	30529	US	706-335-0868	BROWNING THORNTON
18568	SMARTSTYLE	LOCATED INSIDE WALMART #5173	815 SHUGART RD	DALTON	GA	30720	US	706-277-7099	TOM & TERESA KRAMER
18582	SMARTSTYLE	LOCATED INSIDE WALMART #1488	7001 CONCOURSE PKWY	DOUGLASVILLE	GA	30134	US	678-838-0690	MARK DAY
18566	SMARTSTYLE	LOCATED INSIDE WALMART #1458	3040 BATTLEFIELD PKWY	FORT OGLETHORPE	GA	30742	US	706-866-8658	TOM & TERESA KRAMER
11623	SMARTSTYLE	LOCATED INSIDE WALMART #862	751 W OGLETHORPE HWY	HINESVILLE	GA	31313	US	912-876-4788	BROWNING THORNTON
18387	SMARTSTYLE	LOCATED INSIDE WALMART #618	4166 JIMMY LEE SMITH PKWY # D	HIRAM	GA	30141	US	770-439-4060	MIKE RICHARDS
11619	SMARTSTYLE	LOCATED INSIDE WALMART #2630	1100 N FIRST ST	JESUP	GA	31545	US	912-427-3223	BROWNING THORNTON
18567	SMARTSTYLE	LOCATED INSIDE WALMART #2988	2625 N HIGHWAY 27	LAFAYETTE	GA	30728	US	706-639-3935	TOM & TERESA KRAMER
18583	SMARTSTYLE	LOCATED INSIDE WALMART #3205	1100 THORNTON RD	LITHIA SPRINGS	GA	30122	US	678-945-8971	MARK DAY

18764	SMARTSTYLE	LOCATED INSIDE WALMART #1363	1681 EATONTON RD	MADISON	GA	30650	US	706-342-9378	GARY AND ANGELA MITCHELL
18578	SMARTSTYLE	LOCATED INSIDE WALMART #780	2050 W SPRING ST	MONROE	GA	30655	US	770-207-5955	MARK DAY
12708	SMARTSTYLE	LOCATED INSIDE WALMART #952	641 VETERANS PKWY S	MOULTRIE	GA	31788	US	229-890-7501	KOTESWAR GAJAVELLI
11265	SMARTSTYLE	LOCATED INSIDE WALMART #2860	160 POOLER PKWY	POOLER	GA	31322	US	912-748-4660	STEVE BAHLMANN
11782	SMARTSTYLE	LOCATED INSIDE WALMART #1011	434 COLUMBIA AVE	RINCON	GA	31326	US	912-826-5500	CHAD MORTON
11030	SMARTSTYLE	LOCATED INSIDE WALMART #5151	825 CARTERSVILLE HWY SE	ROME	GA	30161	US	706-378-9888	RAGHUNATH NAIR
18390	SMARTSTYLE	LOCATED INSIDE WALMART #658	2510 REDMOND CIR NW	ROME	GA	30165	US	706-291-0288	MIKE RICHARDS
11620	SMARTSTYLE	LOCATED INSIDE WALMART #836	6586 HIGHWAY 40 E STE C1	SAINT MARYS	GA	31558	US	912-576-1007	BROWNING THORNTON
11266	SMARTSTYLE	LOCATED INSIDE WALMART #635	6000 OGEECHEE RD	SAVANNAH	GA	31419	US	912-925-7012	STEVE BAHLMANN
18581	SMARTSTYLE	LOCATED INSIDE WALMART #3389	3435 CENTERVILLE HWY	SNELLVILLE	GA	30039	US	770-985-2286	MARK DAY
11264	SMARTSTYLE	LOCATED INSIDE WALMART #754	147 NORTHSIDE DR E	STATESBORO	GA	30458	US	912-489-4346	STEVE BAHLMANN
18580	SMARTSTYLE	LOCATED INSIDE WALMART #1184	1825 ROCKBRIDGE RD	STONE MOUNTAIN	GA	30087	US	770-879-4707	MARK DAY
11622	SMARTSTYLE	LOCATED INSIDE WALMART #1072	1830 US HIGHWAY 82 W	TIFTON	GA	31793	US	229-388-9039	BROWNING THORNTON
11536	SMARTSTYLE	LOCATED INSIDE WALMART #864	3109 E 1ST ST	VIDALIA	GA	30474	US	912-537-1666	BROWNING THORNTON
11029	SMARTSTYLE	LOCATED INSIDE WALMART #575	12182 HIGHWAY 92	WOODSTOCK	GA	30188	US	770-592-0632	RAGHUNATH NAIR
19149	SMARTSTYLE	LOCATED INSIDE WALMART #2764	3501 8TH ST SW	ALTOONA	IA	50009	US	515-967-8313	BLAKE AND LINDSEY JOCHIM
19150	SMARTSTYLE	LOCATED INSIDE WALMART #892	1002 SE NATIONAL DR	ANKENY	IA	50021	US	515-963-7918	BLAKE AND LINDSEY JOCHIM
19177	SMARTSTYLE	LOCATED INSIDE WALMART #3394	1905 E 7TH ST	ATLANTIC	IA	50022	US	712-243-2968	BLAKE AND LINDSEY JOCHIM
19179	SMARTSTYLE	LOCATED INSIDE WALMART #1787	2014 KITTY HAWK AVE	CARROLL	IA	51401	US	712-792-2656	BLAKE AND LINDSEY JOCHIM
19178	SMARTSTYLE	LOCATED INSIDE WALMART #753	525 BRANDILYNN BLVD STE 300	CEDAR FALLS	IA	50613	US	319-277-7464	BLAKE AND LINDSEY JOCHIM
19168	SMARTSTYLE	LOCATED INSIDE WALMART #2889	2715 S 25TH ST	CLINTON	IA	52732	US	563-243-1680	BLAKE AND LINDSEY JOCHIM
12353	SMARTSTYLE	LOCATED INSIDE WALMART #1965	3201 MANAWA CENTRE DR	COUNCIL BLUFFS	IA	51501	US	712-366-1269	GABRIEL AND MELINDA TRAMP
18794	SMARTSTYLE	LOCATED INSIDE WALMART #3150	1800 N 16TH ST	COUNCIL BLUFFS	IA	51501	US	712-322-2588	GABRIEL AND MELINDA TRAMP

19181	SMARTSTYLE	LOCATED INSIDE WALMART #1435	806 LAUREL ST	CRESTON	IA	50801	US	641-782-4873	BLAKE AND LINDSEY JOCHIM
19171	SMARTSTYLE	LOCATED INSIDE WALMART #1241	5811 ELMORE DR	DAVENPORT	IA	52807	US	563-441-0284	BLAKE AND LINDSEY JOCHIM
19173	SMARTSTYLE	LOCATED INSIDE WALMART #5115	3101 W KIMBERLY RD	DAVENPORT	IA	52806	US	563-388-3953	BLAKE AND LINDSEY JOCHIM
19185	SMARTSTYLE	LOCATED INSIDE WALMART #913	1798 OLD STAGE RD	DECORAH	IA	52101	US	563-382-3636	BLAKE AND LINDSEY JOCHIM
19146	SMARTSTYLE	LOCATED INSIDE WALMART #5748	2150 E 1ST ST	GRIMES	IA	50111	US	515-986-1166	BLAKE AND LINDSEY JOCHIM
19151	SMARTSTYLE	LOCATED INSIDE WALMART #14941	1500 N JEFFERSON ST	INDIANAOLA	IA	50125	US	515-962-0267	BLAKE AND LINDSEY JOCHIM
11788	SMARTSTYLE	LOCATED INSIDE WALMART #1431	300 N PARK DR	KEOKUK	IA	52632	US	319-524-1484	BLAKE AND LINDSEY JOCHIM
18102	SMARTSTYLE	LOCATED INSIDE WALMART #1625	1111 HOLTON DR SW	LE MARS	IA	51031	US	712-546-4483	DOUG BARNES
19165	SMARTSTYLE	LOCATED INSIDE WALMART #581	2802 S CENTER ST	MARSHALLTOWN	IA	50158	US	641-752-4119	BLAKE AND LINDSEY JOCHIM
19184	SMARTSTYLE	LOCATED INSIDE WALMART #810	4151 4TH ST SW	MASON CITY	IA	50401	US	641-421-7384	BLAKE AND LINDSEY JOCHIM
19169	SMARTSTYLE	LOCATED INSIDE WALMART #559	3003 N HIGHWAY 61	MUSCATINE	IA	52761	US	563-264-1533	BLAKE AND LINDSEY JOCHIM
19167	SMARTSTYLE	LOCATED INSIDE WALMART #748	300 IOWA SPEEDWAY DR	NEWTON	IA	50208	US	641-787-9311	BLAKE AND LINDSEY JOCHIM
11789	SMARTSTYLE	LOCATED INSIDE WALMART #1393	2203 AVENUE A WEST	OSKALOOSA	IA	52577	US	641-672-1628	BLAKE AND LINDSEY JOCHIM
19164	SMARTSTYLE	LOCATED INSIDE WALMART #1285	1940 VENTURE DR	OTTUMWA	IA	52501	US	641-684-4665	BLAKE AND LINDSEY JOCHIM
19182	SMARTSTYLE	LOCATED INSIDE WALMART #1152	255 16TH ST SW	SIOUX CENTER	IA	51250	US	712-422-0825	BLAKE AND LINDSEY JOCHIM
15911	SMARTSTYLE	LOCATED INSIDE WALMART #2714	500 11TH ST SW	SPENCER	IA	51301	US	712-262-8401	DOUG BARNES
18789	SMARTSTYLE	LOCATED INSIDE WALMART #1526	1831 LAKE AVE	STORM LAKE	IA	50588	US	712-732-8200	DOUG BARNES
19180	SMARTSTYLE	LOCATED INSIDE WALMART #1005	2712 4TH ST SW BOX 77	WAVERLY	IA	50677	US	319-352-9449	BLAKE AND LINDSEY JOCHIM
19170	SMARTSTYLE	LOCATED INSIDE WALMART #797	324 W AGENCY RD	WEST BURLINGTON	IA	52655	US	319-753-2736	BLAKE AND LINDSEY JOCHIM
19147	SMARTSTYLE	LOCATED INSIDE WALMART #3762	6365 STAGECOACH DR	WEST DES MOINES	IA	50266	US	515-225-1642	BLAKE AND LINDSEY JOCHIM
19118	SMARTSTYLE	LOCATED INSIDE WALMART #1902	1201 S 25TH ST	AMMON	ID	83406	US	208-970-9784	DAVID & MCKELL KANE
19120	SMARTSTYLE	LOCATED INSIDE WALMART #1905	565 JENSEN GROVE DR	BLACKFOOT	ID	83221	US	208-782-2182	DAVID & MCKELL KANE
19125	SMARTSTYLE	LOCATED INSIDE WALMART #2508	8300 W OVERLAND RD	BOISE	ID	83709	US	208-672-1281	DAVID & MCKELL KANE

12427	SMARTSTYLE	LOCATED INSIDE WALMART #1900	415 RIVERVIEW DR	BURLEY	ID	83318	US	208-678-2109	DAVID & MCKELL KANE
19128	SMARTSTYLE	LOCATED INSIDE WALMART #2780	5108 E CLEVELAND BLVD	CALDWELL	ID	83607	US	208-454-1617	DAVID & MCKELL KANE
19119	SMARTSTYLE	LOCATED INSIDE WALMART #1995	4240 YELLOWSTONE AVE	CHUBBUCK	ID	83202	US	208-237-1547	DAVID & MCKELL KANE
19123	SMARTSTYLE	LOCATED INSIDE WALMART #2861	7319 W STATE ST	GARDEN CITY	ID	83714	US	208-853-0225	DAVID & MCKELL KANE
12429	SMARTSTYLE	LOCATED INSIDE WALMART #2831	2680 S LINCOLN	JEROME	ID	83338	US	208-324-9113	DAVID & MCKELL KANE
19121	SMARTSTYLE	LOCATED INSIDE WALMART #2862	4051 E FAIRVIEW AVE	MERIDIAN	ID	83642	US	208-377-2916	DAVID & MCKELL KANE
19130	SMARTSTYLE	LOCATED INSIDE WALMART #3093	795 W OVERLAND RD	MERIDIAN	ID	83642	US	208-895-0662	DAVID & MCKELL KANE
19122	SMARTSTYLE	LOCATED INSIDE WALMART #2782	2745 AMERICAN LEGION BLVD	MOUNTAIN HOME	ID	83647	US	208-580-0343	DAVID & MCKELL KANE
19127	SMARTSTYLE	LOCATED INSIDE WALMART #2781	2100 12TH AVE RD	NAMPA	ID	83686	US	208-463-4241	DAVID & MCKELL KANE
19129	SMARTSTYLE	LOCATED INSIDE WALMART #3739	5875 E FRANKLIN RD	NAMPA	ID	83687	US	208-442-6438	DAVID & MCKELL KANE
19117	SMARTSTYLE	LOCATED INSIDE WALMART #1878	1450 N 2ND E	REXBURG	ID	83440	US	208-356-3896	DAVID & MCKELL KANE
12428	SMARTSTYLE	LOCATED INSIDE WALMART #3897	252 CHENEY DR	TWIN FALLS	ID	83301	US	208-733-1633	DAVID & MCKELL KANE
11796	SMARTSTYLE	LOCATED INSIDE WALMART #5199	475 ROUTE 173 E	ANTIOCH	IL	60002	US	847-838-4363	ERIC AND CHERYL HOFFMAN
11224	SMARTSTYLE	LOCATED INSIDE WALMART #262	919 GIACONE DR	BENTON	IL	62812	US	618-439-9437	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
17936	SMARTSTYLE	LOCATED INSIDE WALMART #1307	2080 STATE ROUTE 50	BOURBONNAIS	IL	60914	US	815-932-7850	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19197	SMARTSTYLE	LOCATED INSIDE WALMART #612	2250 LINCOLN AVE	CHARLESTON	IL	61920	US	217-345-1545	LAURA & PAUL PIOTROWSKI
11454	SMARTSTYLE	LOCATED INSIDE WALMART #2728	4625 E MARYLAND AVE	DECATUR	IL	62521	US	217-864-9816	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19196	SMARTSTYLE	LOCATED INSIDE WALMART #936	1204 AVE OF MIDAMERICA	EFFINGHAM	IL	62401	US	217-342-4858	LAURA & PAUL PIOTROWSKI
11225	SMARTSTYLE	LOCATED INSIDE WALMART #237	710 S COMMERCIAL ST	HARRISBURG	IL	62946	US	618-253-4617	LAKSHMI MADAMANCHI & VINEELA PARVATANENI

11221	SMARTSTYLE	LOCATED INSIDE WALMART #253	1316 S STATE ST	JERSEYVILLE	IL	62052	US	618-498-5999	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19186	SMARTSTYLE	LOCATED INSIDE WALMART #2956	1401 ILLINOIS FOUTE 59	JOLIET	IL	60431	US	815-254-2105	LAURA & PAUL PIOTROWSKI
11453	SMARTSTYLE	LOCATED INSIDE WALMART #199	825 MALERICH DR	LINCOLN	IL	62656	US	217-735-1270	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
11222	SMARTSTYLE	LOCATED INSIDE WALMART #213	1205 W FERDON ST	LITCHFIELD	IL	62056	US	217-324-4759	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
11226	SMARTSTYLE	LOCATED INSIDE WALMART #216	2802 OUTER ROAD DR	MARION	IL	62959	US	618-998-0701	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19188	SMARTSTYLE	LOCATED INSIDE WALMART #844	333 E US ROUTE 6	MORRIS	IL	60450	US	815-941-9407	LAURA & PAUL PIOTROWSKI
11723	SMARTSTYLE	LOCATED INSIDE WALMART #224	110 DAVIDSON AVE	MOUNT VERNON	IL	62864	US	618-242-7311	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19193	SMARTSTYLE	LOCATED INSIDE WALMART #1125	300 N GREENBRIAR DR	NORMAL	IL	61761	US	309-454-6086	LAURA & PAUL PIOTROWSKI
18344	SMARTSTYLE	LOCATED INSIDE WALMART #1418	1530 W HIGHWAY 50	O'FALLON	IL	62269	US	618-632-8506	ALEX AND EMILY OLIVER
11725	SMARTSTYLE	LOCATED INSIDE WALMART #254	1001 N WEST ST	OLNEY	IL	62450	US	618-395-2051	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
17908	SMARTSTYLE	LOCATED INSIDE WALMART #4049	21000 WESTERN AVE	OLYMPIA FIELDS	IL	60461	US	708-283-5100	AKASH PATEL & KIRIT PATEL
19192	SMARTSTYLE	LOCATED INSIDE WALMART #1386	1706 W REYNOLDS ST	PONTIAC	IL	61764	US	815-842-2487	LAURA & PAUL PIOTROWSKI
19191	SMARTSTYLE	LOCATED INSIDE WALMART #636	2111 CLAUDE BAILEY PKWY	PRINCETON	IL	61356	US	815-875-1576	LAURA & PAUL PIOTROWSKI
11722	SMARTSTYLE	LOCATED INSIDE WALMART #1454	5211 BROADWAY ST	QUINCY	IL	62305	US	217-224-8820	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19190	SMARTSTYLE	LOCATED INSIDE WALMART #422	1304 E MAIN ST STE A	ROBINSON	IL	62454	US	618-544-5313	LAURA & PAUL PIOTROWSKI

11724	SMARTSTYLE	LOCATED INSIDE WALMART #198	1870 W MAIN ST	SALEM	IL	62881	US	618-548-8092	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19194	SMARTSTYLE	LOCATED INSIDE WALMART #3255	505 S DUNLAP AVE	SAVOY	IL	61874	US	217-359-6730	LAURA & PAUL PIOTROWSKI
19189	SMARTSTYLE	LOCATED INSIDE WALMART #4511	1601 18TH ST	SILVIS	IL	61282	US	309-796-1507	LAURA & PAUL PIOTROWSKI
11450	SMARTSTYLE	LOCATED INSIDE WALMART #3210	2760 N DIRKSEN PKWY	SPRINGFIELD	IL	62702	US	217-544-9406	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
11223	SMARTSTYLE	LOCATED INSIDE WALMART #343	1175 E 1500 NORTH RD	TAYLORVILLE	IL	62568	US	217-824-9225	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19195	SMARTSTYLE	LOCATED INSIDE WALMART #1421	1980 FREEDOM PKWY	WASHINGTON	IL	61571	US	309-745-1417	LAURA & PAUL PIOTROWSKI
11324	SMARTSTYLE	LOCATED INSIDE WALMART #1728	2321 CHARLES ST	ANDERSON	IN	46013	US	765-643-3636	TAYT ODOM
19084	SMARTSTYLE	LOCATED INSIDE WALMART #1709	2016 N WAYNE ST	ANGOLA	IN	46703	US	260-665-7540	RYAN AND KAITLIN WARDLOW
18958	SMARTSTYLE	LOCATED INSIDE WALMART #1160	100 S SYCAMORE ESTATES DR	AURORA	IN	47001	US	812-926-3132	LEWIS AND NIDIA JOHNSON
12425	SMARTSTYLE	LOCATED INSIDE WALMART #2786	9500 E US HIGHWAY 36	AVON	IN	46123	US	317-271-7132	TAYT ODOM
12423	SMARTSTYLE	LOCATED INSIDE WALMART #1026	3200 JOHN WILLIAMS BLVD	BEDFORD	IN	47421	US	812-275-3582	TAYT ODOM
12422	SMARTSTYLE	LOCATED INSIDE WALMART #1991	3585 WEST STATE ROAD 45	BLOOMINGTON	IN	47403	US	812-333-4623	TAYT ODOM
12350	SMARTSTYLE	LOCATED INSIDE WALMART #566	1115 AMERICAN WAY	BOONVILLE	IN	47601	US	812-897-2673	JASMINKUMAR PATEL & DARREN SPAINHOWARD
11216	SMARTSTYLE	LOCATED INSIDE WALMART #2788	400 W NORTHFIELD DR	BROWNSBURG	IN	46112	US	317-858-8153	RYAN AND KAITLIN WARDLOW
11218	SMARTSTYLE	LOCATED INSIDE WALMART #4417	8191 UPLAND WAY	CAMBY	IN	46113	US	317-821-1924	RYAN AND KAITLIN WARDLOW
18160	SMARTSTYLE	LOCATED INSIDE WALMART #922	2363 HIGHWAY 135 NW	CORYDON	IN	47112	US	812-738-6289	MARTIN TIMM
18591	SMARTSTYLE	LOCATED INSIDE WALMART #1655	1835 S US HIGHWAY 231	CRAWFORDSVILLE	IN	47933	US	765-361-1382	RYAN AND KAITLIN WARDLOW
19032	SMARTSTYLE	LOCATED INSIDE WALMART #2679	175 COUNTY ROAD 6 W	ELKHART	IN	46514	US	574-264-2968	LEWIS AND NIDIA JOHNSON
12344	SMARTSTYLE	LOCATED INSIDE WALMART #1263	401 N BURKHART RD	EVANSVILLE	IN	47715	US	812-471-3259	JASMINKUMAR PATEL & DARREN SPAINHOWARD

12351	SMARTSTYLE	LOCATED INSIDE WALMART #1341	335 S RED BANK RD	EVANSVILLE	IN	47712	US	812-464-9227	JASMINKUMAR PATEL & DARREN SPAINHOWARD
19143	SMARTSTYLE	LOCATED INSIDE WALMART #1804	1710 APPLE GLEN BLVD	FORT WAYEN	IN	46804	US	260-432-3720	GREGORY GREVE AND KATHLEEN HARPER
19144	SMARTSTYLE	LOCATED INSIDE WALMART #5025	10420 MAYSVILLE RD	FORT WAYNE	IN	46835	US	260-486-2530	GREGORY GREVE AND KATHLEEN HARPER
19145	SMARTSTYLE	LOCATED INSIDE WALMART #4230	10105 LIMA RD	FORT WAYNE	IN	46818	US	260-489-5813	GREGORY GREVE AND KATHLEEN HARPER
11325	SMARTSTYLE	LOCATED INSIDE WALMART #995	2125 N MORTON ST	FRANKLIN	IN	46131	US	317-736-0201	TAYT ODOM
19008	SMARTSTYLE	LOCATED INSIDE WALMART #1378	2304 LINCOLN WAY E	GOSHEN	IN	46526	US	574-534-4414	LEWIS AND NIDIA JOHNSON
18589	SMARTSTYLE	LOCATED INSIDE WALMART #902	1750 E INDIANAPOLIS RD	GREENCASTLE	IN	46135	US	765-653-1700	RYAN AND KAITLIN WARDLOW
11326	SMARTSTYLE	LOCATED INSIDE WALMART #1141	1965 N STATE ST	GREENFIELD	IN	46140	US	317-462-6946	TAYT ODOM
12419	SMARTSTYLE	LOCATED INSIDE WALMART #1180	790 GREENSBURG COMMONS SHP CTR	GREENSBURG	IN	47240	US	812-662-8847	TAYT ODOM
18553	SMARTSTYLE	LOCATED INSIDE WALMART #1518	3221 W 86TH ST	INDIANAPOLIS	IN	46268	US	317-876-1552	LEWIS AND NIDIA JOHNSON
12337	SMARTSTYLE	LOCATED INSIDE WALMART #870	4040 NEWTON ST	JASPER	IN	47546	US	812-481-2447	JASMINKUMAR PATEL & DARREN SPAINHOWARD
19083	SMARTSTYLE	LOCATED INSIDE WALMART #1388	2501 E NORTH ST	KENDALLVILLE	IN	46755	US	260-343-0172	RYAN AND KAITLIN WARDLOW
18592	SMARTSTYLE	LOCATED INSIDE WALMART #1962	1920 E MARKLAND AVE	KOKOMO	IN	46901	US	765-452-9609	RYAN AND KAITLIN WARDLOW
11217	SMARTSTYLE	LOCATED INSIDE WALMART #1547	4205 COMMERCE DR	LAFAYETTE	IN	47905	US	765-446-0652	RYAN AND KAITLIN WARDLOW
11219	SMARTSTYLE	LOCATED INSIDE WALMART #3851	2347 E 350 S	LAFAYETTE	IN	47909	US	765-471-2894	RYAN AND KAITLIN WARDLOW
17910	SMARTSTYLE	LOCATED INSIDE WALMART #2276	333 BOYD BLVD	LAPORTE	IN	46350	US	219-362-4984	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
12424	SMARTSTYLE	LOCATED INSIDE WALMART #1002	2251 E STATE HIGHWAY 54	LINTON	IN	47441	US	812-847-0169	TAYT ODOM
19080	SMARTSTYLE	LOCATED INSIDE WALMART #1329	240 MALL RD	LOGANSPORT	IN	46947	US	574-753-0370	RYAN AND KAITLIN WARDLOW
11646	SMARTSTYLE	LOCATED INSIDE WALMART #1327	567 IVY TECH DR STE 4	MADISON	IN	47250	US	812-265-9903	LEWIS AND NIDIA JOHNSON

11220	SMARTSTYLE	LOCATED INSIDE WALMART #1356	410 GRAND VALLEY BLVD	MARTINSVILLE	IN	46151	US	765-349-8924	RYAN AND KAITLIN WARDLOW
19025	SMARTSTYLE	LOCATED INSIDE WALMART #2678	316 INDIAN RIDGE RD	MISHAWAKA	IN	46545	US	574-273-1042	LEWIS AND NIDIA JOHNSON
19079	SMARTSTYLE	LOCATED INSIDE WALMART #2771	1088 W BROADWAY ST	MONTICELLO	IN	47960	US	574-583-8198	RYAN AND KAITLIN WARDLOW
11323	SMARTSTYLE	LOCATED INSIDE WALMART #1665	4801 W CLARA LN	MUNCIE	IN	47304	US	765-288-5723	TAYT ODOM
11645	SMARTSTYLE	LOCATED INSIDE WALMART #2691	2910 GRANT LINE RD	NEW ALBANY	IN	47150	US	812-542-0715	LEWIS AND NIDIA JOHNSON
11322	SMARTSTYLE	LOCATED INSIDE WALMART #1758	3167 S STATE ROAD 3	NEW CASTLE	IN	47362	US	765-521-4819	TAYT ODOM
12352	SMARTSTYLE	LOCATED INSIDE WALMART #5728	8599 HIGH POINTE DR	NEWBURGH	IN	47630	US	812-853-8023	JASMINKUMAR PATEL & DARREN SPAINHOWARD
18554	SMARTSTYLE	LOCATED INSIDE WALMART #923	16865 CLOVER RD	NOBLESVILLE	IN	46060	US	317-770-0344	LEWIS AND NIDIA JOHNSON
19007	SMARTSTYLE	LOCATED INSIDE WALMART #1978	2505 N OAK RD	PLYMOUTH	IN	46563	US	574-935-0036	LEWIS AND NIDIA JOHNSON
17909	SMARTSTYLE	LOCATED INSIDE WALMART #2544	6087 US HIGHWAY 6	PORTAGE	IN	46368	US	219-364-0870	AKASH PATEL & KIRIT PATEL
12342	SMARTSTYLE	LOCATED INSIDE WALMART #1783	2700 W BROADWAY ST	PRINCETON	IN	47670	US	812-385-8279	JASMINKUMAR PATEL & DARREN SPAINHOWARD
11647	SMARTSTYLE	LOCATED INSIDE WALMART #1033	1608 E TIPTON ST	SEYMOUR	IN	47274	US	812-522-1925	LEWIS AND NIDIA JOHNSON
11327	SMARTSTYLE	LOCATED INSIDE WALMART #884	2500 PROGRESS PKWY	SHELBYVILLE	IN	46176	US	317-398-3522	TAYT ODOM
18161	SMARTSTYLE	LOCATED INSIDE WALMART #1676	730 US HIGHWAY 66 E	TELL CITY	IN	47586	US	812-548-0436	MARTIN TIMM
12339	SMARTSTYLE	LOCATED INSIDE WALMART #492	650 KIMMEL RD	VINCENNES	IN	47591	US	812-886-6680	JASMINKUMAR PATEL & DARREN SPAINHOWARD
19006	SMARTSTYLE	LOCATED INSIDE WALMART #1304	2501 WALTON BLVD	WARSAW	IN	46582	US	574-269-5576	LEWIS AND NIDIA JOHNSON
12341	SMARTSTYLE	LOCATED INSIDE WALMART #1162	1801 S STATE ROAD 57 STE 500	WASHINGTON	IN	47501	US	812-257-1961	JASMINKUMAR PATEL & DARREN SPAINHOWARD
12494	SMARTSTYLE	LOCATED INSIDE WALMART #372	1905 N 14TH AVE	DODGE CITY	KS	67801	US	620-225-8939	BROWNING THORNTON
11967	SMARTSTYLE	LOCATED INSIDE WALMART #186	301 S VILLAGE RD	EL DORADO	KS	67042	US	316-322-0110	GEORGE CHERAYIL
12488	SMARTSTYLE	LOCATED INSIDE WALMART #557	2301 INDUSTRIAL RD	EMPORIA	KS	66801	US	620-343-8801	BROWNING THORNTON
12493	SMARTSTYLE	LOCATED INSIDE WALMART #652	3101 E KANSAS AVE	GARDEN CITY	KS	67846	US	620-275-1723	BROWNING THORNTON

SMARTSTYLE FRANCHISED SALONS

12569	SMARTSTYLE	LOCATED INSIDE WALMART #770	3503 10TH ST	GREAT BEND	KS	67530	US	620-793-3339	BROWNING THORNTON
12492	SMARTSTYLE	LOCATED INSIDE WALMART #664	4301 VINE ST	HAYS	KS	67601	US	785-628-7573	BROWNING THORNTON
12489	SMARTSTYLE	LOCATED INSIDE WALMART #794	1905 E 17TH ST	HUTCHINSON	KS	67501	US	620-664-5780	BROWNING THORNTON
12568	SMARTSTYLE	LOCATED INSIDE WALMART #2893	121 S PETER PAN RD	INDEPENDENCE	KS	67301	US	620-331-8983	BROWNING THORNTON
12567	SMARTSTYLE	LOCATED INSIDE WALMART #43	521 E CHESTNUT ST	JUNCTION CITY	KS	66441	US	785-223-0734	BROWNING THORNTON
12495	SMARTSTYLE	LOCATED INSIDE WALMART #799	250 E TUCKER RD	LIBERAL	KS	67901	US	620-624-6474	BROWNING THORNTON
12500	SMARTSTYLE	LOCATED INSIDE WALMART #35	101 E BLUEMONT AVE	MANHATTAN	KS	66502	US	785-537-2062	BROWNING THORNTON
12491	SMARTSTYLE	LOCATED INSIDE WALMART #993	205 S CENTENNIAL DR	MCPHERSON	KS	67460	US	620-241-5714	BROWNING THORNTON
12490	SMARTSTYLE	LOCATED INSIDE WALMART #2428	1701 S KANSAS AVE	NEWTON	KS	67114	US	316-283-0669	BROWNING THORNTON
19037	SMARTSTYLE	LOCATED INSIDE WALMART #72	2710 N BROADWAY ST	PITTSBURG	KS	66762	US	620-232-7245	CLIFFORD AND LORI VANDERPOOL
12570	SMARTSTYLE	LOCATED INSIDE WALMART #558	2900 S 9TH ST	SALINA	KS	67401	US	785-823-9838	BROWNING THORNTON
12565	SMARTSTYLE	LOCATED INSIDE WALMART #5441	2600 NW ROCHESTER RD	TOPEKA	KS	66617	US	785-234-5906	BROWNING THORNTON
12566	SMARTSTYLE	LOCATED INSIDE WALMART #1802	1501 SW WANAMAKER RD STE 8210	TOPEKA	KS	66604	US	785-273-8821	BROWNING THORNTON
12421	SMARTSTYLE	LOCATED INSIDE WALMART #3283	10600 W 21ST ST	WICHITA	KS	67205	US	316-773-9576	GEORGE CHERAYIL
12498	SMARTSTYLE	LOCATED INSIDE WALMART #3492	11411 E KELLOGG DR	WICHITA	KS	67207	US	316-683-0668	BROWNING THORNTON
12499	SMARTSTYLE	LOCATED INSIDE WALMART #1099	501 E PAWNEE ST STE 100	WICHITA	KS	67211	US	316-263-2616	BROWNING THORNTON
12561	SMARTSTYLE	LOCATED INSIDE WALMART #1221	6110 W KELLOGG DR	WICHITA	KS	67209	US	316-942-8042	GEORGE CHERAYIL
12496	SMARTSTYLE	LOCATED INSIDE WALMART #369	2202 PIKE RD	WINFIELD	KS	67156	US	620-221-4329	BROWNING THORNTON
12392	SMARTSTYLE	LOCATED INSIDE WALMART #1426	351 RIVER HILL RD	ASHLAND	KY	41101	US	606-325-8602	LEWIS AND NIDIA JOHNSON
18163	SMARTSTYLE	LOCATED INSIDE WALMART #333	1701 N MAIN ST	BEAVER DAM	KY	42320	US	270-274-9869	MARTIN TIMM
18819	SMARTSTYLE	LOCATED INSIDE WALMART #584	20 FERGUSON BLVD	DRY RIDGE	KY	41035	US	859-824-9237	LEWIS AND NIDIA JOHNSON
18818	SMARTSTYLE	LOCATED INSIDE WALMART #1510	7625 DOERING DR	FLORENCE	KY	41042	US	859-802-1538	LEWIS AND NIDIA JOHNSON
18959	SMARTSTYLE	LOCATED INSIDE WALMART #2967	3450 VALLEY PLAZA PKWY	FORT MITCHELL	KY	41017	US	859-426-0074	LEWIS AND NIDIA JOHNSON

SMARTSTYLE FRANCHISED SALONS

12406	SMARTSTYLE	LOCATED INSIDE WALMART #711	2345 HAPPY VALLEY RD	GLASGOW	KY	42141	US	270-678-4257	LEWIS AND NIDIA JOHNSON
12412	SMARTSTYLE	LOCATED INSIDE WALMART #1247	29 JUSTICE DR	HAZARD	KY	41701	US	606-435-0577	LEWIS AND NIDIA JOHNSON
12364	SMARTSTYLE	LOCATED INSIDE WALMART #694	1195 BARRETT BLVD	HENDERSON	KY	42420	US	270-826-3335	JASMINKUMAR PATEL & DARREN SPAINHOWARD
11644	SMARTSTYLE	LOCATED INSIDE WALMART #3894	2350 GREY LAG WAY RD	LEXINGTON	KY	40509	US	859-543-8769	LEWIS AND NIDIA JOHNSON
11425	SMARTSTYLE	LOCATED INSIDE WALMART #1569	240 WALMART WAY STE 1	MAYSVILLE	KY	41056	US	606-759-9609	RYAN AND KAITLIN WARDLOW
12688	SMARTSTYLE	LOCATED INSIDE WALMART #739	1255 N 12TH ST STE 5	MIDDLESBORO	KY	40965	US	606-248-2495	LEWIS AND NIDIA JOHNSON
12407	SMARTSTYLE	LOCATED INSIDE WALMART #1234	175 WALMART PLAZA DR STE 4	MONTICELLO	KY	42633	US	606-340-0344	LEWIS AND NIDIA JOHNSON
11641	SMARTSTYLE	LOCATED INSIDE WALMART #1139	200 WALMART WAY	MOREHEAD	KY	40351	US	606-780-0105	LEWIS AND NIDIA JOHNSON
11639	SMARTSTYLE	LOCATED INSIDE WALMART #1140	499 INDIAN MOUND DR	MOUNT STERLING	KY	40353	US	859-497-0100	LEWIS AND NIDIA JOHNSON
18453	SMARTSTYLE	LOCATED INSIDE WALMART #491	5130 HINKLEVILLE RD	PADUCAH	KY	42001	US	270-442-4847	JOHN DOBBINS
12413	SMARTSTYLE	LOCATED INSIDE WALMART #1233	470 N MAYO TRL STE A	PAINTSVILLE	KY	41240	US	606-789-6211	LEWIS AND NIDIA JOHNSON
11642	SMARTSTYLE	LOCATED INSIDE WALMART #719	820 EASTERN BYPASS	RICHMOND	KY	40475	US	859-623-1149	LEWIS AND NIDIA JOHNSON
12408	SMARTSTYLE	LOCATED INSIDE WALMART #689	177 WASHINGTON DR STE C	SOMERSET	KY	42501	US	606-451-9197	LEWIS AND NIDIA JOHNSON
11640	SMARTSTYLE	LOCATED INSIDE WALMART #702	1859 BYPASS RD	WINCHESTER	KY	40391	US	859-737-0677	LEWIS AND NIDIA JOHNSON
11550	SMARTSTYLE	LOCATED INSIDE WALMART #309	3005 CHARITY ST	ABBEVILLE	LA	70510	US	337-893-3196	BROWNING THORNTON
11551	SMARTSTYLE	LOCATED INSIDE WALMART #539	2050 N MALL DR	ALEXANDRIA	LA	71301	US	318-767-0290	BROWNING THORNTON
11579	SMARTSTYLE	LOCATED INSIDE WALMART #4295	6225 COLISEUM BLVD	ALEXANDRIA	LA	71303	US	318-561-8115	BROWNING THORNTON
11540	SMARTSTYLE	LOCATED INSIDE WALMART #1102	14740 PLANK RD	BAKER	LA	70714	US	225-775-4460	BROWNING THORNTON
11537	SMARTSTYLE	LOCATED INSIDE WALMART #3288	10200 SULLIVAN RD	BATON ROUGE	LA	70818	US	225-261-3572	BROWNING THORNTON
11544	SMARTSTYLE	LOCATED INSIDE WALMART #839	9350 CORTANA PL	BATON ROUGE	LA	70815	US	225-927-4944	BROWNING THORNTON
11552	SMARTSTYLE	LOCATED INSIDE WALMART #540	973 HIGHWAY 90 E	BAYOU VISTA	LA	70380	US	985-395-5006	BROWNING THORNTON
11570	SMARTSTYLE	LOCATED INSIDE WALMART #402	1932 REES ST	BREAUX BRIDGE	LA	70517	US	337-507-3888	BROWNING THORNTON

11549	SMARTSTYLE	LOCATED INSIDE WALMART #909	8101 W JUDGE PEREZ DR	CHALMETTE	LA	70043	US	504-281-2334	BROWNING THORNTON
11553	SMARTSTYLE	LOCATED INSIDE WALMART #541	880 N HIGHWAY 190	COVINGTON	LA	70433	US	985-871-9066	BROWNING THORNTON
11554	SMARTSTYLE	LOCATED INSIDE WALMART #310	729 ODD FELLOWS RD	CROWLEY	LA	70526	US	337-783-4411	BROWNING THORNTON
11573	SMARTSTYLE	LOCATED INSIDE WALMART #505	1125 N PINE ST	DERIDDER	LA	70634	US	337-463-4267	BROWNING THORNTON
11569	SMARTSTYLE	LOCATED INSIDE WALMART #773	1538 US HIGHWAY 190	EUNICE	LA	70535	US	337-457-0017	BROWNING THORNTON
11541	SMARTSTYLE	LOCATED INSIDE WALMART #532	308 N AIRLINE HWY	GONZALES	LA	70737	US	225-644-0646	BROWNING THORNTON
11545	SMARTSTYLE	LOCATED INSIDE WALMART #1353	5110 JEFFERSON HWY	HARAHAN	LA	70123	US	504-734-5715	BROWNING THORNTON
11555	SMARTSTYLE	LOCATED INSIDE WALMART #3483	933 GRAND CAILLOU RD	HOUMA	LA	70363	US	985-851-3257	BROWNING THORNTON
11575	SMARTSTYLE	LOCATED INSIDE WALMART #542	1603 MARTIN LUTHER KING BLVD	HOUMA	LA	70360	US	985-872-4183	BROWNING THORNTON
11556	SMARTSTYLE	LOCATED INSIDE WALMART #386	303 INTERSTATE DR	JENNINGS	LA	70546	US	337-824-7733	BROWNING THORNTON
11546	SMARTSTYLE	LOCATED INSIDE WALMART #1342	300 W ESPLANADE AVE	KENNER	LA	70065	US	504-464-6003	BROWNING THORNTON
11557	SMARTSTYLE	LOCATED INSIDE WALMART #531	3142 AMBASSADOR CAFFERY PKWY	LAFAYETTE	LA	70506	US	337-991-0440	BROWNING THORNTON
11558	SMARTSTYLE	LOCATED INSIDE WALMART #2938	2428 W PINHOOK RD	LAFAYETTE	LA	70508	US	337-593-0194	BROWNING THORNTON
11559	SMARTSTYLE	LOCATED INSIDE WALMART #1204	3451 NELSON RD	LAKE CHARLES	LA	70605	US	337-478-4566	BROWNING THORNTON
11568	SMARTSTYLE	LOCATED INSIDE WALMART #521	2500 N MARTIN LUTHER KING HWY	LAKE CHARLES	LA	70601	US	337-436-5900	BROWNING THORNTON
11576	SMARTSTYLE	LOCATED INSIDE WALMART #469	3415 GERSTNER MEMORIAL HWY 14	LAKE CHARLES	LA	70607	US	337-477-2818	BROWNING THORNTON
11560	SMARTSTYLE	LOCATED INSIDE WALMART #405	2204 S 5TH ST	LEESVILLE	LA	71446	US	337-392-6222	BROWNING THORNTON
11548	SMARTSTYLE	LOCATED INSIDE WALMART #911	4810 LAPALCO BLVD	MARRERO	LA	70072	US	504-341-3152	BROWNING THORNTON
11574	SMARTSTYLE	LOCATED INSIDE WALMART #170	925 KEYSER AVE	NATCHITOCHES	LA	71457	US	318-356-9940	BROWNING THORNTON
11561	SMARTSTYLE	LOCATED INSIDE WALMART #533	1205 E ADMIRAL DOYAL DR	NEW IBERIA	LA	70560	US	377-367-3004	BROWNING THORNTON
11547	SMARTSTYLE	LOCATED INSIDE WALMART #1163	4001 BEHRMAN PL	NEW ORLEANS	LA	70114	US	504-368-8552	BROWNING THORNTON
11562	SMARTSTYLE	LOCATED INSIDE WALMART #543	1629 E CRESSWELL LN	OPELOUSAS	LA	70570	US	337-942-4846	BROWNING THORNTON
11563	SMARTSTYLE	LOCATED INSIDE WALMART #75	3636 MONROE HWY	PINEVILLE	LA	71360	US	318-640-8467	BROWNING THORNTON

11542	SMARTSTYLE	LOCATED INSIDE WALMART #1136	3255 LA HIGHWAY 1 S	PORT ALLEN	LA	70767	US	225-749-4270	BROWNING THORNTON
11543	SMARTSTYLE	LOCATED INSIDE WALMART #5056	17585 AIRLINE HWY	PRAIRIEVILLE	LA	70769	US	225-677-8475	BROWNING THORNTON
11564	SMARTSTYLE	LOCATED INSIDE WALMART #23	1201 N SERVICE RD	RUSTON	LA	71270	US	318-255-5780	BROWNING THORNTON
11565	SMARTSTYLE	LOCATED INSIDE WALMART #450	9550 MANSFIELD RD	SHREVEPORT	LA	71118	US	318-688-6679	BROWNING THORNTON
11566	SMARTSTYLE	LOCATED INSIDE WALMART #2665	167 NORTHSHORE BLVD	SLIDELL	LA	70460	US	985-643-6333	BROWNING THORNTON
11571	SMARTSTYLE	LOCATED INSIDE WALMART #553	39142 NATCHEZ DR	SLIDELL	LA	70461	US	985-781-2104	BROWNING THORNTON
11577	SMARTSTYLE	LOCATED INSIDE WALMART #331	525 N CITIES SERVICE HWY	SULPHUR	LA	70663	US	337-625-4885	BROWNING THORNTON
11567	SMARTSTYLE	LOCATED INSIDE WALMART #1016	410 N CANAL BLVD	THIBODAUX	LA	70301	US	985-493-8121	BROWNING THORNTON
11538	SMARTSTYLE	LOCATED INSIDE WALMART #2822	28270 WALKER S	WALKER	LA	70785	US	225-664-1161	BROWNING THORNTON
11572	SMARTSTYLE	LOCATED INSIDE WALMART #307	1205 GLENWOOD DR	WEST MONROE	LA	71291	US	318-387-0142	BROWNING THORNTON
11539	SMARTSTYLE	LOCATED INSIDE WALMART #428	5901 MAIN ST	ZACHARY	LA	70791	US	225-658-9190	BROWNING THORNTON
11964	SMARTSTYLE	LOCATED INSIDE WALMART #1918	250 HARTFORD AVE	BELLINGHAM	MA	02019	US	508-966-4341	DAVID & MCKELL KANE
12431	SMARTSTYLE	LOCATED INSIDE WALMART #1893	3300 NW CRAIN HWY	BOWIE	MD	20716	US	301-805-1118	KOTESWAR GAJAVELLI
12432	SMARTSTYLE	LOCATED INSIDE WALMART #1981	45485 MIRAMAR WAY	CALIFORNIA	MD	20619	US	301-863-6366	KOTESWAR GAJAVELLI
12433	SMARTSTYLE	LOCATED INSIDE WALMART #2233	7400 GUILFORD DR	FREDERICK	MD	21704	US	301-863-6366	KOTESWAR GAJAVELLI
12434	SMARTSTYLE	LOCATED INSIDE WALMART #2756	2421 MONOCACY BLVD	FREDERICK	MD	21701	US	301-694-4615	KOTESWAR GAJAVELLI
12709	SMARTSTYLE	LOCATED INSIDE WALMART #1674	17850 GARLAND GROH BLVD	HAGERSTOWN	MD	21740	US	301-790-4924	JASON STEVENSON & RYAN ROSE
12710	SMARTSTYLE	LOCATED INSIDE WALMART #2027	12500 COUNTRY CLUB MALL RD SW	LAVALE	MD	21502	US	301-729-6922	JASON STEVENSON & RYAN ROSE
12711	SMARTSTYLE	LOCATED INSIDE WALMART #2894	13164 GARRETT HWY	OAKLAND	MD	21550	US	301-533-0540	JASON STEVENSON & RYAN ROSE
12600	SMARTSTYLE	LOCATED INSIDE WALMART #1890	2702 N SALISBURY BLVD	SALISBURY	MD	21801	US	410-742-1088	KOTESWAR GAJAVELLI
19098	SMARTSTYLE	LOCATED INSIDE WALMART #1868	100 MOUNT AUBURN AVE	AUBURN	ME	04210	US	207-783-4610	VIKAS CHAWLA
19102	SMARTSTYLE	LOCATED INSIDE WALMART #2046	201 CIVIC CENTER DR	AUGUSTA	ME	04330	US	207-623-1054	VIKAS CHAWLA
18607	SMARTSTYLE	LOCATED INSIDE WALMART #1856	888 STILLWATER AVE	BANGOR	ME	04401	US	207-942-2105	VIKAS CHAWLA

17900	SMARTSTYLE	LOCATED INSIDE WALMART #2153	525 ALFRED ST	BIDDEFORD	ME	04005	US	207-284-9300	DAVID RESNICK
18585	SMARTSTYLE	LOCATED INSIDE WALMART #5076	24 WALTON DR	BREWER	ME	04412	US	207-989-4553	VIKAS CHAWLA
19099	SMARTSTYLE	LOCATED INSIDE WALMART #1939	15 TIBBETTS DR STE 2	BRUNSWICK	ME	04011	US	207-729-1136	VIKAS CHAWLA
18606	SMARTSTYLE	LOCATED INSIDE WALMART #1932	17 MYRICK ST	ELLSWORTH	ME	04605	US	207-664-6080	VIKAS CHAWLA
19105	SMARTSTYLE	LOCATED INSIDE WALMART #1866	615 WILTON RD	FARMINGTON	ME	04938	US	207-778-0571	VIKAS CHAWLA
19100	SMARTSTYLE	LOCATED INSIDE WALMART #2183	1240 MAIN ST	OXFORD	ME	04270	US	207-744-0641	VIKAS CHAWLA
18586	SMARTSTYLE	LOCATED INSIDE WALMART #2047	1573 MAIN ST	PALMYRA	ME	04965	US	207-368-5677	VIKAS CHAWLA
18587	SMARTSTYLE	LOCATED INSIDE WALMART #1924	781 MAIN ST	PRESQUE ISLE	ME	04769	US	207-764-0912	VIKAS CHAWLA
12426	SMARTSTYLE	LOCATED INSIDE WALMART #1954	1930 MAIN ST	SANFORD	ME	04073	US	207-324-2346	DAVID & MCKELL KANE
17902	SMARTSTYLE	LOCATED INSIDE WALMART #1788	500 GALLERY BLVD	SCARBOROUGH	ME	04074	US	207-885-0021	DAVID RESNICK
19104	SMARTSTYLE	LOCATED INSIDE WALMART #1797	55 THOMASTON COMMONS WAY	THOMASTON	ME	04861	US	207-594-0085	VIKAS CHAWLA
19103	SMARTSTYLE	LOCATED INSIDE WALMART #2013	80 WATERVILLE COMMONS DR	WATERVILLE	ME	04901	US	207-872-6042	VIKAS CHAWLA
17901	SMARTSTYLE	LOCATED INSIDE WALMART #2202	788 ROOSEVELT TRL	WINDHAM	ME	04062	US	207-893-2690	DAVID RESNICK
19141	SMARTSTYLE	LOCATED INSIDE WALMART #1836	1601 E US HIGHWAY 223	ADRIAN	MI	49221	US	517-263-8154	PRASHANT AND RUCHIKA NAGRATH
18502	SMARTSTYLE	LOCATED INSIDE WALMART #2358	1180 M-32 WEST	ALPENA	MI	49707	US	989-358-8093	RYAN DUNN
12447	SMARTSTYLE	LOCATED INSIDE WALMART #1592	901 N VAN DYKE RD	BAD AXE	MI	48413	US	989-269-9899	RYAN DUNN
18989	SMARTSTYLE	LOCATED INSIDE WALMART #1752	3921 WILDER RD	BAY CITY	MI	48706	US	989-671-0413	RYAN DUNN
18988	SMARTSTYLE	LOCATED INSIDE WALMART #1719	21400 PERRY AVE	BIG RAPIDS	MI	49307	US	231-527-1048	RYAN DUNN
12446	SMARTSTYLE	LOCATED INSIDE WALMART #1798	1121 E CARO RD	CARO	MI	48723	US	989-672-5031	RYAN DUNN
18505	SMARTSTYLE	LOCATED INSIDE WALMART #2100	1150 S MAIN ST	CHEBOYGAN	MI	49721	US	231-597-9914	RYAN DUNN
18457	SMARTSTYLE	LOCATED INSIDE WALMART #4243	11493 N LINDEN RD	CLIO	MI	48420	US	810-686-5639	DEBORAH LEMIEUX-KING
19140	SMARTSTYLE	LOCATED INSIDE WALMART #1593	800 E CHICAGO ST	COLDWATER	MI	49036	US	517-279-7772	PRASHANT AND RUCHIKA NAGRATH
12463	SMARTSTYLE	LOCATED INSIDE WALMART #2522	601 N LINCOLN RD	ESCANABA	MI	49829	US	906-789-3072	PRASHANT AND RUCHIKA NAGRATH

18461	SMARTSTYLE	LOCATED INSIDE WALMART #2693	3700 OWEN RD	FENTON	MI	48430	US	810-714-1825	DEBORAH LEMIEUX-KING
18459	SMARTSTYLE	LOCATED INSIDE WALMART #4540	970 GEHRINGER DR	FOWLERVILLE	MI	48836	US	517-223-5090	DEBORAH LEMIEUX-KING
12448	SMARTSTYLE	LOCATED INSIDE WALMART #1791	7083 48TH ST	FREMONT	MI	49412	US	231-924-6841	PRASHANT AND RUCHIKA NAGRATH
18503	SMARTSTYLE	LOCATED INSIDE WALMART #1542	950 EDELWEISS PKWY	GAYLORD	MI	49735	US	989-732-4692	RYAN DUNN
18456	SMARTSTYLE	LOCATED INSIDE WALMART #3726	6170 S SAGINAW RD	GRAND BLANC	MI	48439	US	810-694-4596	DEBORAH LEMIEUX-KING
18995	SMARTSTYLE	LOCATED INSIDE WALMART #2014	2129 W HOUGHTON LAKE DR	HOUGHTON LAKE	MI	48629	US	989-366-0409	RYAN DUNN
18460	SMARTSTYLE	LOCATED INSIDE WALMART #1754	3850 E GRAND RIVER AVE	HOWELL	MI	48843	US	517-552-1979	DEBORAH LEMIEUX-KING
12462	SMARTSTYLE	LOCATED INSIDE WALMART #2434	1920 S STEPHENSON AVE	IRON MOUNTAIN	MI	49801	US	906-779-9418	PRASHANT AND RUCHIKA NAGRATH
19136	SMARTSTYLE	LOCATED INSIDE WALMART #5160	1700 W MICHIGAN AVE	JACKSON	MI	49202	US	517-782-4370	PRASHANT AND RUCHIKA NAGRATH
19139	SMARTSTYLE	LOCATED INSIDE WALMART #1809	4623 CARELTON RD	JONESVILLE	MI	49250	US	517-849-9331	PRASHANT AND RUCHIKA NAGRATH
19005	SMARTSTYLE	LOCATED INSIDE WALMART #5065	501 S 9TH ST	KALAMAZOO	MI	49009	US	269-544-0817	LEWIS AND NIDIA JOHNSON
18521	SMARTSTYLE	LOCATED INSIDE WALMART #1987	555 E GENESSEE ST	LAPEER	MI	48446	US	810-667-2783	JULIA QAZAHA
18987	SMARTSTYLE	LOCATED INSIDE WALMART #2102	4854 W US HIGHWAY 10	LUDINGTON	MI	49431	US	231-845-8553	RYAN DUNN
12461	SMARTSTYLE	LOCATED INSIDE WALMART #2079	3225 US HIGHWAY 41 W	MARQUETTE	MI	49855	US	906-226-8445	PRASHANT AND RUCHIKA NAGRATH
18990	SMARTSTYLE	LOCATED INSIDE WALMART #2619	910 JOE MANN BLVD	MIDLAND	MI	48642	US	989-839-7132	RYAN DUNN
18991	SMARTSTYLE	LOCATED INSIDE WALMART #1428	4730 ENCORE BLVD	MOUNT PLEASANT	MI	48858	US	989-773-0246	RYAN DUNN
19135	SMARTSTYLE	LOCATED INSIDE WALMART #2238	1879 E SHERMAN BLVD	MUSKEGON	MI	49444	US	231-830-0662	PRASHANT AND RUCHIKA NAGRATH
19016	SMARTSTYLE	LOCATED INSIDE WALMART #2010	2107 S 11TH ST	NILES	MI	49120	US	269-687-2924	LEWIS AND NIDIA JOHNSON
18458	SMARTSTYLE	LOCATED INSIDE WALMART #1733	1621 E M 21	OWOSSO	MI	48867	US	989-729-7428	DEBORAH LEMIEUX-KING
18504	SMARTSTYLE	LOCATED INSIDE WALMART #2417	1600 ANDERSON RD	PETOSKEY	MI	49770	US	231-348-3509	RYAN DUNN
19004	SMARTSTYLE	LOCATED INSIDE WALMART #2061	412 CROSS OAKS MALL	PLAINWELL	MI	49080	US	269-685-3720	LEWIS AND NIDIA JOHNSON
18454	SMARTSTYLE	LOCATED INSIDE WALMART #5097	5650 BAY RD	SAGINAW	MI	48604	US	989-964-0182	DEBORAH LEMIEUX-KING
12464	SMARTSTYLE	LOCATED INSIDE WALMART #1936	3763 I 75 BUSINESS SPUR	SAULT SAINTE MARIE	MI	49783	US	906-635-0754	PRASHANT AND RUCHIKA NAGRATH

19002	SMARTSTYLE	LOCATED INSIDE WALMART #1540	3383 73RD ST	SOUTH HAVEN	MI	49090	US	269-639-9604	LEWIS AND NIDIA JOHNSON
19142	SMARTSTYLE	LOCATED INSIDE WALMART #1771	69801 S CENTERVILLE RD	STURGIS	MI	49091	US	269-651-1022	PRASHANT AND RUCHIKA NAGRATH
18999	SMARTSTYLE	LOCATED INSIDE WALMART #5376	621 E LAKE ST	TAWAS CITY	MI	48763	US	989-362-6706	RYAN DUNN
18993	SMARTSTYLE	LOCATED INSIDE WALMART #5159	2750 COOK RD	WEST BRANCH	MI	48661	US	989-345-0560	RYAN DUNN
12691	SMARTSTYLE	LOCATED INSIDE WALMART #1654	7295 GLORY RD	BAXTER	MN	56425	US	218-825-9116	ERIC AND CHERYL HOFFMAN
12690	SMARTSTYLE	LOCATED INSIDE WALMART #2352	2101 2ND AVE SE	CAMBRIDGE	MN	55008	US	763-689-2294	ERIC AND CHERYL HOFFMAN
12692	SMARTSTYLE	LOCATED INSIDE WALMART #1696	3300 STATE HIGHWAY 210 W	FERGUS FALLS	MN	56537	US	218-739-5411	ERIC AND CHERYL HOFFMAN
12576	SMARTSTYLE	LOCATED INSIDE WALMART #184	600 NE CORONADO DR	BLUE SPRINGS	MO	64014	US	816-229-4947	PRASHANT AND RUCHIKA NAGRATH
11716	SMARTSTYLE	LOCATED INSIDE WALMART #46	2451 S SPRINGFIELD AVE	BOLIVAR	MO	65613	US	417-777-9081	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19035	SMARTSTYLE	LOCATED INSIDE WALMART #4381	1101 BRANSON HILLS PKWY	BRANSON	MO	65616	US	417-334-0914	CLIFFORD AND LORI VANDERPOOL
18674	SMARTSTYLE	LOCATED INSIDE WALMART #2175	18401 BUSINESS 13	BRANSON WEST	MO	65737	US	417-272-8080	CLIFFORD AND LORI VANDERPOOL
11719	SMARTSTYLE	LOCATED INSIDE WALMART #89	94 CECIL ST	CAMDENTON	MO	65020	US	573-346-2608	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
19042	SMARTSTYLE	LOCATED INSIDE WALMART #13	2705 GRAND AVE	CARTHAGE	MO	64836	US	417-359-8806	CLIFFORD AND LORI VANDERPOOL
12573	SMARTSTYLE	LOCATED INSIDE WALMART #914	1401 OLD EXETER RD	CASSVILLE	MO	65625	US	417-847-6531	BROWNING THORNTON
12578	SMARTSTYLE	LOCATED INSIDE WALMART #135	1000 GRAVES ST	CHILLICOTHE	MO	64601	US	660-646-1112	BROWNING THORNTON
18695	SMARTSTYLE	LOCATED INSIDE WALMART #152	12862 STATE ROAD 21	DE SOTO	MO	63020	US	636-586-6594	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
18694	SMARTSTYLE	LOCATED INSIDE WALMART #95	407 N STATE ST	DESLOGE	MO	63601	US	573-518-0456	BROWNING THORNTON
18693	SMARTSTYLE	LOCATED INSIDE WALMART #30	2025 W BUS HIGHWAY 60	DEXTER	MO	63841	US	573-614-4904	PRASHANT AND RUCHIKA NAGRATH
18376	SMARTSTYLE	LOCATED INSIDE WALMART #69	650 S TRUMAN BLVD	FESTUS	MO	63028	US	636-933-0141	LAKSHMI MADAMANCHI & VINEELA PARVATANENI

11721	SMARTSTYLE	LOCATED INSIDE WALMART #609	3650 STARDUST DR	HANNIBAL	MO	63401	US	573-231-0871	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
12579	SMARTSTYLE	LOCATED INSIDE WALMART #96	1706 N STATE ROUTE 291	HARRISONVILLE	MO	64701	US	816-380-7872	BROWNING THORNTON
19046	SMARTSTYLE	LOCATED INSIDE WALMART #59	1501 S RANGELINE RD	JOPLIN	MO	64804	US	417-624-6105	CLIFFORD AND LORI VANDERPOOL
12575	SMARTSTYLE	LOCATED INSIDE WALMART #2857	8551 N BOARDWALK AVE	KANSAS CITY	MO	64154	US	816-587-2357	PRASHANT AND RUCHIKA NAGRATH
18537	SMARTSTYLE	LOCATED INSIDE WALMART #190	1500 E 1ST ST	KENNETT	MO	63857	US	573-888-3258	JOHN DOBBINS
12582	SMARTSTYLE	LOCATED INSIDE WALMART #189	2206 N BALTIMORE ST	KIRKSVILLE	MO	63501	US	660-627-4407	BROWNING THORNTON
11717	SMARTSTYLE	LOCATED INSIDE WALMART #14	1800 S JEFFERSON AVE	LEBANON	MO	65536	US	417-588-9231	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
18382	SMARTSTYLE	LOCATED INSIDE WALMART #5150	1900 MAPLEWOOD COMMONS DR	MAPLEWOOD	MO	63143	US	314-646-8187	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
12452	SMARTSTYLE	LOCATED INSIDE WALMART #363	855 S CHAROKEE DR	MARSHALL	MO	65340	US	660-886-8868	PRASHANT AND RUCHIKA NAGRATH
12453	SMARTSTYLE	LOCATED INSIDE WALMART #78	14740 STATE HIGHWAY 38	MARSHFIELD	MO	65706	US	417-468-2400	PRASHANT AND RUCHIKA NAGRATH
12581	SMARTSTYLE	LOCATED INSIDE WALMART #801	1605 S MAIN ST	MARYVILLE	MO	64468	US	660-562-2149	BROWNING THORNTON
12450	SMARTSTYLE	LOCATED INSIDE WALMART #25	4820 S CLARK ST	MEXICO	MO	65265	US	573-581-2234	PRASHANT AND RUCHIKA NAGRATH
12449	SMARTSTYLE	LOCATED INSIDE WALMART #40	1301 E HIGHWAY 24	MOBERLY	MO	65270	US	660-263-3001	PRASHANT AND RUCHIKA NAGRATH
18676	SMARTSTYLE	LOCATED INSIDE WALMART #48	885 HIGHWAY 60	MONETT	MO	65708	US	417-235-8411	CLIFFORD AND LORI VANDERPOOL
12572	SMARTSTYLE	LOCATED INSIDE WALMART #17	3200 LUSK RD	NEOSHO	MO	64850	US	417-451-9522	BROWNING THORNTON
19038	SMARTSTYLE	LOCATED INSIDE WALMART #34	2250 LINCOLN AVE	NEVADA	MO	64772	US	417-549-9885	CLIFFORD AND LORI VANDERPOOL
19036	SMARTSTYLE	LOCATED INSIDE WALMART #2702	1102 N MASSEY BLVD	NIXA	MO	65714	US	417-725-7984	CLIFFORD AND LORI VANDERPOOL
19034	SMARTSTYLE	LOCATED INSIDE WALMART #379	2004 W MARLER LN	OZARK	MO	65721	US	417-485-2091	CLIFFORD AND LORI VANDERPOOL
12571	SMARTSTYLE	LOCATED INSIDE WALMART #5261	100 COMMERCIAL DR	PINEVILLE	MO	64856	US	417-226-0236	BROWNING THORNTON
12577	SMARTSTYLE	LOCATED INSIDE WALMART #19	333 S WESTWOOD BLVD STE 3	POPLAR BLUFF	MO	63901	US	573-785-4455	BROWNING THORNTON

11711	SMARTSTYLE	LOCATED INSIDE WALMART #1009	1150 US HIGHWAY 60 E	REPUBLIC	MO	65738	US	417-732-4674	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
12584	SMARTSTYLE	LOCATED INSIDE WALMART #560	4201 N BELT HWY	SAINT JOSEPH	MO	64506	US	816-279-2976	BROWNING THORNTON
11718	SMARTSTYLE	LOCATED INSIDE WALMART #21	185 SAINT ROBERT BLVD	SAINT ROBERT	MO	65584	US	573-336-7393	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
12451	SMARTSTYLE	LOCATED INSIDE WALMART #219	3201 W BROADWAY BLVD	SEDALIA	MO	65301	US	660-827-7377	PRASHANT AND RUCHIKA NAGRATH
18692	SMARTSTYLE	LOCATED INSIDE WALMART #9	1303 S MAIN ST	SIKESTON	MO	63801	US	573-481-1179	PRASHANT AND RUCHIKA NAGRATH
11712	SMARTSTYLE	LOCATED INSIDE WALMART #444	3315 S CAMPBELL AVE	SPRINGFIELD	MO	65807	US	417-890-5810	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
11713	SMARTSTYLE	LOCATED INSIDE WALMART #179	3520 W SUNSHINE ST	SPRINGFIELD	MO	65807	US	417-887-4481	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
11714	SMARTSTYLE	LOCATED INSIDE WALMART #138	1923 E KEARNEY ST	SPRINGFIELD	MO	65803	US	417-865-1911	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
11715	SMARTSTYLE	LOCATED INSIDE WALMART #2221	2021 E INDEPENDENCE ST	SPRINGFIELD	MO	65804	US	417-889-8010	LAKSHMI MADAMANCHI & VINEELA PARVATANENI
12580	SMARTSTYLE	LOCATED INSIDE WALMART #61	301 E COOPER ST	WARRENSBURG	MO	64093	US	660-429-3700	BROWNING THORNTON
12574	SMARTSTYLE	LOCATED INSIDE WALMART #267	1212 S MADISON ST	WEBB CITY	MO	64870	US	417-673-2962	BROWNING THORNTON
12583	SMARTSTYLE	LOCATED INSIDE WALMART #15	1310 PREACHER ROE BLVD	WEST PLAINS	MO	65775	US	417-257-2840	BROWNING THORNTON
11298	SMARTSTYLE	LOCATED INSIDE WALMART #118	1515 US HIGHWAY 278 E	AMORY	MS	38821	US	662-256-1075	DAVID & KARNA PARKER
17718	SMARTSTYLE	LOCATED INSIDE WALMART #114	300 WALMART CIR	BOONEVILLE	MS	38829	US	662-728-6366	DAVID & KARNA PARKER
11585	SMARTSTYLE	LOCATED INSIDE WALMART #816	960 BROOK WAY BLVD	BROOKHAVEN	MS	39601	US	601-833-0072	BROWNING THORNTON
11696	SMARTSTYLE	LOCATED INSIDE WALMART #1710	950 HIGHWAY 80 E	CLINTON	MS	39056	US	601-925-0287	BROWNING THORNTON
11296	SMARTSTYLE	LOCATED INSIDE WALMART #495	1913 HIGHWAY 45 N	COLUMBUS	MS	39705	US	662-328-6789	BROWNING THORNTON

11297	SMARTSTYLE	LOCATED INSIDE WALMART #105	2301 HARPER RD	CORINTH	MS	38834	US	662-287-4020	DAVID & KARNA PARKER
11581	SMARTSTYLE	LOCATED INSIDE WALMART #2715	3615 SANGANI BLVD	DIBERVILLE	MS	39540	US	228-396-5015	BROWNING THORNTON
12563	SMARTSTYLE	LOCATED INSIDE WALMART #1074	1655 SUNSET DR	GRENADA	MS	38901	US	662-226-0702	DAVID & KARNA PARKER
11697	SMARTSTYLE	LOCATED INSIDE WALMART #903	2711 GREENWAY DR STE E	JACKSON	MS	39204	US	601-923-3500	BROWNING THORNTON
11627	SMARTSTYLE	LOCATED INSIDE WALMART #501	1621 HIGHWAY 15 N	LAUREL	MS	39440	US	601-649-9862	BROWNING THORNTON
11583	SMARTSTYLE	LOCATED INSIDE WALMART #1260	11228 OLD 63 S	LUCEDALE	MS	39452	US	601-947-1540	BROWNING THORNTON
11584	SMARTSTYLE	LOCATED INSIDE WALMART #2720	127 GRAND VIEW BLVD	MADISON	MS	39110	US	601-898-2088	BROWNING THORNTON
11633	SMARTSTYLE	LOCATED INSIDE WALMART #1025	1608 SMITHDALE RD STE 5 PMB 9	MCCOMB	MS	39648	US	601-250-1222	BROWNING THORNTON
11586	SMARTSTYLE	LOCATED INSIDE WALMART #981	1733 S FRONTAGE RD	MERIDIAN	MS	39301	US	601-485-3111	BROWNING THORNTON
11580	SMARTSTYLE	LOCATED INSIDE WALMART #1346	3911 BIENVILLE BLVD	OCEAN SPRINGS	MS	39564	US	228-818-0668	BROWNING THORNTON
11291	SMARTSTYLE	LOCATED INSIDE WALMART #699	2530 W JACKSON AVE	OXFORD	MS	38655	US	662-281-8551	DAVID & KARNA PARKER
11624	SMARTSTYLE	LOCATED INSIDE WALMART #1066	4253 DENNY AVE	PASCAGOULA	MS	39581	US	228-712-2996	BROWNING THORNTON
11587	SMARTSTYLE	LOCATED INSIDE WALMART #365	5520 HIGHWAY 80 E	PEARL	MS	39208	US	601-420-7043	BROWNING THORNTON
11688	SMARTSTYLE	LOCATED INSIDE WALMART #970	235 FRONTAGE RD	PICAYUNE	MS	39466	US	601-798-2720	BROWNING THORNTON
17715	SMARTSTYLE	LOCATED INSIDE WALMART #164	100 MCCORD RD	PONTOTOC	MS	38863	US	662-489-4878	DAVID & KARNA PARKER
18861	SMARTSTYLE	LOCATED INSIDE WALMART #848	6811 SOUTHCREST PKWY	SOUTHAVEN	MS	38671	US	662-349-5599	JOHN DOBBINS
11294	SMARTSTYLE	LOCATED INSIDE WALMART #112	1010 HIGHWAY 12 W	STARKVILLE	MS	39759	US	662-323-4090	BROWNING THORNTON
17713	SMARTSTYLE	LOCATED INSIDE WALMART #391	2270 W MAIN ST	TUPELO	MS	38801	US	662-840-3735	DAVID & KARNA PARKER
17714	SMARTSTYLE	LOCATED INSIDE WALMART #258	3929 N GLOSTER ST	TUPELO	MS	38804	US	662-840-1888	DAVID & KARNA PARKER
11582	SMARTSTYLE	LOCATED INSIDE WALMART #1195	460 HIGHWAY 90	WAVELAND	MS	39576	US	228-466-5162	BROWNING THORNTON
11919	SMARTSTYLE	LOCATED INSIDE WALMART #2923	1649 MAIN ST	BILLINGS	MT	59105	US	406-248-3644	NARASIMHAM BATLANKI & APARNA DEVI
11920	SMARTSTYLE	LOCATED INSIDE WALMART #1956	2525 KING AVE W	BILLINGS	MT	59102	US	406-652-3775	NARASIMHAM BATLANKI & APARNA DEVI

11923	SMARTSTYLE	LOCATED INSIDE WALMART #1901	3901 HARRISON AVE STE B	BUTTE	MT	59701	US	406-494-7892	NARASIMHAM BATLANKI & APARNA DEVI
11922	SMARTSTYLE	LOCATED INSIDE WALMART #2259	170 HUTTON RD	KALISPELL	MT	59901	US	406-755-1414	NARASIMHAM BATLANKI & APARNA DEVI
11921	SMARTSTYLE	LOCATED INSIDE WALMART #4412	101 BERNHARDT RD	LAUREL	MT	59044	US	406-628-5806	NARASIMHAM BATLANKI & APARNA DEVI
11924	SMARTSTYLE	LOCATED INSIDE WALMART #3259	3555 MULLAN RD	MISSOULA	MT	59808	US	406-543-9281	NARASIMHAM BATLANKI & APARNA DEVI
11145	SMARTSTYLE	LOCATED INSIDE WALMART #5085	701 HAWLEY AVE	BELMONT	NC	28012	US	704-825-4877	PERIASAMY PALANISAMY, NIRMALKUMAR
11143	SMARTSTYLE	LOCATED INSIDE WALMART #5063	1830 GALLERIA BLVD	CHARLOTTE	NC	28270	US	704-814-7116	ERIC BEFIDI
18774	SMARTSTYLE	LOCATED INSIDE WALMART #1464	8180 S TRYON ST	CHARLOTTE	NC	28273	US	704-588-9943	ERIC BEFIDI
11689	SMARTSTYLE	LOCATED INSIDE WALMART #5046	805 TOWN CENTER BLVD	CLAYTON	NC	27520	US	919-550-6244	BROWNING THORNTON
11142	SMARTSTYLE	LOCATED INSIDE WALMART #1027	150 CONCORD COMMONS PL	CONCORD	NC	28027	US	704-720-7306	PRASOBH MATHEW
17782	SMARTSTYLE	LOCATED INSIDE WALMART #4224	201 ZELKOVA CT NW	CONOVER	NC	28613	US	828-465-6062	JOANNA BOON
11387	SMARTSTYLE	LOCATED INSIDE WALMART #1527	101 TANGLEWOOD PKWY	ELIZABETH CITY	NC	27909	US	252-334-9588	KOTESWAR GAJAVELLI
11379	SMARTSTYLE	LOCATED INSIDE WALMART #6879	2820 GILLESPIE ST	FAYETTEVILLE	NC	28306	US	910-829-0039	SANTHOSH PHILIP & PRASOBH MATHEW
11588	SMARTSTYLE	LOCATED INSIDE WALMART #3595	7701 S RAEFORD RD	FAYETTEVILLE	NC	28304	US	910-864-4307	BROWNING THORNTON
11636	SMARTSTYLE	LOCATED INSIDE WALMART #1238	1550 SKIBO RD	FAYETTEVILLE	NC	28303	US	910-860-2021	BROWNING THORNTON
17788	SMARTSTYLE	LOCATED INSIDE WALMART #1036	197 PLAZA DR	FOREST CITY	NC	28043	US	828-288-0191	JOANNA BOON
11749	SMARTSTYLE	LOCATED INSIDE WALMART #5743	5141 NC HIGHWAY 42 W	GARNER	NC	27529	US	919-661-2001	KOTESWAR GAJAVELLI
18704	SMARTSTYLE	LOCATED INSIDE WALMART #4564	2908 US HIGHWAY 70 W	GOLDSBORO	NC	27530	US	919-736-3667	PERIASAMY PALANISAMY, NIRMALKUMAR
11376	SMARTSTYLE	LOCATED INSIDE WALMART #2256	200 N COOPER DR	HENDERSON	NC	27536	US	252-492-1125	SANTHOSH PHILIP & PRASOBH MATHEW
12479	SMARTSTYLE	LOCATED INSIDE WALMART #1242	250 HIGHLANDS SQUARE DR	HENDERSONVILLE	NC	28792	US	828-694-1401	KOTESWAR GAJAVELLI

SMARTSTYLE FRANCHISED SALONS

11146	SMARTSTYLE	LOCATED INSIDE WALMART #948	2525 US HIGHWAY 70 SE	HICKORY	NC	28602	US	828-261-0324	PERIASAMY PALANISAMY, NIRMALKUMAR
18212	SMARTSTYLE	LOCATED INSIDE WALMART #1191	501 HAMPTON POINTE BLVD	HILLSBOROUGH	NC	27278	US	919-732-6339	PERIASAMY PALANISAMY, NIRMALKUMAR
11378	SMARTSTYLE	LOCATED INSIDE WALMART #2929	3030 N MAIN ST	HOPE MILLS	NC	28348	US	910-424-6034	SANTHOSH PHILIP & PRASOBH MATHEW
11389	SMARTSTYLE	LOCATED INSIDE WALMART #3864	561 YOPP RD	JACKSONVILLE	NC	28540	US	910-346-4699	MICHAEL AND TRICIA DICKEY
11391	SMARTSTYLE	LOCATED INSIDE WALMART #1298	2025 N MARINE BLVD	JACKSONVILLE	NC	28546	US	910-455-6606	MICHAEL AND TRICIA DICKEY
11144	SMARTSTYLE	LOCATED INSIDE WALMART #2005	2420 SUPERCENTER DR NE	KANNAPOLIS	NC	28083	US	704-792-9708	PRASOBH MATHEW
18575	SMARTSTYLE	LOCATED INSIDE WALMART #1661	4101 W VERNON AVE	KINSTON	NC	28504	US	252-527-7539	PERIASAMY PALANISAMY, NIRMALKUMAR
11385	SMARTSTYLE	LOCATED INSIDE WALMART #1255	901 US HIGHWAY 402 S	LAURINBURG	NC	28352	US	910-277-0259	KOTESWAR GAJAVELLI
18463	SMARTSTYLE	LOCATED INSIDE WALMART #4273	1112 NEW POINTE BLVD	LELAND	NC	28451	US	910-383-3183	MICHAEL AND TRICIA DICKEY
11147	SMARTSTYLE	LOCATED INSIDE WALMART #1209	306 N GENERALS BLVD	LINCOLNTON	NC	28092	US	704-735-9396	PERIASAMY PALANISAMY, NIRMALKUMAR
11377	SMARTSTYLE	LOCATED INSIDE WALMART #1155	5070 FAYETTEVILLE RD	LUMBERTON	NC	28358	US	910-739-6800	SANTHOSH PHILIP & PRASOBH MATHEW
18213	SMARTSTYLE	LOCATED INSIDE WALMART #5346	1318 MEBANE OAKS RD	MEBANE	NC	27302	US	919-304-5416	PERIASAMY PALANISAMY, NIRMALKUMAR
17840	SMARTSTYLE	LOCATED INSIDE WALMART #1096	261 COOPER CREEK DR	MOCKSVILLE	NC	27028	US	336-751-2078	PRASOBH MATHEW
17784	SMARTSTYLE	LOCATED INSIDE WALMART #1156	169 NORMAN STATION BLVD	MOORESVILLE	NC	28117	US	704-799-7757	JOANNA BOON
11591	SMARTSTYLE	LOCATED INSIDE WALMART #1355	300 HIGHWAY 24	MOREHEAD CITY	NC	28557	US	252-726-1271	BROWNING THORNTON
11791	SMARTSTYLE	LOCATED INSIDE WALMART #1039	2241 ROCKFORD ST	MOUNT AIRY	NC	27030	US	336-719-6531	JASON STEVENSON & RYAN ROSE
11592	SMARTSTYLE	LOCATED INSIDE WALMART #515	2330 HIGHWAY 19 STE 8	MURPHY	NC	28906	US	828-835-7187	BROWNING THORNTON
11770	SMARTSTYLE	LOCATED INSIDE WALMART #5787	4545 FAYETTEVILLE RD	RAEFORD	NC	28376	US	910-848-0296	KOTESWAR GAJAVELLI
11374	SMARTSTYLE	LOCATED INSIDE WALMART #5118	10050 GLENWOOD AVE	RALEIGH	NC	27617	US	919-596-7523	SANTHOSH PHILIP & PRASOBH MATHEW
11388	SMARTSTYLE	LOCATED INSIDE WALMART #7009	349 KINSTON HWY	RICHLANDS	NC	28574	US	910-324-4827	KOTESWAR GAJAVELLI

11589	SMARTSTYLE	LOCATED INSIDE WALMART #1502	251 PREMIER BLVD	ROANOKE RAPIDS	NC	27870	US	252-537-0541	BROWNING THORNTON
11384	SMARTSTYLE	LOCATED INSIDE WALMART #1010	720 E US HIGHWAY 74 STE D	ROCKINGHAM	NC	28379	US	910-582-4242	KOTESWAR GAJAVELLI
11393	SMARTSTYLE	LOCATED INSIDE WALMART #1767	4540 MAINT ST STE B	SHALLOTTE	NC	28470	US	910-754-3398	MICHAEL AND TRICIA DICKEY
11239	SMARTSTYLE	LOCATED INSIDE WALMART #1034	705 E DIXON BLVD	SHELBY	NC	28152	US	704-480-1897	PERIASAMY PALANISAMY, NIRMALKUMAR
11751	SMARTSTYLE	LOCATED INSIDE WALMART #1321	1299 N BRIGHT LEAF BLVD	SMITHFIELD	NC	27577	US	919-934-8830	KOTESWAR GAJAVELLI
17783	SMARTSTYLE	LOCATED INSIDE WALMART #1662	1116 CROSSROADS DR	STATESVILLE	NC	28625	US	704-871-0558	JOANNA BOON
11593	SMARTSTYLE	LOCATED INSIDE WALMART #2440	210 WALMART PLAZA # 2	SYLVA	NC	28779	US	828-586-6767	BROWNING THORNTON
11424	SMARTSTYLE	LOCATED INSIDE WALMART #3503	1585 LIBERTY DR STE 1	THOMASVILLE	NC	27360	US	336-474-2299	PERIASAMY PALANISAMY, NIRMALKUMAR
11375	SMARTSTYLE	LOCATED INSIDE WALMART #5254	2114 S MAIN ST	WAKE FOREST	NC	27587	US	919-556-3109	SANTHOSH PHILIP & PRASOBH MATHEW
11386	SMARTSTYLE	LOCATED INSIDE WALMART #1354	570 PAMLICO PLAZA	WASHINGTON	NC	27889	US	252-948-2626	KOTESWAR GAJAVELLI
11790	SMARTSTYLE	LOCATED INSIDE WALMART #1663	135 TOWN CENTER LOOP	WAYNESVILLE	NC	28786	US	828-452-9021	JASON STEVENSON & RYAN ROSE
11392	SMARTSTYLE	LOCATED INSIDE WALMART #1268	200 COLUMBUS CORNERS DR	WHITEVILLE	NC	28472	US	910-642-9366	MICHAEL AND TRICIA DICKEY
11390	SMARTSTYLE	LOCATED INSIDE WALMART #1348	5135 CAROLINA BEACH RD	WILMINGTON	NC	28412	US	910-794-4468	MICHAEL AND TRICIA DICKEY
18462	SMARTSTYLE	LOCATED INSIDE WALMART #1392	5226 SIGMON RD	WILMINGTON	NC	28403	US	910-798-0109	MICHAEL AND TRICIA DICKEY
11590	SMARTSTYLE	LOCATED INSIDE WALMART #4499	841 E GANNON AVE	ZEBULON	NC	27597	US	919-269-5894	BROWNING THORNTON
11925	SMARTSTYLE	LOCATED INSIDE WALMART #3648	1400 SKYLINE BLVD	BISMARCK	ND	58503	US	701-222-1474	NARASIMHAM BATLANKI & APARNA DEVI
11927	SMARTSTYLE	LOCATED INSIDE WALMART #1567	2456 3RD AVE W	DICKINSON	ND	58601	US	701-225-9402	NARASIMHAM BATLANKI & APARNA DEVI
11928	SMARTSTYLE	LOCATED INSIDE WALMART #1565	4001 2ND AVE W	WILLISTON	ND	58801	US	701-572-4585	NARASIMHAM BATLANKI & APARNA DEVI
12354	SMARTSTYLE	LOCATED INSIDE WALMART #2847	10504 S 15TH ST	BELLEVUE	NE	68123	US	402-291-1525	GABRIEL AND MELINDA TRAMP
18104	SMARTSTYLE	LOCATED INSIDE WALMART #776	3010 E 23RD ST	FREEMONT	NE	68025	US	402-727-6686	DOUG BARNES

18562	SMARTSTYLE	LOCATED INSIDE WALMART #4600	11350 WICKERSHAM BLVD	GRETNA	NE	68028	US	402-891-5802	KHALIL AND ROSALIA ELJAMAL
18826	SMARTSTYLE	LOCATED INSIDE WALMART #598	5411 2ND AVE	KEARNEY	NE	68847	US	308-234-8012	DOUG BARNES
18853	SMARTSTYLE	LOCATED INSIDE WALMART #645	2400 PASEWALK AVE	NORFOLK	NE	68701	US	402-644-7925	DOUG BARNES
12355	SMARTSTYLE	LOCATED INSIDE WALMART #5361	12850 L ST	OMAHA	NE	68137	US	402-333-3228	GABRIEL AND MELINDA TRAMP
12356	SMARTSTYLE	LOCATED INSIDE WALMART #3267	18201 WRIGHT ST	OMAHA	NE	68130	US	402-758-1897	GABRIEL AND MELINDA TRAMP
18558	SMARTSTYLE	LOCATED INSIDE WALMART #5141	16960 W MAPLE RD	OMAHA	NE	68116	US	402-289-4818	KHALIL AND ROSALIA ELJAMAL
18787	SMARTSTYLE	LOCATED INSIDE WALMART #4358	1606 S 72ND ST	OMAHA	NE	68124	US	402-397-0285	GABRIEL AND MELINDA TRAMP
18557	SMARTSTYLE	LOCATED INSIDE WALMART #1671	8525 S 71ST ST PLAZA	PAPILLION	NE	68157	US	402-592-6737	KHALIL AND ROSALIA ELJAMAL
11269	SMARTSTYLE	LOCATED INSIDE WALMART #1796	85 ROUTE 101A	AMHERST	NH	03031	US	603-673-3808	VIKAS CHAWLA
11794	SMARTSTYLE	LOCATED INSIDE WALMART #1975	14 BOWEN ST	CLAREMONT	NH	03743	US	603-543-9736	JIM BRUYNELL
11272	SMARTSTYLE	LOCATED INSIDE WALMART #2055	344 LOUDON RD	CONCORD	NH	03301	US	603-228-6040	VIKAS CHAWLA
11063	SMARTSTYLE	LOCATED INSIDE WALMART #3535	35 FRESH RIVER RD STE 2	EPPING	NH	03042	US	603-679-3891	VIKAS CHAWLA
11792	SMARTSTYLE	LOCATED INSIDE WALMART #2634	551 MAIN ST	GORHAM	NH	03581	US	603-752-1435	DAVID & MCKELL KANE
18842	SMARTSTYLE	LOCATED INSIDE WALMART #1907	724 BRATTLEBORO RD	HINSDALE	NH	03451	US	603-336-5706	JIM BRUYNELL
18836	SMARTSTYLE	LOCATED INSIDE WALMART #1785	254 LOWELL RD	HUDSON	NH	03051	US	603-882-3382	JIM BRUYNELL
12465	SMARTSTYLE	LOCATED INSIDE WALMART #2758	683 TENNEY MOUNTAIN HWY	PLYMOUTH	NH	03264	US	603-536-9599	DAVID & MCKELL KANE
11273	SMARTSTYLE	LOCATED INSIDE WALMART #2130	2460 LAFAYETTE RD	PORTSMOUTH	NH	03801	US	603-431-0326	VIKAS CHAWLA
11276	SMARTSTYLE	LOCATED INSIDE WALMART #2330	116 FARMINGTON RD	ROCHESTER	NH	03867	US	603-332-3147	VIKAS CHAWLA
18840	SMARTSTYLE	LOCATED INSIDE WALMART #2142	326 N BROADWAY STE 344	SALEM	NH	03079	US	603-893-9628	JIM BRUYNELL
11274	SMARTSTYLE	LOCATED INSIDE WALMART #1762	700 LAFAYETTE RD STE 1	SEABROOK	NH	03874	US	603-474-5458	VIKAS CHAWLA
11275	SMARTSTYLE	LOCATED INSIDE WALMART #1749	59 WALTONS WAY	SOMERSWORTH	NH	03878	US	603-692-3008	VIKAS CHAWLA
11062	SMARTSTYLE	LOCATED INSIDE WALMART #2369	33 SHERWOOD DR	TILTON	NH	03276	US	603-286-8608	VIKAS CHAWLA
11793	SMARTSTYLE	LOCATED INSIDE WALMART #4389	4901 DARTMOUTH COLLEGE HWY	WOODSVILLE	NH	03785	US	603-747-2465	JIM BRUYNELL

18481	SMARTSTYLE	LOCATED INSIDE WALMART #2503	1885 ROUTE 57	HACKETTSTOWN	NJ	07840	US	908-813-2328	ALAN PORTO
18482	SMARTSTYLE	LOCATED INSIDE WALMART #2497	1300 US HIGHWAY 22 E	PHILLIPSBURG	NJ	08865	US	908-454-6875	ALAN PORTO
18109	SMARTSTYLE	LOCATED INSIDE WALMART #3159	1 TETERBORO LANDING	TETERBORO	NJ	7608	US	201-288-0381	DAVID THIERMAN AND MAYRA VIERA
11035	SMARTSTYLE	LOCATED INSIDE WALMART #1742	3511 ROUTE 42	TURNERSVILLE	NJ	08012	US	856-728-0818	ALOK WAHDWA & NEERU JAIN
11916	SMARTSTYLE	LOCATED INSIDE WALMART #1306	233 S NEW YORK AVE	ALAMOGORDO	NM	88310	US	575-439-5189	DAVID FESPERMAN
11652	SMARTSTYLE	LOCATED INSIDE WALMART #1397	10224 COORS BYP NW	ALBUQUERQUE	NM	87114	US	505-792-4993	ANTHONY AND APRIL CREED
11658	SMARTSTYLE	LOCATED INSIDE WALMART #2924	2550 COORS BLVD NW	ALBUQUERQUE	NM	87120	US	505-836-3141	ANTHONY AND APRIL CREED
11660	SMARTSTYLE	LOCATED INSIDE WALMART #5491	2266 WYOMING BLVD NE	ALBUQUERQUE	NM	87112	US	505-271-6446	ANTHONY AND APRIL CREED
19054	SMARTSTYLE	LOCATED INSIDE WALMART #3427	604 N 26TH ST	ARTESIA	NM	88210	US	575-746-3321	COBY CROUCH AND JARED CRAMER
11654	SMARTSTYLE	LOCATED INSIDE WALMART #3731	460 NM HIGHWAY 528	BERNALILLO	NM	87004	US	505-867-3919	ANTHONY AND APRIL CREED
19057	SMARTSTYLE	LOCATED INSIDE WALMART #868	2401 S CANAL ST	CARLSBAD	NM	88220	US	575-887-8686	COBY CROUCH AND JARED CRAMER
19047	SMARTSTYLE	LOCATED INSIDE WALMART #821	3728 N PRINCE ST	CLOVIS	NM	88101	US	575-742-2131	COBY CROUCH AND JARED CRAMER
11659	SMARTSTYLE	LOCATED INSIDE WALMART #4201	66 STATE ROAD 344	EDGEWOOD	NM	87015	US	505-281-1599	ANTHONY AND APRIL CREED
11653	SMARTSTYLE	LOCATED INSIDE WALMART #2656	1610 N RIVERSIDE DR	FAIRVIEW	NM	87532	US	505-753-4242	ANTHONY AND APRIL CREED
11911	SMARTSTYLE	LOCATED INSIDE WALMART #826	4600 E MAIN ST	FARMINGTON	NM	87402	US	505-325-5564	DAVID FESPERMAN
11912	SMARTSTYLE	LOCATED INSIDE WALMART #906	1650 W MALONEY AVE	GALLUP	NM	87301	US	505-863-5818	DAVID FESPERMAN
19048	SMARTSTYLE	LOCATED INSIDE WALMART #549	3800 N LOVINGTON HWY	HOBBS	NM	88240	US	575-492-0462	COBY CROUCH AND JARED CRAMER
11798	SMARTSTYLE	LOCATED INSIDE WALMART #4601	3331 RINCONADA BLVD	LAS CRUCES	NM	88011	US	575-373-1420	DAVID FESPERMAN
11799	SMARTSTYLE	LOCATED INSIDE WALMART #5155	1550 S VALLEY DR	LAS CRUCES	NM	88005	US	575-524-4191	DAVID FESPERMAN
11901	SMARTSTYLE	LOCATED INSIDE WALMART #5155	571 WALTON BLVD	LAS CRUCES	NM	88001	US	575-541-4955	DAVID FESPERMAN
11656	SMARTSTYLE	LOCATED INSIDE WALMART #3596	2250 MAIN ST NW	LOS LUNAS	NM	87031	US	505-565-2633	ANTHONY AND APRIL CREED
11655	SMARTSTYLE	LOCATED INSIDE WALMART #3732	901 UNSER BLVD	RIO RANCHO	NM	87124	US	505-994-1062	ANTHONY AND APRIL CREED
19049	SMARTSTYLE	LOCATED INSIDE WALMART #611	4500 N MAIN ST STE A	ROSWELL	NM	88201	US	575-624-7756	COBY CROUCH AND JARED CRAMER

11917	SMARTSTYLE	LOCATED INSIDE WALMART #851	26180 US HIGHWAY 70 E	RUIDOSO DOWNS	NM	88346	US	575-378-4243	DAVID FESPERMAN
11918	SMARTSTYLE	LOCATED INSIDE WALMART #1357	2501 HIGHWAY 180 E	SILVER CITY	NM	88061	US	575-534-9746	DAVID FESPERMAN
11903	SMARTSTYLE	LOCATED INSIDE WALMART #1648	3770 US HIGHWAY 395 S	CARSON CITY	NV	89705	US	775-267-2441	DAVID FESPERMAN
11904	SMARTSTYLE	LOCATED INSIDE WALMART #3408	3200 MARKET ST	CARSON CITY	NV	89706	US	775-841-6117	DAVID FESPERMAN
11907	SMARTSTYLE	LOCATED INSIDE WALMART #2453	2333 RENO HWY	FALLON	NV	89406	US	775-423-0453	DAVID FESPERMAN
11905	SMARTSTYLE	LOCATED INSIDE WALMART #4370	1550 E NEWLANDS DR	FERNLEY	NV	89408	US	775-575-6810	DAVID FESPERMAN
11902	SMARTSTYLE	LOCATED INSIDE WALMART #5864	1511 GRANT AVE	GARDNERVILLE	NV	89410	US	775-782-5636	DAVID FESPERMAN
11462	SMARTSTYLE	LOCATED INSIDE WALMART #2838	540 MARKS ST	HENDERSON	NV	89014	US	702-434-3720	ANTHONY AND APRIL CREED
11459	SMARTSTYLE	LOCATED INSIDE WALMART #1560	6005 EASTERN AVE	LAS VEGAS	NV	89119	US	702-436-2543	ANTHONY AND APRIL CREED
11461	SMARTSTYLE	LOCATED INSIDE WALMART #3350	5198 BOULDER HWY	LAS VEGAS	NV	89122	US	702-433-6571	ANTHONY AND APRIL CREED
11465	SMARTSTYLE	LOCATED INSIDE WALMART #4356	7200 ARROYO CROSSING PKWY	LAS VEGAS	NV	89113	US	702-233-1555	ANTHONY AND APRIL CREED
11466	SMARTSTYLE	LOCATED INSIDE WALMART #5070	5200 S FORT APACHE RD	LAS VEGAS	NV	89148	US	702-876-8670	ANTHONY AND APRIL CREED
11470	SMARTSTYLE	LOCATED INSIDE WALMART #2593	2310 E SERENE AVE	LAS VEGAS	NV	89123	US	702-260-4733	ANTHONY AND APRIL CREED
11471	SMARTSTYLE	LOCATED INSIDE WALMART #3351	6464 N DECATUR BLVD	LAS VEGAS	NV	89131	US	702-656-4014	ANTHONY AND APRIL CREED
11472	SMARTSTYLE	LOCATED INSIDE WALMART #1584	3625 S RAINBOW BLVD	LAS VEGAS	NV	89103	US	702-364-9029	ANTHONY AND APRIL CREED
11473	SMARTSTYLE	LOCATED INSIDE WALMART #3473	4505 W CHARLESTON BLVD	LAS VEGAS	NV	89102	US	702-822-1632	ANTHONY AND APRIL CREED
11474	SMARTSTYLE	LOCATED INSIDE WALMART #2884	8060 W TROPICAL PKWY	LAS VEGAS	NV	89149	US	702-645-5468	ANTHONY AND APRIL CREED
11638	SMARTSTYLE	LOCATED INSIDE WALMART #5101	300 S HIGHWAY 160	PAHRUMP	NV	89048	US	775-727-8878	ANTHONY AND APRIL CREED
11908	SMARTSTYLE	LOCATED INSIDE WALMART #3277	155 DAMONTE RANCH PKWY # A	RENO	NV	89521	US	775-852-6877	DAVID FESPERMAN
11909	SMARTSTYLE	LOCATED INSIDE WALMART #3254	5260 W 7TH ST	RENO	NV	89523	US	775-624-6014	DAVID FESPERMAN
11910	SMARTSTYLE	LOCATED INSIDE WALMART #2106	2425 E 2ND ST	RENO	NV	89502	US	775-348-9309	DAVID FESPERMAN
11906	SMARTSTYLE	LOCATED INSIDE WALMART #3729	5065 PYRAMID LAKE RD	SPARKS	NV	89436	US	775-425-6111	DAVID FESPERMAN
12456	SMARTSTYLE	LOCATED INSIDE WALMART #3607	13858 ROUTE 31 W	ALBION	NY	14411	US	585-589-5110	PRASHANT AND RUCHIKA NAGRATH

SMARTSTYLE FRANCHISED SALONS

11430	SMARTSTYLE	LOCATED INSIDE WALMART #1830	297 GRANT AVE	AUBURN	NY	13021	US	315-258-9783	CYNTHIA AND BRANDON JONES
12457	SMARTSTYLE	LOCATED INSIDE WALMART #1993	6265 BROCKPORT SPENCERPORT RD	BROCKPORT	NY	14420	US	585-637-2990	PRASHANT AND RUCHIKA NAGRATH
11428	SMARTSTYLE	LOCATED INSIDE WALMART #1673	4238 RECREATION DR	CANANDAIGUA	NY	14424	US	585-396-9223	CYNTHIA AND BRANDON JONES
11383	SMARTSTYLE	LOCATED INSIDE WALMART #2351	30 CATSKILL COMMON	CATSKILL	NY	12414	US	518-943-9854	GAURAV BOBBY AND MONIKA SURI
11433	SMARTSTYLE	LOCATED INSIDE WALMART #2911	3018 E AVE	CENTRAL SQUARE	NY	13036	US	315-676-9051	CYNTHIA AND BRANDON JONES
11434	SMARTSTYLE	LOCATED INSIDE WALMART #5242	8064 BREWERTON RD	CICERO	NY	13039	US	315-699-5472	CYNTHIA AND BRANDON JONES
11708	SMARTSTYLE	LOCATED INSIDE WALMART #5497	25737 US ROUTE 11	EVANS MILLS	NY	13637	US	315-629-5087	ALOK WAHDWA & NEERU JAIN
11380	SMARTSTYLE	LOCATED INSIDE WALMART #1810	26 W MERRITT BLVD	FISHKILL	NY	12524	US	845-896-4317	GAURAV BOBBY AND MONIKA SURI
12455	SMARTSTYLE	LOCATED INSIDE WALMART #1949	10401 BENNETT RD	FREDONIA	NY	14063	US	716-672-6199	PRASHANT AND RUCHIKA NAGRATH
11435	SMARTSTYLE	LOCATED INSIDE WALMART #3332	1818 STATE ROUTE 3	FULTON	NY	13069	US	315-598-8791	CYNTHIA AND BRANDON JONES
12458	SMARTSTYLE	LOCATED INSIDE WALMART #1966	4235 VETERAN DR	GENESEO	NY	14454	US	585-243-5430	PRASHANT AND RUCHIKA NAGRATH
11431	SMARTSTYLE	LOCATED INSIDE WALMART #1731	990 ROUTE 5 & 20	GENEVA	NY	14456	US	315-789-0728	CYNTHIA AND BRANDON JONES
18813	SMARTSTYLE	LOCATED INSIDE WALMART #3583	311 ROUTE 9 W	GLENMONT	NY	12077	US	518-432-4104	CYNTHIA AND BRANDON JONES
11703	SMARTSTYLE	LOCATED INSIDE WALMART #2844	1541 HALFMOON PKWY	HALFMOON	NY	12065	US	518-373-0440	ALOK WAHDWA & NEERU JAIN
11438	SMARTSTYLE	LOCATED INSIDE WALMART #2285	103 N CAROLINE ST	HERKIMER	NY	13350	US	315-717-0245	CYNTHIA AND BRANDON JONES
18862	SMARTSTYLE	LOCATED INSIDE WALMART #1976	1400 COUNTY ROAD 64 BLDG 3	HORSEHEADS	NY	14845	US	607-739-5105	CLIFFORD MILOWICKI
11382	SMARTSTYLE	LOCATED INSIDE WALMART #2504	601 FRANK SOTTILE BLVD	KINGSTON	NY	12401	US	845-336-7640	GAURAV BOBBY AND MONIKA SURI
18814	SMARTSTYLE	LOCATED INSIDE WALMART #1997	800 LOUDON RD	LATHAM	NY	12110	US	518-783-1430	CYNTHIA AND BRANDON JONES
11427	SMARTSTYLE	LOCATED INSIDE WALMART #3842	425 ROUTE 31	MACEDON	NY	14502	US	315-986-2695	CYNTHIA AND BRANDON JONES
12459	SMARTSTYLE	LOCATED INSIDE WALMART #1946	43 STEPHENVILLE ST	MASSENA	NY	13662	US	315-769-7079	PRASHANT AND RUCHIKA NAGRATH
18106	SMARTSTYLE	LOCATED INSIDE WALMART #1959	470 ROUTE 211 E	MIDDLETOWN	NY	10940	US	845-342-4676	DAVID THIERMAN AND MAYRA VIERA
12712	SMARTSTYLE	LOCATED INSIDE WALMART #2547	33 ANAWANA LAKE RD	MONTICELLO	NY	12701	US	845-794-1345	JASON STEVENSON & RYAN ROSE
11436	SMARTSTYLE	LOCATED INSIDE WALMART #1677	4765 COMMERCIAL DR	NEW HARTFORD	NY	13413	US	315-768-7185	CYNTHIA AND BRANDON JONES

11429	SMARTSTYLE	LOCATED INSIDE WALMART #1813	6788 ROUTE 31 E	NEWARK	NY	14513	US	315-331-2940	CYNTHIA AND BRANDON JONES
18879	SMARTSTYLE	LOCATED INSIDE WALMART #2120	5396 STATE HIGHWAY 12	NORWICH	NY	13815	US	607-336-6550	CLIFFORD MILOWICKI
12713	SMARTSTYLE	LOCATED INSIDE WALMART #2159	1869 PLAZA DR	OLEAN	NY	14760	US	716-372-3685	JASON STEVENSON & RYAN ROSE
11439	SMARTSTYLE	LOCATED INSIDE WALMART #2444	1234 UPPER LENOX ROUTE 5	ONEIDA	NY	13421	US	315-363-4248	CYNTHIA AND BRANDON JONES
18885	SMARTSTYLE	LOCATED INSIDE WALMART #2992	3217 SILVERBACK LN	PAINTED POST	NY	14870	US	607-937-1858	CLIFFORD MILOWICKI
11707	SMARTSTYLE	LOCATED INSIDE WALMART #1994	25 CONSUMER SQ	PLATTSBURGH	NY	12901	US	518-563-6767	ALOK WAHDWA & NEERU JAIN
12460	SMARTSTYLE	LOCATED INSIDE WALMART #3329	7494 US HIGHWAY 11	POTSDAM	NY	13676	US	315-265-0960	PRASHANT AND RUCHIKA NAGRATH
11701	SMARTSTYLE	LOCATED INSIDE WALMART #2116	891 ROUTE 9	QUEENSBURY	NY	12804	US	518-792-8658	ALOK WAHDWA & NEERU JAIN
11702	SMARTSTYLE	LOCATED INSIDE WALMART #4403	24 QUAKER RIDGE BLVD	QUEENSBURY	NY	12804	US	518-793-7306	ALOK WAHDWA & NEERU JAIN
11710	SMARTSTYLE	LOCATED INSIDE WALMART #1940	279 TROY RD	RENSSELAER	NY	12144	US	518-283-5445	ALOK WAHDWA & NEERU JAIN
11440	SMARTSTYLE	LOCATED INSIDE WALMART #2234	5815 ROME TABERG RD	ROME	NY	13440	US	315-339-9980	CYNTHIA AND BRANDON JONES
18812	SMARTSTYLE	LOCATED INSIDE WALMART #2874	200 DUTCH MEADOWS LN	SCHENECTADY	NY	12302	US	518-374-5851	CYNTHIA AND BRANDON JONES
11437	SMARTSTYLE	LOCATED INSIDE WALMART #2093	710 HORATIO ST	UTICA	NY	13502	US	315-738-0005	CYNTHIA AND BRANDON JONES
18896	SMARTSTYLE	LOCATED INSIDE WALMART #1835	2405 VESTAL PKWY E	VESTAL	NY	13850	US	607-729-5381	CLIFFORD MILOWICKI
11432	SMARTSTYLE	LOCATED INSIDE WALMART #1705	1860 NORTH RD	WATERLOO	NY	13165	US	315-539-3289	CYNTHIA AND BRANDON JONES
11709	SMARTSTYLE	LOCATED INSIDE WALMART #1871	20823 STATE ROUTE 3	WATERTOWN	NY	13601	US	315-782-2305	ALOK WAHDWA & NEERU JAIN
18890	SMARTSTYLE	LOCATED INSIDE WALMART #3221	515 E 4TH ST	WATKINS GLEN	NY	14891	US	607-535-0100	CLIFFORD MILOWICKI
18820	SMARTSTYLE	LOCATED INSIDE WALMART #3342	1815 E OHIO PIKE	AMELIA	OH	45102	US	513-907-2138	LEWIS AND NIDIA JOHNSON
11334	SMARTSTYLE	LOCATED INSIDE WALMART #1448	1996 E MAIN ST	ASHLAND	OH	44805	US	419-289-9619	JASON STEVENSON & RYAN ROSE
12714	SMARTSTYLE	LOCATED INSIDE WALMART #2359	3551 N RIDGE RD E	ASHTABULA	OH	44004	US	440-998-4140	JASON STEVENSON & RYAN ROSE
12389	SMARTSTYLE	LOCATED INSIDE WALMART #3486	929 E STATE ST	ATHENS	OH	45701	US	740-594-6388	LEWIS AND NIDIA JOHNSON
11475	SMARTSTYLE	LOCATED INSIDE WALMART #1264	2281 S MAIN ST	BELLEFONTAINE	OH	43311	US	937-592-0656	GREGORY GREVE AND KATHLEEN HARPER

19082	SMARTSTYLE	LOCATED INSIDE WALMART #2191	1215 S MAIN ST	BRYAN	OH	43506	US	419-636-0629	RYAN AND KAITLIN WARDLOW
11361	SMARTSTYLE	LOCATED INSIDE WALMART #3262	61205 SOUTHGATE PKWY	CAMBRIDGE	OH	43725	US	740-439-5953	JASON STEVENSON & RYAN ROSE
11365	SMARTSTYLE	LOCATED INSIDE WALMART #5285	3200 ATLANTIC BLVD NE	CANTON	OH	44705	US	330-455-7701	JASON STEVENSON & RYAN ROSE
11031	SMARTSTYLE	LOCATED INSIDE WALMART #3293	223 MEADOWLAND DR	CHARDON	OH	44024	US	440-279-0347	CHARLES (ROB) HUDSON
18962	SMARTSTYLE	LOCATED INSIDE WALMART #1443	4370 EASTGATE SQUARE DR	CINCINNATI	OH	45245	US	513-752-1351	LEWIS AND NIDIA JOHNSON
11351	SMARTSTYLE	LOCATED INSIDE WALMART #2098	3900 MORSE RD	COLUMBUS	OH	43219	US	614-337-2464	JASON STEVENSON & RYAN ROSE
11356	SMARTSTYLE	LOCATED INSIDE WALMART #2426	5200 WESTPOINTE PLAZA DR	COLUMBUS	OH	43228	US	614-850-9674	JASON STEVENSON & RYAN ROSE
11362	SMARTSTYLE	LOCATED INSIDE WALMART #1937	23605 AIRPORT RD	COSHOCTON	OH	43812	US	740-291-8024	JASON STEVENSON & RYAN ROSE
17944	SMARTSTYLE	LOCATED INSIDE WALMART #3783	3465 YORK COMMONS BLVD	DAYTON	OH	45414	US	937-898-5601	GREGORY GREVE AND KATHLEEN HARPER
11371	SMARTSTYLE	LOCATED INSIDE WALMART #1707	16280 DRESDEN AVE	EAST LIVERPOOL	OH	43920	US	330-386-9262	JASON STEVENSON & RYAN ROSE
11332	SMARTSTYLE	LOCATED INSIDE WALMART #4255	1000 CHESTNUT COMMONS DR	ELYRIA	OH	44035	US	440-365-1948	JASON STEVENSON & RYAN ROSE
12715	SMARTSTYLE	LOCATED INSIDE WALMART #1718	2500 TIFFIN AVE	FINDLAY	OH	45840	US	419-424-2047	JASON STEVENSON & RYAN ROSE
12717	SMARTSTYLE	LOCATED INSIDE WALMART #3840	1161 TRENTON AVE	FINDLAY	OH	45840	US	419-424-5956	JASON STEVENSON & RYAN ROSE
18964	SMARTSTYLE	LOCATED INSIDE WALMART #3784	1274 E 2ND ST	FRANKLIN	OH	45005	US	937-743-7634	LEWIS AND NIDIA JOHNSON
12718	SMARTSTYLE	LOCATED INSIDE WALMART #2605	2145 EASTERN AVE	GALLIPOLIS	OH	45631	US	740-446-2481	JASON STEVENSON & RYAN ROSE
17949	SMARTSTYLE	LOCATED INSIDE WALMART #2035	1501 WAGNER AVE	GREENVILLE	OH	45331	US	937-547-1152	GREGORY GREVE AND KATHLEEN HARPER
18963	SMARTSTYLE	LOCATED INSIDE WALMART #2441	1505 MAIN ST	HAMILTON	OH	45013	US	513-895-3437	LEWIS AND NIDIA JOHNSON
11358	SMARTSTYLE	LOCATED INSIDE WALMART #1594	911 HEBRON RD	HEATH	OH	43056	US	740-788-9167	JASON STEVENSON & RYAN ROSE
18971	SMARTSTYLE	LOCATED INSIDE WALMART #3515	540 HARRY SAUNER RD	HILLSBORO	OH	45133	US	937-393-2944	LEWIS AND NIDIA JOHNSON
17945	SMARTSTYLE	LOCATED INSIDE WALMART #1495	7680 BRANDT PIKE	HUBER HEIGHTS	OH	45424	US	937-237-8127	GREGORY GREVE AND KATHLEEN HARPER
12719	SMARTSTYLE	LOCATED INSIDE WALMART #1519	102 WAL MART DR	JACKSON	OH	45640	US	740-286-1364	JASON STEVENSON & RYAN ROSE

SMARTSTYLE FRANCHISED SALONS

18969	SMARTSTYLE	LOCATED INSIDE WALMART #1503	6244 WILMINGTON PIKE	KETTERING	OH	45459	US	937-848-3136	LEWIS AND NIDIA JOHNSON
18967	SMARTSTYLE	LOCATED INSIDE WALMART #1407	1530 WALMART DR	LEBANON	OH	45036	US	513-933-0748	LEWIS AND NIDIA JOHNSON
17955	SMARTSTYLE	LOCATED INSIDE WALMART #3206	2400 HARDING HWY	LIMA	OH	45804	US	419-222-0394	GREGORY GREVE AND KATHLEEN HARPER
17959	SMARTSTYLE	LOCATED INSIDE WALMART #1330	2450 ALLENTOWN RD	LIMA	OH	45805	US	419-221-3628	GREGORY GREVE AND KATHLEEN HARPER
17771	SMARTSTYLE	LOCATED INSIDE WALMART #1839	4380 LEAVITT RD	LORAIN	OH	44053	US	440-282-3101	JASON STEVENSON & RYAN ROSE
11032	SMARTSTYLE	LOCATED INSIDE WALMART #3608	6067 N RIDGE RD	MADISON	OH	44057	US	440-428-5330	CHARLES (ROB) HUDSON
11370	SMARTSTYLE	LOCATED INSIDE WALMART #5471	2485 POSSUM RUN RD	MANSFIELD	OH	44903	US	419-756-5323	JASON STEVENSON & RYAN ROSE
12411	SMARTSTYLE	LOCATED INSIDE WALMART #2078	804 PIKE ST	MARIETTA	OH	45750	US	740-374-3068	LEWIS AND NIDIA JOHNSON
11778	SMARTSTYLE	LOCATED INSIDE WALMART #1750	1546 MARION MT GILEAD RD STE D	MARION	OH	43302	US	740-386-8052	GREGORY GREVE AND KATHLEEN HARPER
11779	SMARTSTYLE	LOCATED INSIDE WALMART #1595	555 COLEMANS XING	MARYSVILLE	OH	43040	US	937-642-2335	GREGORY GREVE AND KATHLEEN HARPER
11364	SMARTSTYLE	LOCATED INSIDE WALMART #2914	ONE MASSILLON MARKET PL DR SW	MASSILLON	OH	44646	US	330-837-3127	JASON STEVENSON & RYAN ROSE
11366	SMARTSTYLE	LOCATED INSIDE WALMART #1724	1640 S WASHINGTON ST ST	MILLERSBURG	OH	44654	US	330-674-2170	JASON STEVENSON & RYAN ROSE
18968	SMARTSTYLE	LOCATED INSIDE WALMART #5104	1701 W DOROTHY LN	MORAINE	OH	45439	US	937-293-6518	LEWIS AND NIDIA JOHNSON
11359	SMARTSTYLE	LOCATED INSIDE WALMART #2149	1575 COSHOCTON AVE	MOUNT VERNON	OH	43050	US	740-393-0071	JASON STEVENSON & RYAN ROSE
11426	SMARTSTYLE	LOCATED INSIDE WALMART #1564	4490 GALLIA ST	NEW BOSTON	OH	45662	US	740-456-4628	RYAN AND KAITLIN WARDLOW
11368	SMARTSTYLE	LOCATED INSIDE WALMART #2115	231 BLUEBELL DRIVE NW	NEW PHILADELPHIA	OH	44663	US	330-339-6608	JASON STEVENSON & RYAN ROSE
11357	SMARTSTYLE	LOCATED INSIDE WALMART #3580	1315 N 21ST ST	NEWARK	OH	43055	US	740-366-4638	JASON STEVENSON & RYAN ROSE
17770	SMARTSTYLE	LOCATED INSIDE WALMART #2316	24801 BROOKPARK RD	NORTH OLMSTED	OH	44070	US	440-716-0554	JASON STEVENSON & RYAN ROSE
11335	SMARTSTYLE	LOCATED INSIDE WALMART #1986	340 W WIND DR	NORWALK	OH	44857	US	419-668-7106	JASON STEVENSON & RYAN ROSE
12720	SMARTSTYLE	LOCATED INSIDE WALMART #1445	2826 E HARBOR RD	PORT CLINTON	OH	43452	US	419-732-1040	JASON STEVENSON & RYAN ROSE
12399	SMARTSTYLE	LOCATED INSIDE WALMART #2199	50739 VALLEY PLAZA DR	SAINT CLAIRSVILLE	OH	43950	US	740-526-0020	LEWIS AND NIDIA JOHNSON

11363	SMARTSTYLE	LOCATED INSIDE WALMART #2910	2875 E STATE ST	SALEM	OH	44460	US	330-332-1470	JASON STEVENSON & RYAN ROSE
11336	SMARTSTYLE	LOCATED INSIDE WALMART #1628	5500 MILAN RD	SANDUSKY	OH	44870	US	419-621-8634	JASON STEVENSON & RYAN ROSE
17952	SMARTSTYLE	LOCATED INSIDE WALMART #1331	2400 W MICHIGAN ST	SIDNEY	OH	45365	US	937-493-0428	GREGORY GREVE AND KATHLEEN HARPER
11333	SMARTSTYLE	LOCATED INSIDE WALMART #2362	1868 WARRENSVILLE CENTER RD	SOUTH EUCLID	OH	44121	US	216-371-5515	JASON STEVENSON & RYAN ROSE
12396	SMARTSTYLE	LOCATED INSIDE WALMART #1478	223 COUNTY ROAD 410	SOUTH POINT	OH	45680	US	740-894-0779	LEWIS AND NIDIA JOHNSON
17947	SMARTSTYLE	LOCATED INSIDE WALMART #2429	2100 N BECHTLE AVE	SPRINGFIELD	OH	45504	US	937-629-0537	GREGORY GREVE AND KATHLEEN HARPER
11372	SMARTSTYLE	LOCATED INSIDE WALMART #2193	100 MALL DR	STEUBENVILLE	OH	43952	US	740-264-6348	JASON STEVENSON & RYAN ROSE
12764	SMARTSTYLE	LOCATED INSIDE WALMART #2266	8585 PEARL RD	STRONGSVILLE	OH	44136	US	440-239-1884	JASON STEVENSON & RYAN ROSE
12716	SMARTSTYLE	LOCATED INSIDE WALMART #1622	2801 W STATE ROUTE 18	TIFFIN	OH	44883	US	419-448-8122	JASON STEVENSON & RYAN ROSE
17948	SMARTSTYLE	LOCATED INSIDE WALMART #1410	1801 W MAIN ST	TROY	OH	45373	US	937-332-8684	GREGORY GREVE AND KATHLEEN HARPER
17960	SMARTSTYLE	LOCATED INSIDE WALMART #1333	301 TOWN CENTER BLVD	VAN WERT	OH	45891	US	419-238-0579	GREGORY GREVE AND KATHLEEN HARPER
11331	SMARTSTYLE	LOCATED INSIDE WALMART #2966	222 E SMOKERISE DR	WADSWORTH	OH	44281	US	330-336-5696	JASON STEVENSON & RYAN ROSE
18973	SMARTSTYLE	LOCATED INSIDE WALMART #3251	1397 LEESBURG AVE	WASHINGTON COURT HOUSE	OH	43160	US	740-333-1753	LEWIS AND NIDIA JOHNSON
11423	SMARTSTYLE	LOCATED INSIDE WALMART #1368	11217 STATE ROUTE 41	WEST UNION	OH	45693	US	937-544-9058	RYAN AND KAITLIN WARDLOW
11355	SMARTSTYLE	LOCATED INSIDE WALMART #3447	3657 E MAIN ST	WHITEHALL	OH	43213	US	614-237-3788	JASON STEVENSON & RYAN ROSE
18972	SMARTSTYLE	LOCATED INSIDE WALMART #1289	2825 PROGRESS WAY	WILMINGTON	OH	45177	US	937-383-2900	LEWIS AND NIDIA JOHNSON
18970	SMARTSTYLE	LOCATED INSIDE WALMART #1463	70 HOSPITALITY DR	XENIA	OH	45385	US	937-376-3451	LEWIS AND NIDIA JOHNSON
12390	SMARTSTYLE	LOCATED INSIDE WALMART #3581	2850 MAYSVILLE PIKE	ZANESVILLE	OH	43701	US	740-588-9747	LEWIS AND NIDIA JOHNSON
12391	SMARTSTYLE	LOCATED INSIDE WALMART #2209	2850 MAPLE AVE	ZANESVILLE	OH	43701	US	740-453-2161	LEWIS AND NIDIA JOHNSON
12328	SMARTSTYLE	LOCATED INSIDE WALMART #231	1419 N COUNTRY CLUB RD	ADA	OK	74820	US	580-332-7300	GEORGE CHERAYIL
12332	SMARTSTYLE	LOCATED INSIDE WALMART #479	2500 N MAIN ST	ALTUS	OK	73521	US	580-482-0438	GEORGE CHERAYIL

SMARTSTYLE FRANCHISED SALONS

12302	SMARTSTYLE	LOCATED INSIDE WALMART #129	1715 N COMMERCE ST	ARDMORE	OK	73401	US	580-226-7007	GEORGE CHERAYIL
12320	SMARTSTYLE	LOCATED INSIDE WALMART #41	4000 GREEN COUNTRY RD	BARTLESVILLE	OK	74006	US	918-333-3900	GEORGE CHERAYIL
12317	SMARTSTYLE	LOCATED INSIDE WALMART #472	2301 W KENOSHA ST	BROKEN ARROW	OK	74012	US	918-259-9185	GEORGE CHERAYIL
11479	SMARTSTYLE	LOCATED INSIDE WALMART #340	131 PAUL CARR DR	CHECOTAH	OK	74426	US	918-473-0323	GEORGE CHERAYIL
12329	SMARTSTYLE	LOCATED INSIDE WALMART #113	2001 S 1ST ST	CHICKASHA	OK	73018	US	405-222-1907	GEORGE CHERAYIL
11477	SMARTSTYLE	LOCATED INSIDE WALMART #12	1500 S LYNN RIGGS BLVD	CLAREMORE	OK	74017	US	918-342-5003	GEORGE CHERAYIL
12326	SMARTSTYLE	LOCATED INSIDE WALMART #360	3100 E MAIN ST	CUSHING	OK	74023	US	918-225-9025	GEORGE CHERAYIL
12303	SMARTSTYLE	LOCATED INSIDE WALMART #1116	1845 N HIGHWAY 81	DUNCAN	OK	73533	US	580-475-0711	GEORGE CHERAYIL
12301	SMARTSTYLE	LOCATED INSIDE WALMART #975	3712 W MAIN ST	DURANT	OK	74701	US	580-920-9082	GEORGE CHERAYIL
11040	SMARTSTYLE	LOCATED INSIDE WALMART #389	1225 W I 35 FRONTAGE RD	EDMOND	OK	73034	US	405-844-0475	VICTOR CARNEIRO
11157	SMARTSTYLE	LOCATED INSIDE WALMART #2803	2200 W DANFORTH RD	EDMOND	OK	73003	US	405-216-0354	GEORGE CHERAYIL
11163	SMARTSTYLE	LOCATED INSIDE WALMART #227	2400 S COUNTRY CLUB RD	EL RENO	OK	73036	US	405-422-4247	GEORGE CHERAYIL
12335	SMARTSTYLE	LOCATED INSIDE WALMART #134	20221 E 1110 COUNTY RD	ELK CITY	OK	73644	US	580-225-1790	GEORGE CHERAYIL
12325	SMARTSTYLE	LOCATED INSIDE WALMART #499	5505 W OWEN K GARRIOTT RD	ENID	OK	73703	US	580-233-0992	GEORGE CHERAYIL
12321	SMARTSTYLE	LOCATED INSIDE WALMART #90	2115 S MAIN ST	GROVE	OK	74344	US	918-787-5136	GEORGE CHERAYIL
12330	SMARTSTYLE	LOCATED INSIDE WALMART #269	1002 NW SHERIDAN RD	LAWTON	OK	73505	US	580-248-0068	GEORGE CHERAYIL
12331	SMARTSTYLE	LOCATED INSIDE WALMART #5071	6301 NW QUANNAH PARKER TRL	LAWTON	OK	73505	US	580-510-3192	GEORGE CHERAYIL
12327	SMARTSTYLE	LOCATED INSIDE WALMART #151	432 S GEORGE NIGH EXPY	MCALESTER	OK	74501	US	918-423-5505	GEORGE CHERAYIL
12322	SMARTSTYLE	LOCATED INSIDE WALMART #28	2415 NW MAIN ST	MIAMI	OK	74354	US	918-542-1448	GEORGE CHERAYIL
18542	SMARTSTYLE	LOCATED INSIDE WALMART #277	501 SW 19TH ST	MOORE	OK	73160	US	405-790-0332	GEORGE CHERAYIL
11480	SMARTSTYLE	LOCATED INSIDE WALMART #130	1000 W SHAWNEE ST	MUSKOGEE	OK	74401	US	918-682-4556	GEORGE CHERAYIL
18545	SMARTSTYLE	LOCATED INSIDE WALMART #517	951 E STATE HIGHWAY 152 STE104	MUSTANG	OK	73064	US	405-376-9993	GEORGE CHERAYIL
11164	SMARTSTYLE	LOCATED INSIDE WALMART #212	333 N INTERSTATE DR	NORMAN	OK	73069	US	405-321-2416	GEORGE CHERAYIL

SMARTSTYLE FRANCHISED SALONS

11165	SMARTSTYLE	LOCATED INSIDE WALMART #2734	601 12TH AVE NE	NORMAN	OK	73071	US	405-329-4143	GEORGE CHERAYIL
11038	SMARTSTYLE	LOCATED INSIDE WALMART #1626	2000 W MEMORIAL RD	OKLAHOMA CITY	OK	73134	US	405-755-7325	VICTOR CARNEIRO
11039	SMARTSTYLE	LOCATED INSIDE WALMART #2804	1801 BELLE ISLE BLVD	OKLAHOMA CITY	OK	73118	US	405-879-1985	VICTOR CARNEIRO
18710	SMARTSTYLE	LOCATED INSIDE WALMART #622	7800 NW EXPRESSWAY	OKLAHOMA CITY	OK	73132	US	405-728-7114	GEORGE CHERAYIL
18720	SMARTSTYLE	LOCATED INSIDE WALMART #743	100 E I 240 SERVICE RD	OKLAHOMA CITY	OK	73149	US	405-632-2083	GEORGE CHERAYIL
18847	SMARTSTYLE	LOCATED INSIDE WALMART #544	5401 TINKER DIAGONAL ST	OKLAHOMA CITY	OK	73115	US	405-672-9540	GEORGE CHERAYIL
11476	SMARTSTYLE	LOCATED INSIDE WALMART #168	12101 E 96TH ST N	OWASSO	OK	74055	US	918-376-9908	GEORGE CHERAYIL
12323	SMARTSTYLE	LOCATED INSIDE WALMART #823	1101 E PROSPECT AVE	PONCA CITY	OK	74601	US	580-765-4611	GEORGE CHERAYIL
12333	SMARTSTYLE	LOCATED INSIDE WALMART #31	3108 N BROADWAY ST	POTEAU	OK	74953	US	918-647-9010	GEORGE CHERAYIL
11478	SMARTSTYLE	LOCATED INSIDE WALMART #22	4901 S MILL RD	PRYOR	OK	74361	US	918-824-1594	GEORGE CHERAYIL
12319	SMARTSTYLE	LOCATED INSIDE WALMART #838	220 S HIGHWAY 97	SAND SPRINGS	OK	74063	US	918-246-0767	GEORGE CHERAYIL
12318	SMARTSTYLE	LOCATED INSIDE WALMART #73	1002 W TAFT ST	SAPULPA	OK	74066	US	918-248-4882	GEORGE CHERAYIL
18546	SMARTSTYLE	LOCATED INSIDE WALMART #103	196 SHAWNEE MALL DR	SHAWNEE	OK	74804	US	405-275-2111	GEORGE CHERAYIL
12324	SMARTSTYLE	LOCATED INSIDE WALMART #137	111 N PERKINS RD	STILLWATER	OK	74075	US	405-743-4141	GEORGE CHERAYIL
11481	SMARTSTYLE	LOCATED INSIDE WALMART #10	2020 S MUSKOGEE AVE	TAHLEQUAH	OK	74464	US	918-456-9554	GEORGE CHERAYIL
12336	SMARTSTYLE	LOCATED INSIDE WALMART #392	1349 E EAGLE AVE	WEATHERFORD	OK	73096	US	580-772-0366	GEORGE CHERAYIL
12334	SMARTSTYLE	LOCATED INSIDE WALMART #150	3215 WILLIAMS AVE STE B	WOODWARD	OK	73801	US	580-254-5814	GEORGE CHERAYIL
11167	SMARTSTYLE	LOCATED INSIDE WALMART #221	1200 GARTH BROOKS BLVD	YUKON	OK	73099	US	405-350-2002	GEORGE CHERAYIL
11960	SMARTSTYLE	LOCATED INSIDE WALMART #1880	2051 NEWMARK AVE	COOS BAY	OR	97420	US	541-888-5625	HARDIAL GILL
11962	SMARTSTYLE	LOCATED INSIDE WALMART #5424	11500 HANNON RD	EAGLE POINT	OR	97524	US	541-826-2146	HARDIAL GILL
11966	SMARTSTYLE	LOCATED INSIDE WALMART #3258	4550 W 11TH AVE	EUGENE	OR	97402	US	541-485-0955	HARDIAL GILL
11959	SMARTSTYLE	LOCATED INSIDE WALMART #1834	305 NE TERRY LN	GRANTS PASS	OR	97526	US	541-472-0270	HARDIAL GILL
11954	SMARTSTYLE	LOCATED INSIDE WALMART #1817	1350 N 1ST ST	HERMISTON	OR	97838	US	541-667-8250	HARDIAL GILL

11961	SMARTSTYLE	LOCATED INSIDE WALMART #1772	3600 WASHBURN WAY	KLAMATH FALLS	OR	97603	US	541-882-1051	HARDIAL GILL
11955	SMARTSTYLE	LOCATED INSIDE WALMART #1889	11619 ISLAND AVE	LA GRANDE	OR	97850	US	541-963-3454	HARDIAL GILL
11963	SMARTSTYLE	LOCATED INSIDE WALMART #2069	1360 CENTER DR	MEDFORD	OR	97501	US	541-734-2887	HARDIAL GILL
19126	SMARTSTYLE	LOCATED INSIDE WALMART #1951	1775 E IDAHO AVE	ONTARIO	OR	97914	US	541-823-8645	DAVID & MCKELL KANE
11952	SMARTSTYLE	LOCATED INSIDE WALMART #2492	2203 SW COURT PL	PENDLETON	OR	97801	US	541-966-8952	HARDIAL GILL
11968	SMARTSTYLE	LOCATED INSIDE WALMART #5368	1940 TURNER RD SE	SALEM	OR	97302	US	503-566-9766	HARDIAL GILL
11169	SMARTSTYLE	LOCATED INSIDE WALMART #2641	1091 MILL CREEK RD	ALLENTOWN	PA	18106	US	610-398-4098	ALOK WAHDWA & NEERU JAIN
12727	SMARTSTYLE	LOCATED INSIDE WALMART #2049	2600 PLANK RD COMMONS	ALTOONA	PA	16601	US	814-946-4683	JASON STEVENSON & RYAN ROSE
11337	SMARTSTYLE	LOCATED INSIDE WALMART #4643	1500 ECONOMY WAY	BADEN	PA	15005	US	724-869-2078	JASON STEVENSON & RYAN ROSE
12729	SMARTSTYLE	LOCATED INSIDE WALMART #2528	171 HOGAN BLVD	BALD EAGLE	PA	17751	US	570-893-6588	JASON STEVENSON & RYAN ROSE
11339	SMARTSTYLE	LOCATED INSIDE WALMART #3223	100 CHIPPEWA TOWNE CTR	BEAVER FALLS	PA	15010	US	724-843-5183	JASON STEVENSON & RYAN ROSE
17765	SMARTSTYLE	LOCATED INSIDE WALMART #5239	567 ROUTE 100 N	BECHTELSVILLE	PA	19505	US	610-369-1500	CLIFFORD MILOWICKI
11345	SMARTSTYLE	LOCATED INSIDE WALMART #2420	100 SARA WAY	BELLE VERNON	PA	15012	US	724-930-9117	JASON STEVENSON & RYAN ROSE
12736	SMARTSTYLE	LOCATED INSIDE WALMART #1794	100 LUNGAR DR	BLOOMSBURG	PA	17815	US	570-784-4032	JASON STEVENSON & RYAN ROSE
12742	SMARTSTYLE	LOCATED INSIDE WALMART #3514	50 FOSTER BROOK BLVD	BRADFORD	PA	16701	US	814-363-3590	JASON STEVENSON & RYAN ROSE
12748	SMARTSTYLE	LOCATED INSIDE WALMART #1885	400 BUTLER COMMONS	BUTLER	PA	16001	US	724-287-0242	JASON STEVENSON & RYAN ROSE
11449	SMARTSTYLE	LOCATED INSIDE WALMART #2574	60 NOBLE BLVD	CARLISLE	PA	17013	US	717-258-5886	SANTHOSH PHILIP & PRASOBH MATHEW
12754	SMARTSTYLE	LOCATED INSIDE WALMART #1850	1730 LINCOLN WAY E	CHAMBERSBURG	PA	17202	US	717-262-4321	JASON STEVENSON & RYAN ROSE
12732	SMARTSTYLE	LOCATED INSIDE WALMART #2129	100 SUPERCENTER DR	CLEARFIELD	PA	16830	US	814-762-8288	JASON STEVENSON & RYAN ROSE
12735	SMARTSTYLE	LOCATED INSIDE WALMART #2481	3300 STATE ROUTE 61	COAL TOWNSHIP	PA	17866	US	570-648-4680	JASON STEVENSON & RYAN ROSE
12744	SMARTSTYLE	LOCATED INSIDE WALMART #5379	1450 MORRELL AVE	CONNELLSVILLE	PA	15425	US	724-628-6260	JASON STEVENSON & RYAN ROSE
11338	SMARTSTYLE	LOCATED INSIDE WALMART #1770	20245 ROUTE 19	CRANBERRY TOWNSHIP	PA	16066	US	724-776-0888	JASON STEVENSON & RYAN ROSE
11342	SMARTSTYLE	LOCATED INSIDE WALMART #3228	6700 HOLLYWOOD BLVD STE 2	DELMONT	PA	15626	US	724-468-4050	JASON STEVENSON & RYAN ROSE

12723	SMARTSTYLE	LOCATED INSIDE WALMART #1884	900 COMMERCE BLVD	DICKSON CITY	PA	18519	US	570-489-5881	JASON STEVENSON & RYAN ROSE
12751	SMARTSTYLE	LOCATED INSIDE WALMART #1769	20 INDUSTRIAL DR	DUBOIS	PA	15801	US	814-375-2272	JASON STEVENSON & RYAN ROSE
12724	SMARTSTYLE	LOCATED INSIDE WALMART #4348	200 COMMERCE DR	DUNCANSVILLE	PA	16635	US	814-695-0494	JASON STEVENSON & RYAN ROSE
18722	SMARTSTYLE	LOCATED INSIDE WALMART #2368	355 LINCOLN AVE	EAST STROUDSBURG	PA	18301	US	570-424-2970	ALOK WAHDWA & NEERU JAIN
18483	SMARTSTYLE	LOCATED INSIDE WALMART #2252	3722 EASTON NAZERETH HWY	EASTON	PA	18045	US	610-559-6159	CLIFFORD MILOWICKI
11033	SMARTSTYLE	LOCATED INSIDE WALMART #3253	108 WASHINGTON TOWNE BLVD	EDINBORO	PA	16412	US	814-734-2922	JASON STEVENSON & RYAN ROSE
11443	SMARTSTYLE	LOCATED INSIDE WALMART #3412	200 KOCHER LN	ELIZABETHVILLE	PA	17023	US	717-362-8540	SANTHOSH PHILIP & PRASOBH MATHEW
11171	SMARTSTYLE	LOCATED INSIDE WALMART #2340	890 E MAIN ST	EPHRATA	PA	17522	US	717-721-3677	ALOK WAHDWA & NEERU JAIN
12739	SMARTSTYLE	LOCATED INSIDE WALMART #2278	1825 DOWNS DR	ERIE	PA	16509	US	814-866-1092	JASON STEVENSON & RYAN ROSE
12740	SMARTSTYLE	LOCATED INSIDE WALMART #2561	5350 W RIDGE RD	ERIE	PA	16506	US	814-838-8349	JASON STEVENSON & RYAN ROSE
18395	SMARTSTYLE	LOCATED INSIDE WALMART #4404	50 NEWBERRY PKWY	ETTERS	PA	17319	US	717-938-5310	CLIFFORD MILOWICKI
11341	SMARTSTYLE	LOCATED INSIDE WALMART #2059	2200 GREENGATE CTR BLVD # 101	GREENSBURG	PA	15601	US	724-837-3571	JASON STEVENSON & RYAN ROSE
12752	SMARTSTYLE	LOCATED INSIDE WALMART #4612	1800 TILDEN RIDGE DR	HAMBURG	PA	19526	US	610-562-3840	JASON STEVENSON & RYAN ROSE
11447	SMARTSTYLE	LOCATED INSIDE WALMART #1823	495 EISENHOWER DR	HANOVER	PA	17331	US	717-633-9106	SANTHOSH PHILIP & PRASOBH MATHEW
12755	SMARTSTYLE	LOCATED INSIDE WALMART #5469	1881 BALTIMORE PIKE	HANOVER	PA	17331	US	717-630-8415	JASON STEVENSON & RYAN ROSE
12738	SMARTSTYLE	LOCATED INSIDE WALMART #3281	5741 BUFFALO RD	HARBORCREEK	PA	16421	US	814-899-1433	JASON STEVENSON & RYAN ROSE
18450	SMARTSTYLE	LOCATED INSIDE WALMART #2255	761 AIRPORT RD	HAZLE TOWNSHIP	PA	18202	US	570-459-6625	SANTHOSH PHILIP & PRASOBH MATHEW
12750	SMARTSTYLE	LOCATED INSIDE WALMART #1568	1275 N HERMITAGE RD STE 104	HERMITAGE	PA	16148	US	724-342-5803	JASON STEVENSON & RYAN ROSE
12737	SMARTSTYLE	LOCATED INSIDE WALMART #2480	777 OLD WILLOW AVE	HONESDALE	PA	18431	US	570-251-8355	JASON STEVENSON & RYAN ROSE
12725	SMARTSTYLE	LOCATED INSIDE WALMART #5470	6716 TOWNE CENTER BLVD	HUNTINGDON	PA	16652	US	814-643-3319	JASON STEVENSON & RYAN ROSE
12747	SMARTSTYLE	LOCATED INSIDE WALMART #2318	3100 OAKLAND AVE	INDIANA	PA	15701	US	724-463-6262	JASON STEVENSON & RYAN ROSE
12363	SMARTSTYLE	LOCATED INSIDE WALMART #1935	150 TOWN CENTRE DR STE 10	JOHNSTOWN	PA	15904	US	814-266-0137	ZACHARY LUTZ
12749	SMARTSTYLE	LOCATED INSIDE WALMART #1820	1 HILLTOP PLAZA	KITTANNING	PA	16201	US	724-548-1021	JASON STEVENSON & RYAN ROSE

11174	SMARTSTYLE	LOCATED INSIDE WALMART #2334	2034 LINCOLN HWY E	LANCASTER	PA	17602	US	717-481-7997	ALOK WAHDWA & NEERU JAIN
12362	SMARTSTYLE	LOCATED INSIDE WALMART #2502	100 COLONY LN STE 1300	LATROBE	PA	15650	US	724-539-0461	ZACHARY LUTZ
11441	SMARTSTYLE	LOCATED INSIDE WALMART #2023	1355 E LEHMAN ST	LEBANON	PA	17046	US	717-274-8678	SANTHOSH PHILIP & PRASOBH MATHEW
12733	SMARTSTYLE	LOCATED INSIDE WALMART #2169	1731 BLAKESLEE BLVD DR E	LEHIGHTON	PA	18235	US	570-386-3137	JASON STEVENSON & RYAN ROSE
12734	SMARTSTYLE	LOCATED INSIDE WALMART #1644	120 AJK BLVD	LEWISBURG	PA	17837	US	570-522-0296	JASON STEVENSON & RYAN ROSE
12726	SMARTSTYLE	LOCATED INSIDE WALMART #1607	10180 US 522 SOUTH	LEWISTOWN	PA	17044	US	717-242-4834	JASON STEVENSON & RYAN ROSE
18898	SMARTSTYLE	LOCATED INSIDE WALMART #1945	1 WALMART PLZ	MANSFIELD	PA	16933	US	570-662-3133	CLIFFORD MILOWICKI
12741	SMARTSTYLE	LOCATED INSIDE WALMART #1656	16086 CONNEAUT LAKE RD	MEADVILLE	PA	16335	US	814-336-4295	JASON STEVENSON & RYAN ROSE
18394	SMARTSTYLE	LOCATED INSIDE WALMART #1886	6520 CARLISLE PIKE STE 550	MECHANICSBURG	PA	17050	US	717-697-9760	CLIFFORD MILOWICKI
17940	SMARTSTYLE	LOCATED INSIDE WALMART #2064	220 ROUTE 6 AND 120	MILFORD	PA	18337	US	570-491-2164	DAVID THIERMAN AND MAYRA VIERA
12360	SMARTSTYLE	LOCATED INSIDE WALMART #2611	2100 SUMMIT RIDGE PLZ STE 901R	MOUNT PLEASANT	PA	15666	US	724-542-0477	ZACHARY LUTZ
18721	SMARTSTYLE	LOCATED INSIDE WALMART #2365	500 ROUTE 940	MOUNT POCONO	PA	18344	US	570-839-8870	ALOK WAHDWA & NEERU JAIN
11343	SMARTSTYLE	LOCATED INSIDE WALMART #5241	915 MILL DR	NORTH HUNTINGDON	PA	15642	US	724-864-5203	JASON STEVENSON & RYAN ROSE
11344	SMARTSTYLE	LOCATED INSIDE WALMART #2588	100 WALMART DR	NORTH VERSAILLES	PA	15137	US	412-825-6666	JASON STEVENSON & RYAN ROSE
18798	SMARTSTYLE	LOCATED INSIDE WALMART #5795	800 COMMONS DR	OXFORD	PA	19363	US	610-998-1483	GOVINDERKUMAR MODI AND ALKA KOTHAMDI
11442	SMARTSTYLE	LOCATED INSIDE WALMART #2888	100 N LONDONDERRY SQ	PALMYRA	PA	17078	US	717-832-3464	SANTHOSH PHILIP & PRASOBH MATHEW
18796	SMARTSTYLE	LOCATED INSIDE WALMART #2945	100 COMMONS DR	PARKESBURG	PA	19365	US	610-857-4451	GOVINDERKUMAR MODI AND ALKA KOTHAMDI
11346	SMARTSTYLE	LOCATED INSIDE WALMART #2300	250 SUMMIT PARK DR	PITTSBURGH	PA	15275	US	412-787-4140	JASON STEVENSON & RYAN ROSE
17763	SMARTSTYLE	LOCATED INSIDE WALMART #2263	223 SHOEMAKER RD	POTTSTOWN	PA	19464	US	610-323-2778	CLIFFORD MILOWICKI
17768	SMARTSTYLE	LOCATED INSIDE WALMART #1777	5900 PERKIOMEN AVE	READING	PA	19606	US	610-404-9000	CLIFFORD MILOWICKI
18451	SMARTSTYLE	LOCATED INSIDE WALMART #2535	500 TERRY RICH BLVD	SAINT CLAIR	PA	17970	US	570-429-2990	SANTHOSH PHILIP & PRASOBH MATHEW
12731	SMARTSTYLE	LOCATED INSIDE WALMART #1792	1102 MILLION DOLLAR HWY	SAINT MARYS	PA	15857	US	814-781-3266	JASON STEVENSON & RYAN ROSE

18858	SMARTSTYLE	LOCATED INSIDE WALMART #2208	1887 ELMIRA ST	SAYRE	PA	18840	US	570-888-2701	CLIFFORD MILOWICKI
12753	SMARTSTYLE	LOCATED INSIDE WALMART #5358	100 S CONESTOGA DR	SHIPPENSBURG	PA	17257	US	717-532-4749	JASON STEVENSON & RYAN ROSE
11444	SMARTSTYLE	LOCATED INSIDE WALMART #2519	698 SHREWSBURY COMMONS AVE	SHREWSBURY	PA	17361	US	717-235-7881	SANTHOSH PHILIP & PRASOBH MATHEW
12361	SMARTSTYLE	LOCATED INSIDE WALMART #1765	2028 N CENTER DR	SOMERSET	PA	15501	US	814-445-2174	ZACHARY LUTZ
12728	SMARTSTYLE	LOCATED INSIDE WALMART #2230	373 BENNER PIKE	STATE COLLEGE	PA	16801	US	814-238-2185	JASON STEVENSON & RYAN ROSE
12730	SMARTSTYLE	LOCATED INSIDE WALMART #1640	1665 N ATHERTON ST	STATE COLLEGE	PA	16803	US	814-237-2780	JASON STEVENSON & RYAN ROSE
18452	SMARTSTYLE	LOCATED INSIDE WALMART #3634	35 PLAZA DR	TAMAQUA	PA	18252	US	570-668-1176	SANTHOSH PHILIP & PRASOBH MATHEW
11340	SMARTSTYLE	LOCATED INSIDE WALMART #3838	2010 VILLAGE CENTER DR	TARENTUM	PA	15084	US	724-274-4408	JASON STEVENSON & RYAN ROSE
11034	SMARTSTYLE	LOCATED INSIDE WALMART #2614	5370 ALLENTOWN PIKE	TEMPLE	PA	19560	US	610-921-7172	ALOK WAHDWA & NEERU JAIN
12722	SMARTSTYLE	LOCATED INSIDE WALMART #2024	808 HUNTER HWY	TUNKHANNOCK	PA	18657	US	570-836-7749	JASON STEVENSON & RYAN ROSE
12745	SMARTSTYLE	LOCATED INSIDE WALMART #2019	355 WALMART DR	UNIONTOWN	PA	15401	US	724-430-4984	JASON STEVENSON & RYAN ROSE
12743	SMARTSTYLE	LOCATED INSIDE WALMART #3429	2901 MARKET ST	WARREN	PA	16365	US	814-723-1670	JASON STEVENSON & RYAN ROSE
11348	SMARTSTYLE	LOCATED INSIDE WALMART #1739	30 TRINITY POINT DR	WASHINGTON	PA	15301	US	724-229-8883	JASON STEVENSON & RYAN ROSE
11448	SMARTSTYLE	LOCATED INSIDE WALMART #3633	12751 WASHINGTON BLVD	WAYNESBORO	PA	17268	US	717-749-3200	SANTHOSH PHILIP & PRASOBH MATHEW
12746	SMARTSTYLE	LOCATED INSIDE WALMART #5446	405 MURTHA DR	WAYNESBURG	PA	15370	US	724-627-4603	JASON STEVENSON & RYAN ROSE
11347	SMARTSTYLE	LOCATED INSIDE WALMART #2281	2351 CENTURY DR	WEST MIFFLIN	PA	15122	US	412-653-8903	JASON STEVENSON & RYAN ROSE
12721	SMARTSTYLE	LOCATED INSIDE WALMART #1623	2150 WILKES BARRE TOWNSHIP MKT	WILKES BARRE	PA	18702	US	570-824-9459	JASON STEVENSON & RYAN ROSE
11445	SMARTSTYLE	LOCATED INSIDE WALMART #1529	2801 E MARKET ST BLDG B	YORK	PA	17402	US	717-755-9959	SANTHOSH PHILIP & PRASOBH MATHEW
11446	SMARTSTYLE	LOCATED INSIDE WALMART #2205	1000 TOWN CENTER DR	YORK	PA	17408	US	717-764-8874	SANTHOSH PHILIP & PRASOBH MATHEW
11732	SMARTSTYLE	LOCATED INSIDE WALMART #2302	1413 CARR 2	BARCELONETA	PR	00617	PR	787-970-8124	RADHIKA SIRIPIREDDY
11728	SMARTSTYLE	LOCATED INSIDE WALMART #2501	501 MAIN AVE W	BAYAMON	PR	00961	PR	787-780-1434	RADHIKA SIRIPIREDDY
11726	SMARTSTYLE	LOCATED INSIDE WALMART #2449	301 RAFAEL CORDERO AVE	CAGUAS	PR	00726	PR	787-747-4470	RADHIKA SIRIPIREDDY
11730	SMARTSTYLE	LOCATED INSIDE WALMART #5802	PLAZA CANOVANAS	CANOVANAS	PR	00729	PR	787-957-1418	RADHIKA SIRIPIREDDY

11729	SMARTSTYLE	LOCATED INSIDE WALMART #2423	CARRITERA # 3 KM 6.1	CAROLINA	PR	00987	PR	787-769-5804	RADHIKA SIRIPIREDDY
11731	SMARTSTYLE	LOCATED INSIDE WALMART #2721	STATE RD 1 INT W/STATE RD 735	CAYEY	PR	00736	PR	787-263-2846	RADHIKA SIRIPIREDDY
11727	SMARTSTYLE	LOCATED INSIDE WALMART #2026	BO PAMPANOS	PONCE	PR	00732	PR	787-848-9251	RADHIKA SIRIPIREDDY
11734	SMARTSTYLE	LOCATED INSIDE WALMART #5803	701 ROBERTO H TODD AVENUE	SAN JUAN	PR	00907	PR	787-945-5500	RADHIKA SIRIPIREDDY
11733	SMARTSTYLE	LOCATED INSIDE WALMART #2346	CARRETERA PR-2 INTERS PR-165Y	TOA BAJA	PR	00949	PR	787-230-7160	RADHIKA SIRIPIREDDY
11328	SMARTSTYLE	LOCATED INSIDE WALMART #4487	3581 RICHLAND AVE SW	AIKEN	SC	29801	US	803-641-2194	ANU SUKUMAR & SAJI PILLAI & JAMES PINTO
11330	SMARTSTYLE	LOCATED INSIDE WALMART #514	2035 WHISKEY RD	AIKEN	SC	29803	US	803-642-0000	ANU SUKUMAR & SAJI PILLAI & JAMES PINTO
11238	SMARTSTYLE	LOCATED INSIDE WALMART #2806	4000 HIGHWAY 9	BOILING SPRINGS	SC	29316	US	864-599-0603	PERIASAMY PALANISAMY, NIRMALKUMAR
11772	SMARTSTYLE	LOCATED INSIDE WALMART #1339	10060 TWO NOTCH RD	COLUMBIA	SC	29223	US	803-736-9220	PRASOBH MATHEW
11314	SMARTSTYLE	LOCATED INSIDE WALMART #586	2709A CHURCH ST	CONWAY	SC	29526	US	843-365-4364	PRASOBH MATHEW
11690	SMARTSTYLE	LOCATED INSIDE WALMART #2703	2014 S IRBY ST	FLORENCE	SC	29505	US	843-667-5006	BROWNING THORNTON
11237	SMARTSTYLE	LOCATED INSIDE WALMART #638	165 WALTON DR	GAFFNEY	SC	29341	US	864-902-0021	PERIASAMY PALANISAMY, NIRMALKUMAR
11595	SMARTSTYLE	LOCATED INSIDE WALMART #2928	603 SAINT JAMES AVE	GOOSE CREEK	SC	29445	US	843-553-3131	BROWNING THORNTON
18288	SMARTSTYLE	LOCATED INSIDE WALMART #641	6134 WHITE HORSE RD	GREENVILLE	SC	29611	US	864-220-0096	ANU SUKUMAR & SAJI PILLAI & JAMES PINTO
17792	SMARTSTYLE	LOCATED INSIDE WALMART #2687	14055 E WADE HAMPTON BLVD	GREER	SC	29651	US	864-968-1270	JOANNA BOON
17785	SMARTSTYLE	LOCATED INSIDE WALMART #1030	805 HIGHWAY 9 BYP W	LANCASTER	SC	29720	US	803-286-5229	JOANNA BOON
17775	SMARTSTYLE	LOCATED INSIDE WALMART #1130	922 E MAIN ST	LAURENS	SC	29360	US	864-682-4050	PERIASAMY PALANISAMY NIRMALKUMAR
11774	SMARTSTYLE	LOCATED INSIDE WALMART #4521	1780 S LAKE DR	LEXINGTON	SC	29073	US	803-957-9925	PRASOBH MATHEW
11316	SMARTSTYLE	LOCATED INSIDE WALMART #5705	545 GARDEN CITY CONNECTOR	MURRELLS INLET	SC	29576	US	843-357-6939	PRASOBH MATHEW
11315	SMARTSTYLE	LOCATED INSIDE WALMART #643	10820 KINGS RD	MYRTLE BEACH	SC	29572	US	843-497-5888	PRASOBH MATHEW

11317	SMARTSTYLE	LOCATED INSIDE WALMART #2712	541 SEABOARD ST	MYRTLE BEACH	SC	29577	US	843-626-3788	PRASOBH MATHEW
11329	SMARTSTYLE	LOCATED INSIDE WALMART #1270	1201 KNOX AVE	NORTH AUGUSTA	SC	29841	US	803-279-4065	ANU SUKUMAR & SAJI PILLAI & JAMES PINTO
11313	SMARTSTYLE	LOCATED INSIDE WALMART #5087	550 HIGHWAY 17 N	NORTH MYRTLE BEACH	SC	29582	US	843-280-0062	PRASOBH MATHEW
17786	SMARTSTYLE	LOCATED INSIDE WALMART #585	2377 DAVE LYLE BLVD	ROCK HILL	SC	29730	US	803-980-1657	JOANNA BOON
11775	SMARTSTYLE	LOCATED INSIDE WALMART #1123	1636 SANDIFER BLVD	SENECA	SC	29678	US	864-882-6406	PRASOBH MATHEW
17773	SMARTSTYLE	LOCATED INSIDE WALMART #2265	3950 GRANDVIEW DR	SIMPSONVILLE	SC	29680	US	864-228-2875	PERIASAMY PALANISAMY, NIRMALKUMAR
17789	SMARTSTYLE	LOCATED INSIDE WALMART #1035	141 DORMAN CENTRE DR	SPARTANBURG	SC	29301	US	864-576-1643	JOANNA BOON
11594	SMARTSTYLE	LOCATED INSIDE WALMART #1037	1317 N MAIN ST STE A1	SUMMERVILLE	SC	29483	US	843-873-6688	BROWNING THORNTON
11776	SMARTSTYLE	LOCATED INSIDE WALMART #628	9880 DORCHESTER RD	SUMMERVILLE	SC	29485	US	843-851-3938	PRASOBH MATHEW
11771	SMARTSTYLE	LOCATED INSIDE WALMART #511	1283 BROAD ST	SUMTER	SC	29150	US	803-905-5547	PRASOBH MATHEW
11318	SMARTSTYLE	LOCATED INSIDE WALMART #574	2751 BEAVER RUN BLVD	SURFSIDE BEACH	SC	29575	US	843-215-4364	PRASOBH MATHEW
17790	SMARTSTYLE	LOCATED INSIDE WALMART #5487	9 BENDON RD	TRAVELERS REST	SC	29690	US	864-834-1013	JOANNA BOON
11777	SMARTSTYLE	LOCATED INSIDE WALMART #1358	2110 BELLS HWY	WALTERBORO	SC	29488	US	843-539-1577	PRASOBH MATHEW
11773	SMARTSTYLE	LOCATED INSIDE WALMART #1183	2401 AUGUSTA RD	WEST COLUMBIA	SC	29169	US	803-794-8395	PRASOBH MATHEW
18773	SMARTSTYLE	LOCATED INSIDE WALMART #1144	970 E LIBERTY ST	YORK	SC	29745	US	803-684-7221	ERIC BEFIDI
19158	SMARTSTYLE	LOCATED INSIDE WALMART #1520	3820 7TH AVE SE	ABERDEEN	SD	57401	US	605-225-7942	BLAKE AND LINDSEY JOCHIM
19159	SMARTSTYLE	LOCATED INSIDE WALMART #1538	2233 6TH ST	BROOKINGS	SD	57006	US	605-692-8876	BLAKE AND LINDSEY JOCHIM
19156	SMARTSTYLE	LOCATED INSIDE WALMART #3853	2791 DAKOTA AVE S	HURON	SD	57350	US	605-352-3154	BLAKE AND LINDSEY JOCHIM
19153	SMARTSTYLE	LOCATED INSIDE WALMART #2990	1101 E SPRUCE ST	MITCHELL	SD	57301	US	605-995-1444	BLAKE AND LINDSEY JOCHIM
19160	SMARTSTYLE	LOCATED INSIDE WALMART #1685	1730 N GARFOELD RD	PIERRE	SD	57501	US	605-945-0152	BLAKE AND LINDSEY JOCHIM
19161	SMARTSTYLE	LOCATED INSIDE WALMART #1604	1200 N LACROSSE ST	RAPID CITY	SD	57701	US	605-341-1113	BLAKE AND LINDSEY JOCHIM
19162	SMARTSTYLE	LOCATED INSIDE WALMART #3872	100 E STUMER RD	RAPID CITY	SD	57701	US	605-343-2887	BLAKE AND LINDSEY JOCHIM

19154	SMARTSTYLE	LOCATED INSIDE WALMART #4865	5200 W 60TH ST N	SIOUX FALLS	SD	57107	US	605-339-6114	BLAKE AND LINDSEY JOCHIM
19155	SMARTSTYLE	LOCATED INSIDE WALMART #1535	3209 S LOUISE AVE	SIOUX FALLS	SD	57106	US	605-362-8368	BLAKE AND LINDSEY JOCHIM
19174	SMARTSTYLE	LOCATED INSIDE WALMART #2443	7821 S MINNESOTA AVE	SIOUX FALLS	SD	57108	US	605-336-5646	BLAKE AND LINDSEY JOCHIM
19175	SMARTSTYLE	LOCATED INSIDE WALMART #3237	5521 E ARROWHEAD PKWY	SIOUX FALLS	SD	57110	US	605-988-9647	BLAKE AND LINDSEY JOCHIM
19163	SMARTSTYLE	LOCATED INSIDE WALMART #1543	2825 1ST AVE	SPEARFISH	SD	57783	US	605-642-3441	BLAKE AND LINDSEY JOCHIM
19176	SMARTSTYLE	LOCATED INSIDE WALMART #3734	1207 PRINCETON ST	VERMILLION	SD	57069	US	605-624-5400	BLAKE AND LINDSEY JOCHIM
19157	SMARTSTYLE	LOCATED INSIDE WALMART #1500	1201 29TH ST SE	WATERTOWN	SD	57201	US	605-882-0445	BLAKE AND LINDSEY JOCHIM
18934	SMARTSTYLE	LOCATED INSIDE WALMART #1483	3001 BROADWAY AVE	YANKTON	SD	57078	US	605-665-2825	DOUG BARNES
12343	SMARTSTYLE	LOCATED INSIDE WALMART #672	1030 HUNTERS CROSSING	ALCOA	TN	37701	US	865-681-5552	KOTESWAR GAJAVELLI
12417	SMARTSTYLE	LOCATED INSIDE WALMART #663	1815 DECATUR PIKE	ATHENS	TN	37303	US	423-745-8197	KOTESWAR GAJAVELLI
12483	SMARTSTYLE	LOCATED INSIDE WALMART #620	220 CENTURY BLVD	BRISTOL	TN	37620	US	423-764-5700	KOTESWAR GAJAVELLI
18541	SMARTSTYLE	LOCATED INSIDE WALMART #738	2200 HIGHWAY 641 N	CAMDEN	TN	38320	US	731-279-4334	JOHN DOBBINS
11066	SMARTSTYLE	LOCATED INSIDE WALMART #1469	2020 GUNBARREL RD STE 250	CHATTANOOGA	TN	37421	US	423-894-4509	TOM & TERESA KRAMER
18271	SMARTSTYLE	LOCATED INSIDE WALMART #5251	490 GREENWAY VIEW DR	CHATTANOOGA	TN	37411	US	423-894-9091	TOM & TERESA KRAMER
18569	SMARTSTYLE	LOCATED INSIDE WALMART #5263	2300 TREASURY DR SE	CLEVELAND	TN	37323	US	423-472-6732	TOM & TERESA KRAMER
18817	SMARTSTYLE	LOCATED INSIDE WALMART #4635	146 TANNER ST	CLINTON	TN	37716	US	865-223-2960	GARRETT THURBER
11268	SMARTSTYLE	LOCATED INSIDE WALMART #657	768 S JEFFERSON AVE STE A	COOKEVILLE	TN	38501	US	931-520-4776	MAYUR PATEL
17892	SMARTSTYLE	LOCATED INSIDE WALMART #5175	589 W MAIN ST	COOKEVILLE	TN	38506	US	931-537-2406	MAYUR PATEL
18867	SMARTSTYLE	LOCATED INSIDE WALMART #2322	577 GERMANTOWN PKWY	CORDOVA	TN	38018	US	901-754-8297	JOHN DOBBINS
18872	SMARTSTYLE	LOCATED INSIDE WALMART #93	201 LANNY BRIDGES AVE	COVINGTON	TN	38019	US	901-475-1955	JOHN DOBBINS
17935	SMARTSTYLE	LOCATED INSIDE WALMART #687	168 OBED PLAZA STE 103	CROSSVILLE	TN	38555	US	931-456-5588	MAYUR PATEL
17889	SMARTSTYLE	LOCATED INSIDE WALMART #619	3034 RHEA COUNTY HWY	DAYTON	TN	37321	US	423-775-2517	MAYUR PATEL
18447	SMARTSTYLE	LOCATED INSIDE WALMART #264	175 BEASLEY DR	DICKSON	TN	37055	US	615-441-3101	JOHN DOBBINS

11285	SMARTSTYLE	LOCATED INSIDE WALMART #677	2650 LAKE RD	DYERSBURG	TN	38024	US	731-285-4709	JOHN DOBBINS
12484	SMARTSTYLE	LOCATED INSIDE WALMART #690	1001 OVER MOUNTAIN AVE	ELIZABETHTON	TN	37643	US	423-542-5772	KOTESWAR GAJAVELLI
11692	SMARTSTYLE	LOCATED INSIDE WALMART #314	1224 HUNTSVILLE WAY	FAYETTEVILLE	TN	37334	US	931-438-8585	BROWNING THORNTON
11603	SMARTSTYLE	LOCATED INSIDE WALMART #272	3600 MALLORY LN	FRANKLIN	TN	37067	US	615-771-0258	BROWNING THORNTON
11606	SMARTSTYLE	LOCATED INSIDE WALMART #674	1112 NASHVILLE PIKE	GALLATIN	TN	37066	US	615-230-3141	BROWNING THORNTON
11597	SMARTSTYLE	LOCATED INSIDE WALMART #680	3755 EW ANDREW JOHNSON HWY # 5	GREENEVILLE	TN	37745	US	423-636-8001	BROWNING THORNTON
11947	SMARTSTYLE	LOCATED INSIDE WALMART #1376	204 N ANDERSON LN	HENDERSONVILLE	TN	37075	US	615-264-4989	KOTESWAR GAJAVELLI
11951	SMARTSTYLE	LOCATED INSIDE WALMART #710	4424 LEBANON PIKE	HERMITAGE	TN	37076	US	615-884-8463	KOTESWAR GAJAVELLI
11064	SMARTSTYLE	LOCATED INSIDE WALMART #1606	5764 HIGHWAY 153	HIXSON	TN	37343	US	423-875-3560	TOM & TERESA KRAMER
18455	SMARTSTYLE	LOCATED INSIDE WALMART #120	2716 CENTRAL AVE	HUMBOLDT	TN	38343	US	731-784-8455	JOHN DOBBINS
11596	SMARTSTYLE	LOCATED INSIDE WALMART #1466	2824 APPALACHIAN HWY	JACKSBORO	TN	37757	US	423-566-0095	BROWNING THORNTON
11283	SMARTSTYLE	LOCATED INSIDE WALMART #393	2171 S HIGHLAND AVE	JACKSON	TN	38301	US	731-427-6722	JOHN DOBBINS
12480	SMARTSTYLE	LOCATED INSIDE WALMART #3829	2915 W MARKET ST	JOHNSON CITY	TN	37604	US	423-926-3243	ROBERT LLOYD
12485	SMARTSTYLE	LOCATED INSIDE WALMART #1080	3111 BROWNS MILL RD	JOHNSON CITY	TN	37604	US	423-283-4147	ROBERT LLOYD
11065	SMARTSTYLE	LOCATED INSIDE WALMART #1089	501 KIMBALL CROSSING	KIMBALL	TN	37347	US	423-837-9002	MAYUR PATEL
12486	SMARTSTYLE	LOCATED INSIDE WALMART #742	2500 W STONE DR	KINGSPORT	TN	37660	US	423-378-4400	ROBERT LLOYD
12487	SMARTSTYLE	LOCATED INSIDE WALMART #599	3200 FORT HENRY DR	KINGSPORT	TN	37664	US	423-378-5335	KOTESWAR GAJAVELLI
11693	SMARTSTYLE	LOCATED INSIDE WALMART #1318	6777 CLINTON WAY	KNOXVILLE	TN	37912	US	865-947-2609	BROWNING THORNTON
12316	SMARTSTYLE	LOCATED INSIDE WALMART #2065	8445 WALBROOK DR	KNOXVILLE	TN	37923	US	865-769-3636	KOTESWAR GAJAVELLI
18563	SMARTSTYLE	LOCATED INSIDE WALMART #2932	10900 PARKSIDE DR	KNOXVILLE	TN	37922	US	865-675-7554	GARRETT THURBER
18815	SMARTSTYLE	LOCATED INSIDE WALMART #2310	3051 KINZEL WAY	KNOXVILLE	TN	37924	US	865-523-3595	GARRETT THURBER
18816	SMARTSTYLE	LOCATED INSIDE WALMART #1319	7550 NORRIS FWY	KNOXVILLE	TN	37938	US	865-922-9269	GARRETT THURBER
11637	SMARTSTYLE	LOCATED INSIDE WALMART #879	419 HIGHWAY 52 BYP W	LAFAYETTE	TN	37083	US	615-688-3013	BROWNING THORNTON

11691	SMARTSTYLE	LOCATED INSIDE WALMART #683	2130 LOCUST AVE	LAWRENCEBURG	TN	38464	US	931-762-4910	BROWNING THORNTON
11950	SMARTSTYLE	LOCATED INSIDE WALMART #671	615 S CUMBERLAND ST STE 1	LEBANON	TN	37087	US	615-443-4611	KOTESWAR GAJAVELLI
18570	SMARTSTYLE	LOCATED INSIDE WALMART #741	911 HIGHWAY 321 N	LENOIR CITY	TN	37771	US	865-986-9664	GARRETT THURBER
17882	SMARTSTYLE	LOCATED INSIDE WALMART #737	1334 N ELLINGTON PKWY	LEWISBURG	TN	37091	US	931-359-8500	MAYUR PATEL
11289	SMARTSTYLE	LOCATED INSIDE WALMART #684	547 W CHURCH ST	LEXINGTON	TN	38351	US	731-968-9603	JOHN DOBBINS
17884	SMARTSTYLE	LOCATED INSIDE WALMART #308	2518 HILLSBORO BLVD	MANCHESTER	TN	37355	US	931-728-3286	MAYUR PATEL
11290	SMARTSTYLE	LOCATED INSIDE WALMART #107	134 COURTRIGHT RD	MARTIN	TN	38237	US	731-588-5831	JOHN DOBBINS
17885	SMARTSTYLE	LOCATED INSIDE WALMART #668	915 N CHANCERY ST STE 170	MCMINNVILLE	TN	37110	US	931-473-9978	MAYUR PATEL
18857	SMARTSTYLE	LOCATED INSIDE WALMART #5196	5255 ELVIS PRESLEY BLVD	MEMPHIS	TN	38116	US	901-332-4261	JOHN DOBBINS
18865	SMARTSTYLE	LOCATED INSIDE WALMART #950	8400 HIGHWAY 64	MEMPHIS	TN	38133	US	901-371-2102	JOHN DOBBINS
18866	SMARTSTYLE	LOCATED INSIDE WALMART #1248	7525 WINCHESTER RD	MEMPHIS	TN	38125	US	901-624-5219	JOHN DOBBINS
11288	SMARTSTYLE	LOCATED INSIDE WALMART #104	15427 S FIRST ST	MILAN	TN	38358	US	731-686-8388	JOHN DOBBINS
18871	SMARTSTYLE	LOCATED INSIDE WALMART #94	8453 HIGHWAY 51 N	MILLINGTON	TN	38053	US	901-872-8122	JOHN DOBBINS
11694	SMARTSTYLE	LOCATED INSIDE WALMART #685	475 S DAVY CROCKETT PKWY	MORRISTOWN	TN	37813	US	423-585-0118	BROWNING THORNTON
12704	SMARTSTYLE	LOCATED INSIDE WALMART #6370	4331 W ANDREW JOHNSON HWY	MORRISTOWN	TN	37814	US	423-587-2613	KOTESWAR GAJAVELLI
17881	SMARTSTYLE	LOCATED INSIDE WALMART #5057	2900 S RUTHERFORD BLVD	MURFREESBORO	TN	37130	US	615-890-5639	BLAKE AND LINDSEY JOCHIM
18229	SMARTSTYLE	LOCATED INSIDE WALMART #682	2000 OLD FORT PKWY	MURFREESBORO	TN	37129	US	615-904-0808	BLAKE AND LINDSEY JOCHIM
18230	SMARTSTYLE	LOCATED INSIDE WALMART #2757	2012 MEMORIAL BLVD	MURFREESBORO	TN	37129	US	615-898-0290	BLAKE AND LINDSEY JOCHIM
18231	SMARTSTYLE	LOCATED INSIDE WALMART #416	140 JOE B JACKSON PKWY	MURFREESBORO	TN	37127	US	615-849-4777	BLAKE AND LINDSEY JOCHIM
11949	SMARTSTYLE	LOCATED INSIDE WALMART #688	5824 NOLENSVILLE PIKE	NASHVILLE	TN	37211	US	615-331-8835	KOTESWAR GAJAVELLI
11604	SMARTSTYLE	LOCATED INSIDE WALMART #1194	373 S ILLINOIS AVE	OAK RIDGE	TN	37830	US	865-220-8480	BROWNING THORNTON
11971	SMARTSTYLE	LOCATED INSIDE WALMART #583	19740 ALBERTA ST	ONEIDA	TN	37841	US	423-569-1525	KOTESWAR GAJAVELLI
12552	SMARTSTYLE	LOCATED INSIDE WALMART #238	1655 W COLLEGE ST	PULASKI	TN	38478	US	931-424-0037	JOHN DOBBINS

11267	SMARTSTYLE	LOCATED INSIDE WALMART #676	1102 N GATEWAY AVE	ROCKWOOD	TN	37854	US	865-354-3545	MAYUR PATEL
12481	SMARTSTYLE	LOCATED INSIDE WALMART #3234	4331 HIGHWAY 66 S	ROGERSVILLE	TN	37857	US	423-921-9216	KOTESWAR GAJAVELLI
11295	SMARTSTYLE	LOCATED INSIDE WALMART #268	175 J I BELL LN	SAVANNAH	TN	38372	US	731-925-7594	DAVID & KARNA PARKER
11605	SMARTSTYLE	LOCATED INSIDE WALMART #578	1414 PARKWAY	SEVIERVILLE	TN	37862	US	865-453-4418	BROWNING THORNTON
17883	SMARTSTYLE	LOCATED INSIDE WALMART #656	1800 N MAIN ST	SHELBYVILLE	TN	37160	US	931-684-0782	MAYUR PATEL
17887	SMARTSTYLE	LOCATED INSIDE WALMART #587	202 SAM WALTON DR	SPARTA	TN	38583	US	931-739-2620	MAYUR PATEL
11948	SMARTSTYLE	LOCATED INSIDE WALMART #304	3360 TOM AUSTIN HWY	SPRINGFIELD	TN	37172	US	615-384-9264	KOTESWAR GAJAVELLI
12418	SMARTSTYLE	LOCATED INSIDE WALMART #4166	935 HIGHWAY 11 S	SWEETWATER	TN	37874	US	423-351-0118	KOTESWAR GAJAVELLI
12430	SMARTSTYLE	LOCATED INSIDE WALMART #675	1601 W REELFOOT AVE	UNION CITY	TN	38261	US	731-885-8831	JOHN DOBBINS
12387	SMARTSTYLE	LOCATED INSIDE WALMART #535	4350 SOUTHWEST DR	ABILENE	TX	79606	US	325-692-4737	PRASHANT AND RUCHIKA NAGRATH
12388	SMARTSTYLE	LOCATED INSIDE WALMART #536	1650 STATE HIGHWAY 351	ABILENE	TX	79601	US	325-675-8756	PRASHANT AND RUCHIKA NAGRATH
18781	SMARTSTYLE	LOCATED INSIDE WALMART #5165	1421 W FRONTAGE RD	ALAMO	TX	78516	US	956-782-4807	MICHAEL MANOJ AND BENNY KALLARACKAL
11240	SMARTSTYLE	LOCATED INSIDE WALMART #791	2701 E MAIN ST	ALICE	TX	78332	US	361-396-0329	ANWAR BAWANI
19055	SMARTSTYLE	LOCATED INSIDE WALMART #462	400 S BYPASS 35	ALVIN	TX	77511	US	281-756-8322	KOTESWAR GAJAVELLI
12368	SMARTSTYLE	LOCATED INSIDE WALMART #755	4610 S COULTER ST	AMARILLO	TX	79119	US	806-359-4219	PRASHANT AND RUCHIKA NAGRATH
12369	SMARTSTYLE	LOCATED INSIDE WALMART #3383	4215 CANYON DR	AMARILLO	TX	79110	US	806-353-7839	PRASHANT AND RUCHIKA NAGRATH
12371	SMARTSTYLE	LOCATED INSIDE WALMART #5216	5730 W AMARILLO BLVD	AMARILLO	TX	79106	US	806-352-2685	PRASHANT AND RUCHIKA NAGRATH
17805	SMARTSTYLE	LOCATED INSIDE WALMART #458	2501 W WHEELER AVE	ARANSAS PASS	TX	78336	US	361-758-1602	ANWAR BAWANI
18801	SMARTSTYLE	LOCATED INSIDE WALMART #3284	4800 US HIGHWAY 287	ARLINGTON	TX	76017	US	817-483-1300	RADHIKA SIRIPIREDDY
18951	SMARTSTYLE	LOCATED INSIDE WALMART #5416	915 E RANDOL MILL RD STE 119	ARLINGTON	TX	76011	US	817-303-9124	DAVID FESPERMAN
11054	SMARTSTYLE	LOCATED INSIDE WALMART #412	1405 E TYLER ST	ATHENS	TX	75751	US	903-670-3438	RADHIKA SIRIPIREDDY
12357	SMARTSTYLE	LOCATED INSIDE WALMART #226	201 US HIGHWAY 59 LOOP	ATLANTA	TX	75551	US	903-799-5184	PRASHANT AND RUCHIKA NAGRATH

18477	SMARTSTYLE	LOCATED INSIDE WALMART #3569	12900 N I H 35	AUSTIN	TX	78753	US	512-833-5782	NIKETA & SHELDON D'MELLO
18626	SMARTSTYLE	LOCATED INSIDE WALMART #5317	9300 S INTERSTATE 35 BLDG B	AUSTIN	TX	78748	US	512-291-1077	RADHIKA SIRIPIREDDY
18944	SMARTSTYLE	LOCATED INSIDE WALMART #5359	721 BOYD RD	AZLE	TX	76020	US	817-270-0464	DAVID FESPERMAN
11236	SMARTSTYLE	LOCATED INSIDE WALMART #1405	4600 7TH ST	BAY CITY	TX	77414	US	979-244-2783	PRASHANT AND RUCHIKA NAGRATH
17680	SMARTSTYLE	LOCATED INSIDE WALMART #2439	8700 N HIGHWAY 146	BAYTOWN	TX	77523	US	281-573-3208	DAVID & JACQUELINE PLAUCK
19053	SMARTSTYLE	LOCATED INSIDE WALMART #194	4900 GARTH RD	BAYTOWN	TX	77520	US	281-421-9366	KOTESWAR GAJAVELLI
19058	SMARTSTYLE	LOCATED INSIDE WALMART #651	4145 DOWLEN RD	BEAUMONT	TX	77706	US	409-892-0775	ANWAR BAWANI
18799	SMARTSTYLE	LOCATED INSIDE WALMART #1178	4101 HIGHWAY 121	BEDFORD	TX	76021	US	817-283-7995	RADHIKA SIRIPIREDDY
11254	SMARTSTYLE	LOCATED INSIDE WALMART #463	502 E FM 351	BEEVILLE	TX	78102	US	361-358-2335	ANWAR BAWANI
18215	SMARTSTYLE	LOCATED INSIDE WALMART #1254	1521 INTERSTATE 35 E	BELLMEAD	TX	76705	US	254-799-8464	DAVID FESPERMAN
18219	SMARTSTYLE	LOCATED INSIDE WALMART #1232	2604 N MAIN ST	BELTON	TX	76513	US	254-933-7642	RADHIKA SIRIPIREDDY
12378	SMARTSTYLE	LOCATED INSIDE WALMART #513	201 W MARCY DR	BIG SPRING	TX	79720	US	432-263-0262	PRASHANT AND RUCHIKA NAGRATH
18810	SMARTSTYLE	LOCATED INSIDE WALMART #1126	1381 S MAIN ST	BOERNE	TX	78006	US	830-249-6973	JONATHAN (SCOTT) & BRENDA LOVETT
11915	SMARTSTYLE	LOCATED INSIDE WALMART #1516	1501 ROOSEVELT ST	BORGER	TX	79007	US	806-274-9630	DAVID FESPERMAN
11228	SMARTSTYLE	LOCATED INSIDE WALMART #4112	2205 E RUBEN TORRES BLVD	BROWNSVILLE	TX	78526	US	956-541-4722	MICHAEL MANOJ AND BENNY KALLARACKAL
19073	SMARTSTYLE	LOCATED INSIDE WALMART #813	401 W COMMERCE ST	BROWNWOOD	TX	76801	US	325-641-8561	DAVID FESPERMAN
11016	SMARTSTYLE	LOCATED INSIDE WALMART #220	951 SW WILSHIRE BLVD	BURLESON	TX	76028	US	817-447-3261	NARASIMHAM BATLANKI & APARNA DEVI
12372	SMARTSTYLE	LOCATED INSIDE WALMART #793	1701 N 23RD ST	CANYON	TX	79015	US	806-655-7973	PRASHANT AND RUCHIKA NAGRATH
18724	SMARTSTYLE	LOCATED INSIDE WALMART #3285	621 UPTOWN BLVD	CEDAR HILL	TX	75104	US	469-272-3323	RADHIKA SIRIPIREDDY
18474	SMARTSTYLE	LOCATED INSIDE WALMART #2991	201 WALTON WAY	CEDAR PARK	TX	78613	US	512-528-1936	RADHIKA SIRIPIREDDY
12366	SMARTSTYLE	LOCATED INSIDE WALMART #364	810 HURST ST	CENTER	TX	75935	US	936-591-8166	PRASHANT AND RUCHIKA NAGRATH
18957	SMARTSTYLE	LOCATED INSIDE WALMART #249	831 HIGHWAY 59 S	CLEVELAND	TX	77327	US	281-432-1908	KOTESWAR GAJAVELLI

18605	SMARTSTYLE	LOCATED INSIDE WALMART #5144	8315 FM 78	CONVERSE	TX	78109	US	210-310-0440	EURIE ACOSTA
18947	SMARTSTYLE	LOCATED INSIDE WALMART #3213	3040 COLLEGE PARK DR	CONROE	TX	77384	US	936-271-0887	KOTESWAR GAJAVELLI
18956	SMARTSTYLE	LOCATED INSIDE WALMART #400	1407 N LOOP 336 W	CONROE	TX	77304	US	936-756-6800	KOTESWAR GAJAVELLI
18850	SMARTSTYLE	LOCATED INSIDE WALMART #381	2720 E HIGHWAY 190	COPPERAS COVE	TX	76522	US	254-542-6070	RADHIKA SIRIPIREDDY
11244	SMARTSTYLE	LOCATED INSIDE WALMART #464	3829 US HIGHWAY 77	CORPUS CHRISTI	TX	78410	US	361-387-2400	ANWAR BAWANI
17808	SMARTSTYLE	LOCATED INSIDE WALMART #470	1821 S PADRE ISLAND DR	CORPUS CHRISTI	TX	78416	US	361-814-5229	ANWAR BAWANI
17812	SMARTSTYLE	LOCATED INSIDE WALMART #5898	6101 SARATOGA BLVD	CORPUS CHRISTI	TX	78414	US	361-980-1003	ANWAR BAWANI
11052	SMARTSTYLE	LOCATED INSIDE WALMART #565	3801 W STATE HIGHWAY 31	CORSICANA	TX	75110	US	903-874-6164	RADHIKA SIRIPIREDDY
17904	SMARTSTYLE	LOCATED INSIDE WALMART #522	14215 FM 2100 RD	CROSBY	TX	77532	US	281-462-8118	EURIE ACOSTA
18649	SMARTSTYLE	LOCATED INSIDE WALMART #5091	26270 NORTHWEST FWY	CYPRESS	TX	77429	US	281-256-7226	PRASHANT AND RUCHIKA NAGRATH
18873	SMARTSTYLE	LOCATED INSIDE WALMART #421	800 S HIGHWAY 287	DECATUR	TX	76234	US	940-627-5440	AKINYELE & JUMOKE MACCAULAY
11234	SMARTSTYLE	LOCATED INSIDE WALMART #447	2410 DODSON AVE	DEL RIO	TX	78840	US	830-778-6604	MICHAEL MANOJ AND BENNY KALLARACKAL
18877	SMARTSTYLE	LOCATED INSIDE WALMART #4627	2750 W UNIVERSITY DR	DENTON	TX	76201	US	940-382-6058	AKINYELE & JUMOKE MACCAULAY
18725	SMARTSTYLE	LOCATED INSIDE WALMART #3432	951 W BELT LINE RD	DESOTO	TX	75115	US	972-223-6887	RANDOLPH BIBBS
11914	SMARTSTYLE	LOCATED INSIDE WALMART #812	2003 S DUMAS AVE	DUMAS	TX	79029	US	806-935-6695	DAVID FESPERMAN
11233	SMARTSTYLE	LOCATED INSIDE WALMART #461	496 S BIBB ST	EAGLE PASS	TX	78852	US	830-773-8676	MICHAEL MANOJ AND BENNY KALLARACKAL
18778	SMARTSTYLE	LOCATED INSIDE WALMART #3886	4101 S MCCOLL RD	EDINBURG	TX	78539	US	956-686-1643	MICHAEL MANOJ AND BENNY KALLARACKAL
18779	SMARTSTYLE	LOCATED INSIDE WALMART #429	1724 W UNIVERSITY DR STE C	EDINBURG	TX	78539	US	956-383-4613	MICHAEL MANOJ AND BENNY KALLARACKAL
19062	SMARTSTYLE	LOCATED INSIDE WALMART #512	10727 GATEWAY BLVD W	EL PASO	TX	79935	US	915-593-8258	ANWAR BAWANI
19063	SMARTSTYLE	LOCATED INSIDE WALMART #500	4530 WOODROW BEAN TRANSMNT DR	EL PASO	TX	79924	US	915-751-3340	ANWAR BAWANI
19064	SMARTSTYLE	LOCATED INSIDE WALMART #1015	7555 N MESA ST	EL PASO	TX	79912	US	915-833-2679	ANWAR BAWANI

19065	SMARTSTYLE	LOCATED INSIDE WALMART #2612	1850 N ZARAGOZA RD	EL PASO	TX	79936	US	915-856-7976	ANWAR BAWANI
11045	SMARTSTYLE	LOCATED INSIDE WALMART #286	700 E ENNIS AVE	ENNIS	TX	75119	US	972-875-6076	RADHIKA SIRIPIREDDY
18772	SMARTSTYLE	LOCATED INSIDE WALMART #465	305 10TH ST	FLORESVILLE	TX	78114	US	830-393-9310	JONATHAN (SCOTT) & BRENDA LOVETT
18919	SMARTSTYLE	LOCATED INSIDE WALMART #5191	802 E US HIGHWAY 80	FORNEY	TX	75126	US	972-552-2735	DINESH & KIRAN DASANI
18045	SMARTSTYLE	LOCATED INSIDE WALMART #2980	8520 N BEACH ST	FORT WORTH	TX	76244	US	817-514-7961	DAVID FESPERMAN
18950	SMARTSTYLE	LOCATED INSIDE WALMART #1455	8401 ANDERSON ST STE 600	FORT WORTH	TX	76120	US	817-861-5824	DAVID FESPERMAN
18672	SMARTSTYLE	LOCATED INSIDE WALMART #1154	1435 E MAIN ST STE 200	FREDERICKSBURG	TX	78624	US	830-990-2364	RADHIKA SIRIPIREDDY
18598	SMARTSTYLE	LOCATED INSIDE WALMART #1062	150 W EL DORADO BLVD	FRIENDSWOOD	TX	77546	US	281-286-5727	TYRONE RICE, SR.
11019	SMARTSTYLE	LOCATED INSIDE WALMART #185	1800 LAWRENCE ST	GAINESVILLE	TX	76240	US	940-668-7334	NARASIMHAM BATLANKI & APARNA DEVI
19068	SMARTSTYLE	LOCATED INSIDE WALMART #504	6702 SEAWALL DR	GALVESTON	TX	77551	US	409-740-1244	PRASHANT AND RUCHIKA NAGRATH
18480	SMARTSTYLE	LOCATED INSIDE WALMART #3224	555 W INTERSTATE 30	GARLAND	TX	75043	US	972-303-0072	GEE VARUGHESE
18936	SMARTSTYLE	LOCATED INSIDE WALMART #1055	5302 N GARLAND AVE	GARLAND	TX	75040	US	972-495-4410	GEE VARUGHESE
18224	SMARTSTYLE	LOCATED INSIDE WALMART #476	2805 S HIGHWAY 36	GATESVILLE	TX	76528	US	254-865-2527	RADHIKA SIRIPIREDDY
18223	SMARTSTYLE	LOCATED INSIDE WALMART #1303	620 S INTERSTATE 35 STE 106	GEORGETOWN	TX	78626	US	512-869-3414	RADHIKA SIRIPIREDDY
19074	SMARTSTYLE	LOCATED INSIDE WALMART #353	2121 HIGHWAY 16 S	GRAHAM	TX	76450	US	940-521-9649	DAVID FESPERMAN
11047	SMARTSTYLE	LOCATED INSIDE WALMART #371	735 HIGHWAY 377 E	GRANBURY	TX	76048	US	817-279-6050	RADHIKA SIRIPIREDDY
18805	SMARTSTYLE	LOCATED INSIDE WALMART #896	2225 W INTERSTATE 20	GRAND PRAIRIE	TX	75052	US	972-975-0910	RADHIKA SIRIPIREDDY
18933	SMARTSTYLE	LOCATED INSIDE WALMART #427	7401 INTERSTATE 30	GREENVILLE	TX	75402	US	903-455-7594	GEE VARUGHESE
18929	SMARTSTYLE	LOCATED INSIDE WALMART #3319	2020 HEIGHTS DR	HARKER HEIGHTS	TX	76548	US	254-554-7895	RADHIKA SIRIPIREDDY
11227	SMARTSTYLE	LOCATED INSIDE WALMART #595	1801 W LINCOLN AVE	HARLINGEN	TX	78552	US	956-412-1473	MICHAEL MANOJ AND BENNY KALLARACKAL
18943	SMARTSTYLE	LOCATED INSIDE WALMART #5764	2401 AVONDALE HASLET RD	HASLET	TX	76052	US	817-439-8170	DAVID FESPERMAN
18218	SMARTSTYLE	LOCATED INSIDE WALMART #7156	733 SUN VALLEY BLVD	HEWITT	TX	76643	US	254-666-6238	DAVID FESPERMAN

18874	SMARTSTYLE	LOCATED INSIDE WALMART #3286	1035 HICKORY CREEK BLVD	HICKORY CREEK	TX	75065	US	940-497-4002	AKINYELE & JUMOKE MACCAULAY
11051	SMARTSTYLE	LOCATED INSIDE WALMART #211	401 COKE ST	HILLSBORO	TX	76645	US	254-580-2704	RADHIKA SIRIPIREDDY
17677	SMARTSTYLE	LOCATED INSIDE WALMART #3500	5655 E SAM HOUSTON PKWY N	HOUSTON	TX	77015	US	713-450-4111	DAVID & JACQUELINE PLAUCK
18446	SMARTSTYLE	LOCATED INSIDE WALMART #3296	2700 S KIRKWOOD DR	HOUSTON	TX	77077	US	281-596-9650	KOTESWAR GAJAVELLI
18555	SMARTSTYLE	LOCATED INSIDE WALMART #3297	12353 FM 1960 RD W	HOUSTON	TX	77065	US	281-477-9522	KOTESWAR GAJAVELLI
18602	SMARTSTYLE	LOCATED INSIDE WALMART #3425	9598 ROWLETT RD	HOUSTON	TX	77075	US	713-947-0787	TYRONE RICE, SR.
18652	SMARTSTYLE	LOCATED INSIDE WALMART #1040	15955 FM 529 RD	HOUSTON	TX	77095	US	281-463-7114	PRASHANT AND RUCHIKA NAGRATH
18946	SMARTSTYLE	LOCATED INSIDE WALMART #1279	10411 N FREEWAY 45	HOUSTON	TX	77037	US	281-445-4572	KOTESWAR GAJAVELLI
18949	SMARTSTYLE	LOCATED INSIDE WALMART #1103	3450 FM 1960 RD W	HOUSTON	TX	77068	US	281-587-8522	KOTESWAR GAJAVELLI
11015	SMARTSTYLE	LOCATED INSIDE WALMART #3431	2801 E INTERSTATE 20	HUDSON OAKS	TX	76087	US	817-594-2334	NARASIMHAM BATLANKI & APARNA DEVI
17903	SMARTSTYLE	LOCATED INSIDE WALMART #744	6626 FM 1960 RD E	HUMBLE	TX	77346	US	281-852-2923	EURIE ACOSTA
18791	SMARTSTYLE	LOCATED INSIDE WALMART #1837	9451 FM 1960 BYPASS	HUMBLE	TX	77338	US	281-446-0335	EURIE ACOSTA
12385	SMARTSTYLE	LOCATED INSIDE WALMART #285	141 INTERSTATE 45 S	HUNTSVILLE	TX	77340	US	936-295-7050	PRASHANT AND RUCHIKA NAGRATH
18044	SMARTSTYLE	LOCATED INSIDE WALMART #5080	1732 PRECINCT LINE RD	HURST	TX	76054	US	817-485-5841	DAVID FESPERMAN
18802	SMARTSTYLE	LOCATED INSIDE WALMART #2649	1635 MARKET PLACE BLVD	IRVING	TX	75063	US	972-401-8898	RADHIKA SIRIPIREDDY
12383	SMARTSTYLE	LOCATED INSIDE WALMART #214	800 W GIBSON ST	JASPER	TX	75951	US	409-384-7000	PRASHANT AND RUCHIKA NAGRATH
18645	SMARTSTYLE	LOCATED INSIDE WALMART #768	1313 FRY RD	KATY	TX	77449	US	281-644-5590	PRASHANT AND RUCHIKA NAGRATH
18646	SMARTSTYLE	LOCATED INSIDE WALMART #3226	25108 MARKET PLACE DR	KATY	TX	77494	US	281-644-5590	PRASHANT AND RUCHIKA NAGRATH
18665	SMARTSTYLE	LOCATED INSIDE WALMART #508	1216 JUNCTION HWY	KERRVILLE	TX	78028	US	830-895-5300	RADHIKA SIRIPIREDDY
11320	SMARTSTYLE	LOCATED INSIDE WALMART #572	1201 STONE RD	KILGORE	TX	75662	US	903-983-2112	RADHIKA SIRIPIREDDY
18220	SMARTSTYLE	LOCATED INSIDE WALMART #407	1400 LOWES BLVD	KILLEEN	TX	76542	US	254-634-6112	RADHIKA SIRIPIREDDY
11245	SMARTSTYLE	LOCATED INSIDE WALMART #442	1133 E GENERAL CAVAZOS BLVD	KINGSVILLE	TX	78363	US	361-516-1555	ANWAR BAWANI

19070	SMARTSTYLE	LOCATED INSIDE WALMART #529	6410 INTERSTATE 45	LA MARQUE	TX	77568	US	409-986-5227	PRASHANT AND RUCHIKA NAGRATH
18601	SMARTSTYLE	LOCATED INSIDE WALMART #5116	9025 SPENCER HWY	LA PORTE	TX	77571	US	281-479-9657	TYRONE RICE, SR.
11235	SMARTSTYLE	LOCATED INSIDE WALMART #808	121 W HIGHWAY 332	LAKE JACKSON	TX	77566	US	979-297-5055	PRASHANT AND RUCHIKA NAGRATH
11080	SMARTSTYLE	LOCATED INSIDE WALMART #972	6360 LAKE WORTH BLVD	LAKE WORTH	TX	76135	US	682-708-5130	DAVID FESPERMAN
11230	SMARTSTYLE	LOCATED INSIDE WALMART #3518	2320 BOB BULLOCK LOOP	LAREDO	TX	78043	US	956-753-0181	MICHAEL MANOJ AND BENNY KALLARACKAL
11231	SMARTSTYLE	LOCATED INSIDE WALMART #5713	2615 NE BOB BULLOCK LOOP	LAREDO	TX	78045	US	956-722-1585	MICHAEL MANOJ AND BENNY KALLARACKAL
11232	SMARTSTYLE	LOCATED INSIDE WALMART #554	5610 SAN BERNARDO AVE	LAREDO	TX	78041	US	956-791-3342	MICHAEL MANOJ AND BENNY KALLARACKAL
12377	SMARTSTYLE	LOCATED INSIDE WALMART #1051	407 E HIGHWAY 114	LEVELLAND	TX	79336	US	806-894-9536	PRASHANT AND RUCHIKA NAGRATH
17914	SMARTSTYLE	LOCATED INSIDE WALMART #1186	2121 HIGHWAY A46 BYPASS	LIBERTY	TX	77575	US	936-334-1993	EURIE ACOSTA
17942	SMARTSTYLE	LOCATED INSIDE WALMART #3764	105 CENTENNIAL BLVD	LINDALE	TX	75771	US	903-881-9061	RADHIKA SIRIPIREDDY
12384	SMARTSTYLE	LOCATED INSIDE WALMART #275	1620 W CHURCH ST STE C	LIVINGSTON	TX	77351	US	936-327-1220	PRASHANT AND RUCHIKA NAGRATH
11319	SMARTSTYLE	LOCATED INSIDE WALMART #399	2440 GILMER RD	LONGVIEW	TX	75604	US	903-297-1552	RADHIKA SIRIPIREDDY
11321	SMARTSTYLE	LOCATED INSIDE WALMART #398	515 E LOOP 281	LONGVIEW	TX	75605	US	903-663-2400	RADHIKA SIRIPIREDDY
12373	SMARTSTYLE	LOCATED INSIDE WALMART #945	702 W LOOP 289	LUBBOCK	TX	79416	US	806-792-7729	PRASHANT AND RUCHIKA NAGRATH
12374	SMARTSTYLE	LOCATED INSIDE WALMART #861	4215 S 289 LOOP	LUBBOCK	TX	79423	US	806-785-4247	PRASHANT AND RUCHIKA NAGRATH
12375	SMARTSTYLE	LOCATED INSIDE WALMART #4299	6315 82ND ST STE 3	LUBBOCK	TX	79424	US	806-698-8724	PRASHANT AND RUCHIKA NAGRATH
12376	SMARTSTYLE	LOCATED INSIDE WALMART #3826	1911 4TH ST	LUBBOCK	TX	79415	US	806-744-0762	PRASHANT AND RUCHIKA NAGRATH
12365	SMARTSTYLE	LOCATED INSIDE WALMART #140	2500 DANIEL MCCALL DR	LUFKIN	TX	75904	US	936-639-4702	PRASHANT AND RUCHIKA NAGRATH
19061	SMARTSTYLE	LOCATED INSIDE WALMART #384	100 N LHS DR	LUMBERTON	TX	77657	US	409-751-3604	ANWAR BAWANI
18670	SMARTSTYLE	LOCATED INSIDE WALMART #781	2700 US HIGHWAY 281 N STE B	MARBLE FALLS	TX	78654	US	830-693-1804	RADHIKA SIRIPIREDDY
18782	SMARTSTYLE	LOCATED INSIDE WALMART #397	1200 E JACKSON AVE STE E	MCALLEN	TX	78503	US	956-687-3377	MICHAEL MANOJ AND BENNY KALLARACKAL

18657	SMARTSTYLE	LOCATED INSIDE WALMART #5211	5001 MCKINNEY RANCH PKWY	MCKINNEY	TX	75070	US	469-952-2562	EDUARDO MENDEZ
18660	SMARTSTYLE	LOCATED INSIDE WALMART #5311	1721 N CUSTER	MCKINNEY	TX	75071	US	972-547-3962	EDUARDO MENDEZ
18795	SMARTSTYLE	LOCATED INSIDE WALMART #789	200 US HIGHWAY 80 E	MESQUITE	TX	75149	US	972-216-7092	GEE VARUGHESE
12386	SMARTSTYLE	LOCATED INSIDE WALMART #248	1406 E MILAM ST	MEXIA	TX	76667	US	254-472-0004	PRASHANT AND RUCHIKA NAGRATH
12379	SMARTSTYLE	LOCATED INSIDE WALMART #608	4517 N MIDLAND DR	MIDLAND	TX	79707	US	432-694-0491	PRASHANT AND RUCHIKA NAGRATH
12382	SMARTSTYLE	LOCATED INSIDE WALMART #3645	200 W INTERSTATE 20	MIDLAND	TX	79701	US	432-687-3906	PRASHANT AND RUCHIKA NAGRATH
17943	SMARTSTYLE	LOCATED INSIDE WALMART #251	135 NE LOOP 564	MINEOLA	TX	75773	US	903-569-5465	RADHIKA SIRIPIREDDY
18783	SMARTSTYLE	LOCATED INSIDE WALMART #395	2410 E EXPRESSWAY 83	MISSION	TX	78572	US	956-581-6220	MICHAEL MANOJ AND BENNY KALLARACKAL
18953	SMARTSTYLE	LOCATED INSIDE WALMART #3591	18700 STATE HIGHWAY 105 W	MONTGOMERY	TX	77356	US	936-582-0406	KOTESWAR GAJAVELLI
17941	SMARTSTYLE	LOCATED INSIDE WALMART #131	2311 S JEFFERSON AVE	MOUNT PLEASANT	TX	75455	US	903-572-4242	RADHIKA SIRIPIREDDY
12367	SMARTSTYLE	LOCATED INSIDE WALMART #163	4810 NORTH ST	NACOGDOCHES	TX	75965	US	936-564-7709	PRASHANT AND RUCHIKA NAGRATH
18624	SMARTSTYLE	LOCATED INSIDE WALMART #865	1209 S INTERSTATE 35	NEW BRAUNFELS	TX	78130	US	830-629-1441	RADHIKA SIRIPIREDDY
18800	SMARTSTYLE	LOCATED INSIDE WALMART #3274	9101 N TARRANT PKWY	NORTH RICHLAND HILLS	TX	76182	US	817-427-2742	RADHIKA SIRIPIREDDY
12380	SMARTSTYLE	LOCATED INSIDE WALMART #537	4210 JOHN BEN SHEPPARD PKWY	ODESSA	TX	79762	US	432-367-0028	PRASHANT AND RUCHIKA NAGRATH
12381	SMARTSTYLE	LOCATED INSIDE WALMART #2891	2450 NW LOOP 338	ODESSA	TX	79763	US	432-334-8066	PRASHANT AND RUCHIKA NAGRATH
11913	SMARTSTYLE	LOCATED INSIDE WALMART #600	2801 N CHARLES ST	PAMPA	TX	79065	US	806-665-5885	DAVID FESPERMAN
11027	SMARTSTYLE	LOCATED INSIDE WALMART #148	3855 LAMAR AVE	PARIS	TX	75462	US	903-737-8922	NARASIMHAM BATLANKI & APARNA DEVI
17678	SMARTSTYLE	LOCATED INSIDE WALMART #752	5200 FAIRMONT PKWY	PASADENA	TX	77505	US	281-487-2442	DAVID & JACQUELINE PLAUCK
18603	SMARTSTYLE	LOCATED INSIDE WALMART #2724	1107 S SHAVER ST	PASADENA	TX	77506	US	713-534-0075	TYRONE RICE, SR.
18599	SMARTSTYLE	LOCATED INSIDE WALMART #3510	1710 BROADWAY ST	PEARLAND	TX	77581	US	281-482-6337	TYRONE RICE, SR.
18600	SMARTSTYLE	LOCATED INSIDE WALMART #872	1919 N MAIN ST	PEARLAND	TX	77581	US	281-412-5439	TYRONE RICE, SR.
19056	SMARTSTYLE	LOCATED INSIDE WALMART #3572	10505 BROADWAY ST	PEARLAND	TX	77584	US	713-436-6599	KOTESWAR GAJAVELLI

12370	SMARTSTYLE	LOCATED INSIDE WALMART #927	1501 N INTERSTATE 27	PLAINVIEW	TX	79072	US	806-296-5557	PRASHANT AND RUCHIKA NAGRATH
18770	SMARTSTYLE	LOCATED INSIDE WALMART #757	2151 W OAKLAWN	PLEASANTON	TX	78064	US	830-569-5789	JONATHAN (SCOTT) & BRENDA LOVETT
19066	SMARTSTYLE	LOCATED INSIDE WALMART #408	8585 MEMORIAL BLVD STE 1570	PORT ARTHUR	TX	77640	US	409-726-8021	ANWAR BAWANI
11229	SMARTSTYLE	LOCATED INSIDE WALMART #413	1401 STATE HIGHWAY 100	PORT ISABEL	TX	78578	US	956-943-4129	MICHAEL MANOJ AND BENNY KALLARACKAL
11246	SMARTSTYLE	LOCATED INSIDE WALMART #1098	400 TINEY BROWNING BLVD	PORT LAVACA	TX	77979	US	361-552-4063	ANWAR BAWANI
18976	SMARTSTYLE	LOCATED INSIDE WALMART #297	23561 US HIGHWAY 59	PORTER	TX	77365	US	281-577-9102	KOTESWAR GAJAVELLI
17811	SMARTSTYLE	LOCATED INSIDE WALMART #5460	2000 US HIGHWAY 181	PORTLAND	TX	78374	US	361-643-3956	ANWAR BAWANI
17810	SMARTSTYLE	LOCATED INSIDE WALMART #440	2401 HIGHWAY 35 N	ROCKPORT	TX	78382	US	361-729-4587	ANWAR BAWANI
18478	SMARTSTYLE	LOCATED INSIDE WALMART #259	782 INTERSTATE 30	ROCKWALL	TX	75087	US	972-722-8644	GEE VARUGHESE
18225	SMARTSTYLE	LOCATED INSIDE WALMART #5480	4700 E PALM VALLEY BLVD	ROUND ROCK	TX	78665	US	512-238-9380	EURIE ACOSTA
18479	SMARTSTYLE	LOCATED INSIDE WALMART #3225	2501 LAKEVIEW PKWY	ROWLETT	TX	75088	US	214-607-9702	GEE VARUGHESE
18940	SMARTSTYLE	LOCATED INSIDE WALMART #5316	1401 N SAGINAW BLVD	SAGINAW	TX	76179	US	817-847-9117	DAVID FESPERMAN
19075	SMARTSTYLE	LOCATED INSIDE WALMART #601	5501 SHERWOOD WAY	SAN ANGELO	TX	76904	US	325-949-7379	DAVID FESPERMAN
19076	SMARTSTYLE	LOCATED INSIDE WALMART #7281	3440 S BRYANT BLVD	SAN ANGELO	TX	76903	US	325-481-0039	DAVID FESPERMAN
19078	SMARTSTYLE	LOCATED INSIDE WALMART #1249	610 W 29TH ST	SAN ANGELO	TX	76903	US	325-657-0906	DAVID FESPERMAN
17793	SMARTSTYLE	LOCATED INSIDE WALMART #1313	1200 SE MILITARY DR	SAN ANTONIO	TX	78214	US	210-932-3219	ANWAR BAWANI
17796	SMARTSTYLE	LOCATED INSIDE WALMART #2599	5555 DEZAVALA RD	SAN ANTONIO	TX	78249	US	210-697-7076	ANWAR BAWANI
17798	SMARTSTYLE	LOCATED INSIDE WALMART #2864	6703 LESLIE RD	SAN ANTONIO	TX	78254	US	210-688-6370	ANWAR BAWANI
17800	SMARTSTYLE	LOCATED INSIDE WALMART #1198	1515 N LOOP 1604 E	SAN ANTONIO	TX	78232	US	210-404-2124	ANWAR BAWANI
17802	SMARTSTYLE	LOCATED INSIDE WALMART #5146	8030 BANDERA RD STE 6	SAN ANTONIO	TX	78250	US	210-522-0462	ANWAR BAWANI
18471	SMARTSTYLE	LOCATED INSIDE WALMART #3279	2100 SE LOOP 410	SAN ANTONIO	TX	78220	US	210-648-9952	RADHIKA SIRIPIREDDY
18771	SMARTSTYLE	LOCATED INSIDE WALMART #5245	3302 SE MILITARY DR	SAN ANTONIO	TX	78223	US	210-359-8770	JONATHAN (SCOTT) & BRENDA LOVETT

18806	SMARTSTYLE	LOCATED INSIDE WALMART #5145	1603 VANCE JACKSON RD	SAN ANTONIO	TX	78213	US	210-736-1634	JONATHAN (SCOTT) & BRENDA LOVETT
18808	SMARTSTYLE	LOCATED INSIDE WALMART #3888	11210 POTRANCO RD	SAN ANTONIO	TX	78253	US	210-679-0422	JONATHAN (SCOTT) & BRENDA LOVETT
18809	SMARTSTYLE	LOCATED INSIDE WALMART #765	16503 NACOGDOCHES RD	SAN ANTONIO	TX	78247	US	210-651-1897	JONATHAN (SCOTT) & BRENDA LOVETT
18604	SMARTSTYLE	LOCATED INSIDE WALMART #404	1015 HIGHWAY 80 E	SAN MARCOS	TX	78666	US	512-392-1501	EURIE ACOSTA
11020	SMARTSTYLE	LOCATED INSIDE WALMART #947	401 E HIGHWAY 82	SHERMAN	TX	75092	US	903-893-6602	NARASIMHAM BATLANKI & APARNA DEVI
19059	SMARTSTYLE	LOCATED INSIDE WALMART #383	1100 HIGHWAY 96 N	SILSBEE	TX	77656	US	409-385-6570	ANWAR BAWANI
17911	SMARTSTYLE	LOCATED INSIDE WALMART #849	155 LOUETTA XING	SPRING	TX	77373	US	281-288-3211	EURIE ACOSTA
18811	SMARTSTYLE	LOCATED INSIDE WALMART #3056	305 SINGING OAKS	SPRING BRANCH	TX	78070	US	830-438-0694	JONATHAN (SCOTT) & BRENDA LOVETT
19071	SMARTSTYLE	LOCATED INSIDE WALMART #610	2765 W WASHINGTON AVE	STEPHENVILLE	TX	76401	US	254-965-2166	DAVID FESPERMAN
18222	SMARTSTYLE	LOCATED INSIDE WALMART #6929	6801 W ADAMS AVE	TEMPLE	TX	76502	US	254-773-8417	RADHIKA SIRIPIREDDY
18930	SMARTSTYLE	LOCATED INSIDE WALMART #746	3401 S 31ST ST	TEMPLE	TX	76502	US	254-774-7252	RADHIKA SIRIPIREDDY
12359	SMARTSTYLE	LOCATED INSIDE WALMART #2123	4000 NEW BOSTON RD	TEXARKANA	TX	75501	US	903-832-4095	PRASHANT AND RUCHIKA NAGRATH
17912	SMARTSTYLE	LOCATED INSIDE WALMART #703	27650 TOMBALL PKWY	TOMBALL	TX	77375	US	281-516-9201	EURIE ACOSTA
17913	SMARTSTYLE	LOCATED INSIDE WALMART #5045	22605 STATE HIGHWAY 249	TOMBALL	TX	77375	US	281-257-2094	EURIE ACOSTA
11053	SMARTSTYLE	LOCATED INSIDE WALMART #2688	6801 S BROADWAY AVE	TYLER	TX	75703	US	903-534-8414	RADHIKA SIRIPIREDDY
18889	SMARTSTYLE	LOCATED INSIDE WALMART #782	3100 E MAIN ST	UVALDE	TX	78801	US	830-279-0024	JONATHAN (SCOTT) & BRENDA LOVETT
11251	SMARTSTYLE	LOCATED INSIDE WALMART #330	9002 N NAVARRO ST	VICTORIA	TX	77904	US	361-573-7771	ANWAR BAWANI
18214	SMARTSTYLE	LOCATED INSIDE WALMART #939	4320 FRANKLIN AVE	WACO	TX	76710	US	254-772-7621	DAVID FESPERMAN
18217	SMARTSTYLE	LOCATED INSIDE WALMART #5389	600 HEWITT DR	WACO	TX	76712	US	254-420-1678	DAVID FESPERMAN
18734	SMARTSTYLE	LOCATED INSIDE WALMART #260	1200 HIGHWAY 77 N	WAXAHACHIE	TX	75165	US	972-923-1984	RADHIKA SIRIPIREDDY
11018	SMARTSTYLE	LOCATED INSIDE WALMART #963	1836 S MAIN ST	WEATHERFORD	TX	76086	US	817-599-4247	NARASIMHAM BATLANKI & APARNA DEVI

18785	SMARTSTYLE	LOCATED INSIDE WALMART #1041	1310 N TEXAS BLVD	WESLACO	TX	78596	US	956-447-2957	MICHAEL MANOJ AND BENNY KALLARACKAL
19067	SMARTSTYLE	LOCATED INSIDE WALMART #777	3115 EDGAR GROWN DR	WEST ORANGE	TX	77630	US	409-883-2595	ANWAR BAWANI
18937	SMARTSTYLE	LOCATED INSIDE WALMART #414	5131 GREENBRIAR RD	WICHITA FALLS	TX	76302	US	940-720-0660	NARASIMHAM BATLANKI & APARNA DEVI
18938	SMARTSTYLE	LOCATED INSIDE WALMART #1148	3130 LAWRENCE RD	WICHITA FALLS	TX	76308	US	940-691-2990	NARASIMHAM BATLANKI & APARNA DEVI
18939	SMARTSTYLE	LOCATED INSIDE WALMART #420	2700 CENTRAL FWY	WICHITA FALLS	TX	76306	US	940-851-9922	NARASIMHAM BATLANKI & APARNA DEVI
18935	SMARTSTYLE	LOCATED INSIDE WALMART #5210	2050 N HIGHWAY 78	WYLIE	TX	75098	US	972-429-4009	GEE VARUGHESE
17864	SMARTSTYLE	LOCATED INSIDE WALMART #3454	1200 S COMMERCE WAY	BRIGHAM CITY	UT	84302	US	435-723-1421	ROBERT BRASHEAR
11456	SMARTSTYLE	LOCATED INSIDE WALMART #1438	1330 S PROVIDENCE CENTER DR	CEDAR CITY	UT	84720	US	435-867-1188	ROBERT BRASHEAR
11278	SMARTSTYLE	LOCATED INSIDE WALMART #5234	1632 N 2000 W	CLINTON	UT	84015	US	801-774-5855	ROBERT BRASHEAR
11282	SMARTSTYLE	LOCATED INSIDE WALMART #2921	534 N HARRISVILLE RD	HARRISVILLE	UT	84404	US	801-737-0824	ROBERT BRASHEAR
11280	SMARTSTYLE	LOCATED INSIDE WALMART #1699	745 W HILL FIELD RD	LAYTON	UT	84041	US	801-544-7153	ROBERT BRASHEAR
17865	SMARTSTYLE	LOCATED INSIDE WALMART #1888	1550 N MAIN ST	LOGAN	UT	84341	US	435-755-0646	ROBERT BRASHEAR
17866	SMARTSTYLE	LOCATED INSIDE WALMART #3789	1959 WALL AVE	OGDEN	UT	84401	US	801-393-2353	NARASIMHAM BATLANKI & APARNA DEVI
11407	SMARTSTYLE	LOCATED INSIDE WALMART #5167	1052 S TURF FARM RD	PAYSON	UT	84651	US	801-465-1991	NARASIMHAM BATLANKI & APARNA DEVI
11405	SMARTSTYLE	LOCATED INSIDE WALMART #1573	255 S HIGHWAY 55	PRICE	UT	84501	US	435-637-3552	NARASIMHAM BATLANKI & APARNA DEVI
11455	SMARTSTYLE	LOCATED INSIDE WALMART #5168	10 E 1300 S	RICHFIELD	UT	84701	US	435-896-5951	ROBERT BRASHEAR
11279	SMARTSTYLE	LOCATED INSIDE WALMART #1708	4848 S 900 W ST	RIVERDALE	UT	84405	US	801-627-0507	ROBERT BRASHEAR
11457	SMARTSTYLE	LOCATED INSIDE WALMART #3220	2610 PIONEER RD	SAINT GEORGE	UT	84790	US	435-656-2080	ROBERT BRASHEAR
11399	SMARTSTYLE	LOCATED INSIDE WALMART #1440	99 W 1280 N	TOOELE	UT	84074	US	435-843-0653	ROBERT BRASHEAR

11406	SMARTSTYLE	LOCATED INSIDE WALMART #1572	1851 W HIGHWAY 40	VERNAL	UT	84078	US	435-781-8922	ROBERT BRASHEAR
11458	SMARTSTYLE	LOCATED INSIDE WALMART #1439	625 W TELEGRAPH ST	WASHINGTON	UT	84780	US	435-986-0274	ROBERT BRASHEAR
17779	SMARTSTYLE	LOCATED INSIDE WALMART #3232	7671 S 3800 W STE 104	WEST JORDAN	UT	84084	US	801-280-2410	ROBERT BRASHEAR
12482	SMARTSTYLE	LOCATED INSIDE WALMART #154	16032 FIFTEEN MILE BLVD	ABINGDON	VA	24211	US	276-619-0085	KOTESWAR GAJAVELLI
12686	SMARTSTYLE	LOCATED INSIDE WALMART #3768	125 CLARION RD	ALTAVISTA	VA	24517	US	434-309-9952	BROWNING THORNTON
12598	SMARTSTYLE	LOCATED INSIDE WALMART #1763	4001 COLLEGE AVE	BLUEFIELD	VA	24605	US	276-322-2751	BROWNING THORNTON
11769	SMARTSTYLE	LOCATED INSIDE WALMART #1682	2448 CHESAPEAKE SQ RING RD	CHESAPEAKE	VA	23321	US	757-465-3667	KOTESWAR GAJAVELLI
12589	SMARTSTYLE	LOCATED INSIDE WALMART #2662	313 W THACKER RD	COVINGTON	VA	24426	US	540-962-2520	BROWNING THORNTON
12687	SMARTSTYLE	LOCATED INSIDE WALMART #1465	515 MOUNT CROSS RD	DANVILLE	VA	24540	US	434-792-1222	BROWNING THORNTON
12698	SMARTSTYLE	LOCATED INSIDE WALMART #1652	5225 ALEXANDER RD	DUBLIN	VA	24084	US	540-674-1086	KOTESWAR GAJAVELLI
12435	SMARTSTYLE	LOCATED INSIDE WALMART #3639	24635 DULLES LANDING DR	DULLES	VA	20166	US	571-349-3980	KOTESWAR GAJAVELLI
12593	SMARTSTYLE	LOCATED INSIDE WALMART #1486	1800 PERRY DR	FARMVILLE	VA	23901	US	434-315-0166	BROWNING THORNTON
12436	SMARTSTYLE	LOCATED INSIDE WALMART #1833	1800 CARL D SILVER PKWY	FREDERICKSBURG	VA	22401	US	540-548-2444	KOTESWAR GAJAVELLI
12587	SMARTSTYLE	LOCATED INSIDE WALMART #1023	1140 E STUART DR	GALAX	VA	24333	US	276-236-1836	BROWNING THORNTON
12591	SMARTSTYLE	LOCATED INSIDE WALMART #1726	171 BURGESS RD	HARRISONBURG	VA	22801	US	540-432-2333	BROWNING THORNTON
12596	SMARTSTYLE	LOCATED INSIDE WALMART #3772	468 TRADE CENTER LN	JONESVILLE	VA	24263	US	276-346-1684	BROWNING THORNTON
12599	SMARTSTYLE	LOCATED INSIDE WALMART #3480	1050 REGIONAL PARK RD	LEBANON	VA	24266	US	276-889-1215	BROWNING THORNTON
12590	SMARTSTYLE	LOCATED INSIDE WALMART #1335	1233 N LEE HWY	LEXINGTON	VA	24450	US	540-464-3199	BROWNING THORNTON
11768	SMARTSTYLE	LOCATED INSIDE WALMART #1811	1170 N MILITARY HWY	NORFOLK	VA	23502	US	757-455-5988	KOTESWAR GAJAVELLI
12595	SMARTSTYLE	LOCATED INSIDE WALMART #1302	780 COMMON WEALTH DR	NORTON	VA	24273	US	276-679-2778	BROWNING THORNTON
12597	SMARTSTYLE	LOCATED INSIDE WALMART #2761	13320 GC PEERY HWY	POUNDING MILL	VA	24637	US	276-963-2757	BROWNING THORNTON
12585	SMARTSTYLE	LOCATED INSIDE WALMART #3243	4524 CHALLENGER AVE	ROANOKE	VA	24012	US	540-977-1699	BROWNING THORNTON
12586	SMARTSTYLE	LOCATED INSIDE WALMART #1301	5350 CLEARBROOK VILLAGE LN	ROANOKE	VA	24014	US	540-774-1250	BROWNING THORNTON

11767	SMARTSTYLE	LOCATED INSIDE WALMART #3265	2601 GEORGE WASHINGTN MEM PKWY	TABB	VA	23693	US	757-867-9170	KOTESWAR GAJAVELLI
12592	SMARTSTYLE	LOCATED INSIDE WALMART #5117	116 LUCY AVE	WAYNESBORO	VA	22980	US	540-942-4340	BROWNING THORNTON
11766	SMARTSTYLE	LOCATED INSIDE WALMART #3219	731 E ROCHAMBEAU RD	WILLIAMSBURG	VA	23188	US	757-259-2168	KOTESWAR GAJAVELLI
18143	SMARTSTYLE	LOCATED INSIDE WALMART #3344	501 WALMART DR	WINCHESTER	VA	22603	US	540-535-1695	KOTESWAR GAJAVELLI
18147	SMARTSTYLE	LOCATED INSIDE WALMART #1406	2300 W PLEASANT VALLEY RD	WINCHESTER	VA	22601	US	540-678-0451	JEFF AND JENNIFER GIBBONS
18153	SMARTSTYLE	LOCATED INSIDE WALMART #2647	461 W RESERVOIR RD	WOODSTOCK	VA	22664	US	540-459-2523	JEFF AND JENNIFER GIBBONS
12588	SMARTSTYLE	LOCATED INSIDE WALMART #3270	345 COMMONWEALTH DR	WYTHEVILLE	VA	24382	US	276-223-0198	BROWNING THORNTON
11706	SMARTSTYLE	LOCATED INSIDE WALMART #4156	115 SEYMOUR DR	DERBY	VT	05855	US	802-334-0253	ALOK WAHDWA & NEERU JAIN
11705	SMARTSTYLE	LOCATED INSIDE WALMART #2332	700 TUCKERS WAY	SAINT ALBANS	VT	05478	US	802-524-3600	ALOK WAHDWA & NEERU JAIN
11704	SMARTSTYLE	LOCATED INSIDE WALMART #2224	863 HARVEST LN	WILLISTON	VT	05495	US	802-288-9915	ALOK WAHDWA & NEERU JAIN
12771	SMARTSTYLE	LOCATED INSIDE WALMART #3757	4010 172ND ST	ARLINGTON	WA	98223	US	360-659-0269	HARDIAL GILL
18983	SMARTSTYLE	LOCATED INSIDE WALMART #2249	1601 NW LOUISIANA AVE	CHEHALIS	WA	98532	US	360-748-4415	DAVID WUNDERLIN AND KARI LYNN TUPPER
11956	SMARTSTYLE	LOCATED INSIDE WALMART #2006	306 5TH ST	CLARKSTON	WA	99403	US	509-751-8900	HARDIAL GILL
11953	SMARTSTYLE	LOCATED INSIDE WALMART #2476	1700 SE MEADOWBROOK BLVD	COLLEGE PLACE	WA	99324	US	509-529-0206	HARDIAL GILL
11957	SMARTSTYLE	LOCATED INSIDE WALMART #2016	810 N HIGHWAY	COLVILLE	WA	99114	US	509-684-5044	HARDIAL GILL
11941	SMARTSTYLE	LOCATED INSIDE WALMART #3260	1399 SE BLVD	EPHRATA	WA	98823	US	509-754-2175	HARDIAL GILL
12557	SMARTSTYLE	LOCATED INSIDE WALMART #3794	34520 16TH AVE S	FEDERAL WAY	WA	98003	US	253-661-1578	DAVID WUNDERLIN AND KARI LYNN TUPPER
11938	SMARTSTYLE	LOCATED INSIDE WALMART #2101	2720 S QUILLAN ST	KENNEWICK	WA	99337	US	509-585-4868	HARDIAL GILL
18986	SMARTSTYLE	LOCATED INSIDE WALMART #3531	1401 GALAXY DR NE	LACEY	WA	98516	US	360-455-0910	DAVID WUNDERLIN AND KARI LYNN TUPPER
12769	SMARTSTYLE	LOCATED INSIDE WALMART #2595	8924 34TH AVE NE	MARYSVILLE	WA	98271	US	360-659-5709	HARDIAL GILL
11940	SMARTSTYLE	LOCATED INSIDE WALMART #2007	1005 N STRATFORD RD	MOSES LAKE	WA	98837	US	509-765-4481	HARDIAL GILL

12770	SMARTSTYLE	LOCATED INSIDE WALMART #2596	2301 FREEWAY DR	MOUNT VERNON	WA	98273	US	360-424-2085	HARDIAL GILL
11958	SMARTSTYLE	LOCATED INSIDE WALMART #1947	902 ENGH RD	OMAK	WA	98841	US	509-422-0910	HARDIAL GILL
11937	SMARTSTYLE	LOCATED INSIDE WALMART #3380	4820 N ROAD 68	PASCO	WA	99301	US	509-545-6457	HARDIAL GILL
17992	SMARTSTYLE	LOCATED INSIDE WALMART #2196	3411 E KOLONELS WAY	PORT ANGELES	WA	98362	US	360-457-5203	DAVID WUNDERLIN AND KARI LYNN TUPPER
17994	SMARTSTYLE	LOCATED INSIDE WALMART #5272	21200 OLHAVA WAY NW	POULSBO	WA	98370	US	360-394-6200	DAVID WUNDERLIN AND KARI LYNN TUPPER
12556	SMARTSTYLE	LOCATED INSIDE WALMART #3525	16502 MERIDIAN AVE E	PUYALLUP	WA	98375	US	253-840-6164	DAVID WUNDERLIN AND KARI LYNN TUPPER
18984	SMARTSTYLE	LCOATED INSIDE WALMART #2403	310 31ST AVE SE	PUYALLUP	WA	98374	US	253-841-5861	DAVID WUNDERLIN AND KARI LYNN TUPPER
11939	SMARTSTYLE	LOCATED INSIDE WALMART #3261	2801 DUPORTAIL ST	RICHLAND	WA	99352	US	509-627-5148	HARDIAL GILL
17990	SMARTSTYLE	LOCATED INSIDE WALMART #5273	1110 W WASHINGTON ST	SEQUIM	WA	98382	US	360-683-2240	DAVID WUNDERLIN AND KARI LYNN TUPPER
18981	SMARTSTYLE	LOCATED INSIDE WALMART #2121	100 E WALLACE KNEELAND BLVD	SHELTON	WA	98584	US	360-432-1662	DAVID WUNDERLIN AND KARI LYNN TUPPER
12773	SMARTSTYLE	LOCATED INSIDE WALMART #3218	20307 MOUNTAIN HWY E	SPANAWAY	WA	98387	US	253-875-4769	HARDIAL GILL
11969	SMARTSTYLE	LOCATED INSIDE WALMART #2549	9212 N COLTON ST	SPOKANE	WA	99218	US	509-465-3971	HARDIAL GILL
11970	SMARTSTYLE	LOCATED INSIDE WALMART #2539	15727 E BROADWAY AVE	VERADALE	WA	99037	US	509-927-4688	HARDIAL GILL
17999	SMARTSTYLE	LOCATED INSIDE WALMART #3742	1486 DIKE ACCESS RD	WOODLAND	WA	98674	US	360-225-6776	DAVID WUNDERLIN AND KARI LYNN TUPPER
11942	SMARTSTYLE	LOCATED INSIDE WALMART #5078	6600 W NOB HILL BLVD	YAKIMA	WA	98908	US	509-966-1516	HARDIAL GILL
12772	SMARTSTYLE	LOCATED INSIDE WALMART #3705	17100 STATE ROUTE 507 SE	YELM	WA	98597	US	360-400-2205	HARDIAL GILL
11754	SMARTSTYLE	LOCATED INSIDE WALMART #2958	3701 E CALUMET ST	APPLETON	WI	54915	US	920-738-5303	ERIC AND CHERYL HOFFMAN
11758	SMARTSTYLE	LOCATED INSIDE WALMART #1982	955 N MUTUAL WAY	APPLETON	WI	54913	US	920-738-5308	ERIC AND CHERYL HOFFMAN
11759	SMARTSTYLE	LOCATED INSIDE WALMART #2509	810 S IRISH RD	CHILTON	WI	53014	US	920-849-8010	ERIC AND CHERYL HOFFMAN

11651	SMARTSTYLE	LOCATED INSIDE WALMART #5090	1415 LAWRENCE DR	DE PERE	WI	54115	US	920-347-9393	ERIC AND CHERYL HOFFMAN
11797	SMARTSTYLE	LOCATED INSIDE WALMART #1669	3915 GATEWAY DR	EAU CLAIRE	WI	54701	US	715-858-9476	ERIC AND CHERYL HOFFMAN
11757	SMARTSTYLE	LOCATED INSIDE WALMART #1643	377 N ROLLING MEADOWS DR	FOND DU LAC	WI	54937	US	920-322-1300	ERIC AND CHERYL HOFFMAN
11650	SMARTSTYLE	LOCATED INSIDE WALMART #1453	2440 W MASON ST	GREEN BAY	WI	54303	US	920-884-9300	ERIC AND CHERYL HOFFMAN
11760	SMARTSTYLE	LOCATED INSIDE WALMART #1449	4115 CALUMET AVE	MANITOWOC	WI	54220	US	920-652-9621	ERIC AND CHERYL HOFFMAN
11763	SMARTSTYLE	LOCATED INSIDE WALMART #1571	250 E WOLF RUN	MUKWONAGO	WI	53149	US	262-363-9186	ERIC AND CHERYL HOFFMAN
11756	SMARTSTYLE	LOCATED INSIDE WALMART #2986	1155 W WINNECONNE AVE	NEENAH	WI	54956	US	920-886-7555	ERIC AND CHERYL HOFFMAN
11753	SMARTSTYLE	LOCATED INSIDE WALMART #1430	351 S WASHBURN RD	OSHKOSH	WI	54904	US	920-651-0202	ERIC AND CHERYL HOFFMAN
11649	SMARTSTYLE	LOCATED INSIDE WALMART #2271	1244 E GREEN BAY ST	SHAWANO	WI	54166	US	715-524-3939	ERIC AND CHERYL HOFFMAN
11762	SMARTSTYLE	LOCATED INSIDE WALMART #2658	1515 W PARADISE DR	WEST BEND	WI	53095	US	262-334-7941	ERIC AND CHERYL HOFFMAN
12393	SMARTSTYLE	LOCATED INSIDE WALMART #5296	25 NICOLS DR	BARBOURSVILLE	WV	25504	US	304-733-6730	LEWIS AND NIDIA JOHNSON
12760	SMARTSTYLE	LOCATED INSIDE WALMART #5319	1881 ROBERT C BYRD DR	BECKLEY	WV	25801	US	304-252-4677	JASON STEVENSON & RYAN ROSE
12762	SMARTSTYLE	LOCATED INSIDE WALMART #1351	1330 N EISENHOWER DR	BECKLEY	WV	25801	US	304-255-4334	JASON STEVENSON & RYAN ROSE
12400	SMARTSTYLE	LOCATED INSIDE WALMART #2809	100 BUCKHANNON CROSSROAD	BUCKHANNON	WV	26201	US	304-472-4033	LEWIS AND NIDIA JOHNSON
12405	SMARTSTYLE	LOCATED INSIDE WALMART #1544	550 EMILY DR	CLARKSBURG	WV	26301	US	304-622-3119	LEWIS AND NIDIA JOHNSON
12401	SMARTSTYLE	LOCATED INSIDE WALMART #1522	721 BEVERLY PIKE	ELKINS	WV	26241	US	304-635-0127	LEWIS AND NIDIA JOHNSON
12404	SMARTSTYLE	LOCATED INSIDE WALMART #1714	32 TYGART MALL RD	FAIRMONT	WV	26554	US	304-366-1440	LEWIS AND NIDIA JOHNSON
12758	SMARTSTYLE	LOCATED INSIDE WALMART #1360	204 FAYETTE TOWN CENTER	FAYETTEVILLE	WV	25840	US	304-574-1589	JASON STEVENSON & RYAN ROSE
12394	SMARTSTYLE	LOCATED INSIDE WALMART #2244	3333 ROUTE 60	HUNTINGTON	WV	25705	US	304-525-3690	LEWIS AND NIDIA JOHNSON
12395	SMARTSTYLE	LOCATED INSIDE WALMART #4277	167 PROGRESS WAY	HURRICANE	WV	25526	US	304-562-3359	LEWIS AND NIDIA JOHNSON
12763	SMARTSTYLE	LOCATED INSIDE WALMART #2474	STATE ROUTE 220 S	KEYSER	WV	26726	US	304-788-3823	JASON STEVENSON & RYAN ROSE
12759	SMARTSTYLE	LOCATED INSIDE WALMART #1499	520 N JEFFERSON ST	LEWISBURG	WV	24901	US	304-645-6550	JASON STEVENSON & RYAN ROSE
12756	SMARTSTYLE	LOCATED INSIDE WALMART #4423	5680 HAMMONDS MILL RD	MARTINSBURG	WV	25404	US	304-270-1013	JASON STEVENSON & RYAN ROSE

12757	SMARTSTYLE	LOCATED INSIDE WALMART #1703	800 FOXCROFT AVE	MARTINSBURG	WV	25401	US	304-262-1919	JASON STEVENSON & RYAN ROSE
12402	SMARTSTYLE	LOCATED INSIDE WALMART #2083	215 HORNBECK RD	MORGANTOWN	WV	26508	US	304-291-2384	LEWIS AND NIDIA JOHNSON
12403	SMARTSTYLE	LOCATED INSIDE WALMART #3215	5605 UNIVERSITY TOWN CENTRE DR	MORGANTOWN	WV	26501	US	304-598-3706	LEWIS AND NIDIA JOHNSON
11373	SMARTSTYLE	LOCATED INSIDE WALMART #2852	240 LAFAYETTE AVE	MOUNDSVILLE	WV	26041	US	304-843-1941	JASON STEVENSON & RYAN ROSE
12398	SMARTSTYLE	LOCATED INSIDE WALMART #2684	1142 S BRIDGE ST	NEW MARTINSVILLE	WV	26155	US	304-455-5411	LEWIS AND NIDIA JOHNSON
12409	SMARTSTYLE	LOCATED INSIDE WALMART #2823	2900 PIKE ST	PARKERSBURG	WV	26101	US	304-489-3391	LEWIS AND NIDIA JOHNSON
12761	SMARTSTYLE	LOCATED INSIDE WALMART #2933	201 GREASY RIDGE RD	PRINCETON	WV	24740	US	304-431-3180	JASON STEVENSON & RYAN ROSE
12414	SMARTSTYLE	LOCATED INSIDE WALMART #1450	200 ACADEMY DR	RIPLEY	WV	25271	US	304-372-6167	LEWIS AND NIDIA JOHNSON
12416	SMARTSTYLE	LOCATED INSIDE WALMART #1477	200 WAL ST	SUMMERSVILLE	WV	26651	US	304-872-5444	LEWIS AND NIDIA JOHNSON
12415	SMARTSTYLE	LOCATED INSIDE WALMART #6951	369 SCOTTS FORK-BONNIE RD	SUTTON	WV	26601	US	304-765-7129	LEWIS AND NIDIA JOHNSON
12397	SMARTSTYLE	LOCATED INSIDE WALMART #5088	450 STEWART LN	TRIADELPHIA	WV	26059	US	304-547-9010	LEWIS AND NIDIA JOHNSON
12410	SMARTSTYLE	LOCATED INSIDE WALMART #1782	701 GRAND CENTRAL AVE	VIENNA	WV	26105	US	304-422-6883	LEWIS AND NIDIA JOHNSON
11931	SMARTSTYLE	LOCATED INSIDE WALMART #3778	4255 CY AVE	CASPER	WY	82604	US	307-472-2903	NARASIMHAM BATLANKI & APARNA DEVI
11932	SMARTSTYLE	LOCATED INSIDE WALMART #1617	4400 E 2ND ST	CASPER	WY	82609	US	307-234-4838	NARASIMHAM BATLANKI & APARNA DEVI
11745	SMARTSTYLE	LOCATED INSIDE WALMART #1315	2032 DELL RANGE RD	CHEYENNE	WY	82009	US	307-778-2871	ERIC & JENNIFER HEWITT
11746	SMARTSTYLE	LOCATED INSIDE WALMART #4653	580 LIVINGSTON AVE	CHEYENNE	WY	82007	US	307-637-9668	ERIC & JENNIFER HEWITT
11930	SMARTSTYLE	LOCATED INSIDE WALMART #1778	321 YELLOWSTONE AVE	CODY	WY	82414	US	307-587-0999	NARASIMHAM BATLANKI & APARNA DEVI
11398	SMARTSTYLE	LOCATED INSIDE WALMART #1456	125 N 2ND ST	EVANSTON	WY	82930	US	307-789-0154	NARASIMHAM BATLANKI & APARNA DEVI
11744	SMARTSTYLE	LOCATED INSIDE WALMART #1412	4308 GRAND AVE	LARAMIE	WY	82070	US	307-721-7014	ERIC & JENNIFER HEWITT
11933	SMARTSTYLE	LOCATED INSIDE WALMART #1457	1733 N FEDERAL BLVD	RIVERTON	WY	82501	US	307-857-6454	NARASIMHAM BATLANKI & APARNA DEVI

11397	SMARTSTYLE	LOCATED INSIDE WALMART #1461	201 GATEWAY BLVD	ROCK SPRINGS	WY	82901	US	307-382-5547	ROBERT BRASHEAR
11929	SMARTSTYLE	LOCATED INSIDE WALMART #1508	1695 COFFEEN AVE	SHERIDAN	WY	82801	US	307-673-1111	NARASIMHAM BATLANKI & APARNA DEVI

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT B: LIST OF FRANCHISEES THAT HAVE LEFT THE SYSTEM

Salon Number	Franchisee	Address1	Address2	Address3	Address4	Legal Entity	Phone number
18198	Brent Seebohm	2020 BASHFORD MANOR LN	WEST BUECHEL	KY	40218	CABOOM JUELFS ALLIANCE LLC	502-4519163
11926	Narasimham Batlanki & Aparna Devi	2717 ROCK ISLAND PL	BISMARCK	ND	58504	VENITA GROUP LLC	701-2500013
18029	Thomas & Mary Lowe	2171 O'NEAL LN	BATON ROUGE	LA	70816	LEAUX LIMITED, LLC	225-7565025
18030	Thomas & Mary Lowe	10606 N MALL DR	BATON ROUGE	LA	70809	LEAUX LIMITED, LLC	225-2919872
18031	Thomas & Mary Lowe	10550 BURBANK DR	BATON ROUGE	LA	70810	LEAUX LIMITED, LLC	225-7670041
18117	Russell Sturgis	2200 BRIARCREST DR STE 103	BRYAN	TX	77802	STURGIS SALONS, INC.	979-7314990
18122	Jeffrey Brewer	1700 DALLAS PKWY	PLANO	TX	75093	CTHULHU HAIR, INC	972-2486464
18185	Brent Seebohm	7101 CEDAR SPRINGS RD	LOUISVILLE	KY	40291	CABOOM JUELFS ALLIANCE LLC	502-2316876
18197	Brent Seebohm	1015 NEW MOODY LN	LA GRANGE	KY	40031	CABOOM JUELFS ALLIANCE LLC	502-2226140
18205	Russell Sturgis	21150 KUYKENDAHL RD	SPRING	TX	77379	STURGIS SALONS, INC.	281-2888651
18207	Russell Sturgis	1025 SAWDUST RD	SPRING	TX	77380	STURGIS SALONS, INC.	281-4197755
18251	Jeffrey Brewer	8555 PRESTON RD	FRISCO	TX	75034	CTHULHU HAIR, INC	214-4364732
18442	Andrea Alexander	2793 TAYLOR RD	REYNOLDSBURG	OH	43068	THREE CURLY GIRLS, LLC	614-8569782
18443	Andrea Alexander	2687 N MEMORIAL DR	LANCASTER	OH	43130	THREE CURLY GIRLS, LLC	740-6529520
18444	Andrea Alexander	6674 WINCHESTER BLVD	CANAL WINCHESTER	OH	43110	THREE CURLY GIRLS, LLC	614-8345516
18818	Russell Sturgis	7625 DOERING DR	FLORENCE	KY	41042	EAST TENNESSEE OWNERS GROUP, LLC	859-8021538
12420	Tayt Odom	735 WHITFIELD DR	COLUMBUS	IN	47201	FIGHT 6:12 BEAUTY LLC	812-3767802
18393	Clifford Milowicki	6535 GRAYSON RD	HARRISBURG	PA	17111	TAJ PLAZA LLC	717-5647880
18527	Basel Djazmati	29574 7 MILE RD	LIVONIA	MI	48152	JAZMATI HAIR SALONS, LLC	248-4270321
18952	Basel Djazmati	14900 DIX TOLEDO RD	SOUTHGATE	MI	48195	JAZMATI HAIR SALONS, LLC	734-3248795
18556	Lewis & Nidia Johnson	2001 E 151ST ST	CARMEL	IN	46033	R3 TO S4 FINANCE CONSULTING, LLC	317-5819888

Salon Number	Franchisee	Address1	Address2	Address3	Address4	Legal Entity	Phone number
18571	Garrett Thurber	2410 US HIGHWAY 411 S	MARYVILLE	TN	37801	EAST TENNESSEE OWNERS GROUP, LLC	865-9777370
11058	Radhika Siripireddy	450 S SOUTHEAST LOOP 323	TYLER	TX	75702	SIRIPI, LLC	903-5331272
18040	John Kontis	160 BROADWAY	RAYNHAM	MA	2767	E & J SALON GROUP INC.	508-9774885
18277	Tom & Teresa Kramer	5588 LITTLE DEBBIE PKWY	OOLTEWAH	TN	37363	TK TIMES 2, CORP	423-2382108
18786	Gabriel & Melinda Tramp	6304 N 99TH ST	OMAHA	NE	68134	TSQUARED, LLC	402-5713918
18021	John Kontis	20 SOOJANS DR STE 3	LEICESTER	MA	1524	E & J SALON GROUP INC.	508-8929200
18094	Jason Stevenson & Ryan Rose	1693 STRINGTOWN RD	GROVE CITY	OH	43123	KOTTI FUTURE CO	614-5701719
18708	Periasamy Palanisamy	308 NC HIGHWAY 55 W	MOUNT OLIVE	NC	28365	SNIP-Z'S INC.	919-6584353
18807	Jonathan Scott & Brenda Lovett	109 22ND ST STE B	HONDO	TX	78861	JBHL HOLDINGS CORPORATION	830-4264639
18082	James Rachlin	3795 E JOHN ROWAN RD	BARDSTOWN	KY	40004	RACHLIN ENTERPRISES, INC.	502-3500796
18078	James Rachlin	1165 WALMART WAY	RADCLIFF	KY	40160	RACHLIN ENTERPRISES, INC.	270-3522890
11965	Hardial Gill	2659 OLYMPIC ST	SPRINGFIELD	OR	97477	SMT STYLES INC.	541-7469296
18037	John Kontis	300 COLONY PL	PLYMOUTH	MA	2360	E & J SALON GROUP INC.	508-7462890
18038	John Kontis	30 MEMORIAL DR	AVON	MA	2322	E & J SALON GROUP INC.	508-5809903
18039	John Kontis	15 TOBEY RD	WAREHAM	MA	2571	E & J SALON GROUP INC.	508-2910604
18041	John Kontis	638 QUEQUECHAN ST	FALL RIVER	MA	2721	E & J SALON GROUP INC.	508-6725292
18042	John Kontis	1470S WASHINGTON ST	NORTH ATTLEBORO	MA	2760	E & J SALON GROUP INC.	508-6950703
18792	Reliance Emunefe	9235 N SAM HOUSTON PKWY	HUMBLE	TX	77396	TORINSE STYLE, LLC	281-5402818
18902	Govinderkumar Modi & Alka Kothamdi	250 W 65TH ST	LOVELAND	CO	80538	AARYA INC.	970-4614672
18982	David Wunderlin & Kai Lynn Tupper	19205 STATE ROUTE 410 E	BONNEY LAKE	WA	98391	KARVID PARTNERS II LLC	253-8638204
18793	Reliance Emunefe	2901 RILEY FUZZELL RD	SPRING	TX	77386	TORINSE STYLE, LLC	281-2889252

Salon Number	Franchisee	Address1	Address2	Address3	Address4	Legal Entity	Phone number
18043	David Fesperman	6401 NE LOOP 820	NORTH RICHLAND HILLS	TX	76180	QUANTUM MERIT ENTERPRISES, INC.	817-4988649
18244	Vinish Dureja & Keerti Juneja	6830 NORMANDY BLVD	JACKSONVILLE	FL	32205	SHEAR BEST, LLC	904-7813190
18290	Michael Dixon	1451 WOODRUFF RD	GREENVILLE	SC	29607	GREY BARBA, LLC	864-2880016
18375	John Kontis	11 JUNGLE RD	LEOMINSTER	MA	1453	E & J SALON GROUP INC.	978-8409512

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FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT C: FINANCIAL STATEMENTS

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT C-1:

GUARANTEE OF REGIS

CORPORATION

GUARANTEE OF PERFORMANCE

For value received Regis Corporation, a Minnesota Corporation located at 3701 Wayzata Boulevard, Suite 500, Minneapolis, Minnesota 55416, absolutely and unconditionally guarantees to assume the duties and obligations of The Barbers, Hairstyling for Men & Women, Inc., a Minnesota corporation located at 3701 Wayzata Boulevard, Suite 500, Minneapolis, Minnesota 55416 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2022-2023 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Minneapolis, Minnesota on the 11th day of November, 2022.

Guarantor:

REGIS CORPORATION

By: Kersten Zupfer ____________________________
Name: Kersten Zupfer
Title: Executive Vice President

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FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT C-2:

FINANCIAL STATEMENTS

Regis Corporation Consolidated Financial Statements

Index to Consolidated Financial Statements

GRANT THORNTON LLP
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Minneapolis, MN 55402-1434

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Regis Corporation

Opinion
We have audited the consolidated financial statements of Regis Corporation (a Minnesota corporation) and subsidiaries (the “Company”), which comprise the consolidated balance sheets as of June 30, 2022 and 2021, and the related consolidated statements of operations, shareholders’ (deficit) equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2022 and 2021, 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.

Basis for opinion
We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (“US GAAS”). 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.

Emphasis of matter
As discussed in Note 3 to the financial statements, the Company retrospectively applied the accounting for discontinued operations that occurred in 2022 to all periods presented. Our opinion is not modified with respect to this matter.

Other matter
As part of our audit of the 2022 financial statements, we audited the adjustments to the 2020 financial statements to retrospectively apply the aforementioned accounting for discontinued operations described in Note 3 to the financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2020 financial statements of the Company other than with respect to such adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2020 financial statements as a whole.

Responsibilities of management for the financial statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally

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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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 for one year after the date 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 consolidated 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 US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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.
- 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 consolidated 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.

Grant Thornton LLP

Minneapolis, Minnesota
November 11, 2022

REGIS CORPORATION

Fiscal Years 2022 and 2021 Financial Statements

Financial Statements

Index to Consolidated Financial Statements:

REGIS CORPORATION
CONSOLIDATED BALANCE SHEET
(Dollars in thousands, except per share data)

	June 30, 2022	June 30, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 17,041	$ 19,191
Receivables, net	14,531	26,270
Inventories	3,109	20,639
Other current assets	13,984	17,017
Current assets related to discontinued operations (Note 3)	—	3,542
Total current assets	48,665	86,659
Property and equipment, net	12,835	16,906
Goodwill (Note 5)	174,360	188,257
Other intangibles, net	3,226	3,761
Right of use asset (Note 6)	493,749	610,599
Other assets	36,465	41,388
Non-current assets related to discontinued operations (Note 3)	—	48,813
Total assets	$ 769,300	$ 996,383
LIABILITIES AND SHAREHOLDERS' (DEFICIT) EQUITY		
Current liabilities:		
Accounts payable	$ 15,860	$ 27,157
Accrued expenses	33,784	51,242
Short-term lease liability (Note 6)	103,196	116,348
Current liabilities related to discontinued operations (Note 3)	—	3,738
Total current liabilities	152,840	198,485
Long-term debt, net (Note 8)	179,994	186,911
Long-term lease liability (Note 6)	408,445	517,626
Other non-current liabilities	58,974	75,075
Non-current liabilities related to discontinued operations (Note 3)	—	1,240
Total liabilities	800,253	979,337
Commitments and contingencies (Note 9)		
Shareholders' (deficit) equity:		
Common stock, $0.05 par value; issued and outstanding, 45,510,245 and 35,795,844 common shares at June 30, 2022 and 2021, respectively	2,276	1,790
Additional paid-in capital	62,562	25,102
Accumulated other comprehensive income	9,455	9,543
Accumulated deficit	(105,246)	(19,389)
Total shareholders' (deficit) equity	(30,953)	17,046
Total liabilities and shareholders' (deficit) equity	$ 769,300	$ 996,383

The accompanying notes are an integral part of the Consolidated Financial Statements.

REGIS CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS

(Dollars and shares in thousands, except per share data)

	Fiscal Years	
	2022	**2021**
Revenues:		
Royalties	$ 65,753	$ 52,357
Fees	11,587	10,215
Product sales to franchisees	15,072	56,699
Advertising fund contributions	32,573	22,023
Franchise rental income (Note 6)	130,777	127,392
Company-owned salon revenue	20,205	142,965
Total revenue	275,967	411,651
Operating expenses:		
Cost of product sales to franchisees	17,391	43,756
Inventory reserve (1)	7,655	—
General and administrative	65,274	96,427
Rent (Note 6)	9,357	40,754
Advertising fund expense	32,573	22,023
Franchise rent expense	130,777	127,392
Company-owned salon expense (2)	21,952	141,204
Depreciation and amortization	6,224	21,749
Long-lived asset impairment (Note 1)	542	13,023
Goodwill impairment (Note 5)	13,120	—
Total operating expenses	304,865	506,328
Operating loss	(28,898)	(94,677)
Other (expense) income:		
Interest expense	(12,914)	(13,163)
Loss from sale of salon assets to franchisees, net	(2,334)	(16,696)
Interest income and other, net	(296)	15,902
Loss from operations before income taxes	(44,442)	(108,634)
Income tax (expense) benefit	(2,017)	5,428
Loss from continuing operations	(46,459)	(103,206)
Loss from discontinued operations, net of income taxes (Note 3)	(39,398)	(10,125)
Net loss	$ (85,857)	$ (113,331)
Net loss per share:		
Basic and diluted:		
Loss from continuing operations	$ (1.07)	$ (2.87)
Loss from discontinued operations	(0.90)	(0.28)
Net loss per share, basic and diluted (3)	$ (1.97)	$ (3.15)
Weighted average common and common equivalent shares outstanding:		
Basic and diluted	43,582	35,956

(1) Includes charges in the third and fourth quarter associated with liquidation of distribution center inventory. Excludes reserves for inventory at salons.

(2) Includes cost of service and product sold to guests in our Company-owned salons. Excludes general and administrative expense, rent and depreciation and amortization related to Company-owned salons.

(3) Total is a recalculation; line items calculated individually may not sum to total due to rounding.

The accompanying notes are an integral part of the Consolidated Financial Statements.

REGIS CORPORATION
CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
(Dollars in thousands)

	Fiscal Years	
	2022	**2021**
Net loss	$ (85,857)	$ (113,331)
Other comprehensive (loss) income, net of tax:		
Net current period foreign currency translation adjustments	(547)	1,888
Recognition of deferred compensation	459	206
Other comprehensive (loss) income	(88)	2,094
Comprehensive loss	$ (85,945)	$ (111,237)

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The accompanying notes are an integral part of the Consolidated Financial Statements.

REGIS CORPORATION
CONSOLIDATED STATEMENT OF SHAREHOLDERS' (DEFICIT) EQUITY
(Dollars in thousands, except share data)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income	Retained Earnings (Deficit)	Total
	Shares	Amount				
Balance, June 30, 2020	**35,625,716**	**$ 1,781**	**$ 22,011**	**$ 7,449**	**$ 94,462**	**$ 125,703**
Net loss	—	—	—	—	(113,331)	(113,331)
Foreign currency translation (Note 1)	—	—	—	1,888	—	1,888
Exercise of SARs	3,775	—	(24)	—	—	(24)
Stock-based compensation	—	—	3,254	—	—	3,254
Recognition of deferred compensation (Note 11)	—	—	—	206	—	206
Net restricted stock activity	166,353	9	(139)	—	—	(130)
Minority interest	—	—	—	—	(520)	(520)
Balance, June 30, 2021	**35,795,844**	**1,790**	**25,102**	**9,543**	**(19,389)**	**17,046**
Net loss	—	—	—	—	(85,857)	(85,857)
Foreign currency translation (Note 1)	—	—	—	(547)	—	(547)
Issuance of common stock, net of offering costs	9,295,618	465	36,720	—	—	37,185
Stock-based compensation	—	—	1,285	—	—	1,285
Recognition of deferred compensation (Note 11)	—	—	—	459	—	459
Net restricted stock activity	418,783	21	(545)	—	—	(524)
Balance, June 30, 2022	**45,510,245**	**$ 2,276**	**$ 62,562**	**$ 9,455**	**$ (105,246)**	**$ (30,953)**

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The accompanying notes are an integral part of the Consolidated Financial Statements.

REGIS CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
(Dollars in thousands)

	Fiscal Years 2022	Fiscal Years 2021
Cash flows from operating activities:		
Net loss	$ (85,857)	$ (113,331)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss from sale of OSP (Note 3)	36,143	—
Depreciation and amortization (Note 1)	6,504	17,871
Long-lived asset impairment	542	13,023
Deferred income taxes	391	(3,388)
Inventory reserve	10,478	12,068
Gain from disposal of distribution center assets	—	(14,997)
Loss from sale of salon assets to franchisees, net	2,334	16,696
Goodwill impairment	16,000	—
Stock-based compensation	1,334	3,254
Amortization of debt discount and financing costs	1,839	1,839
Other non-cash items affecting earnings	709	(351)
Changes in operating assets and liabilities (1):		
Receivables	11,896	(279)
Inventories	7,886	17,879
Income tax receivable	1,118	1,295
Other current assets	2,118	1,658
Other assets	2,703	(2,896)
Accounts payable	(10,966)	(21,669)
Accrued expenses	(21,983)	5,296
Net lease liabilities	(5,960)	(19,248)
Other non-current liabilities	(15,867)	(14,603)
Net cash used in operating activities:	(38,638)	(99,883)
Cash flows from investing activities:		
Capital expenditures	(5,316)	(11,475)
Proceeds from sale of OSP	13,000	—
Proceeds from sale of assets to franchisees	—	8,437
Costs associated with sale of assets to franchisees	—	(261)
Proceeds from company-owned life insurance policies	—	1,200
Net cash provided by (used in) investing activities:	7,684	(2,099)
Cash flows from financing activities:		
Borrowings on revolving credit facility	10,000	10,000
Repayments of revolving credit facility	(16,916)	(589)
Proceeds from issuance of common stock, net of offering costs	37,185	—
Taxes paid for shares withheld	(845)	(348)
Minority interest buyout	—	(562)
Distribution center lease payments	—	(724)
Net cash provided by financing activities:	29,424	7,777
Effect of exchange rate changes on cash and cash equivalents	(158)	477
Decrease in cash, cash equivalents and restricted cash	(1,688)	(93,728)
Cash, cash equivalents and restricted cash:		
Beginning of year	29,152	122,880
End of year	$ 27,464	$ 29,152

(1) Changes in operating assets and liabilities exclude assets and liabilities sold or acquired.

The accompanying notes are an integral part of the Consolidated Financial Statements.

1. BUSINESS DESCRIPTION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Description:

Regis Corporation (the Company) franchises hairstyling and hair care salons throughout the United States (U.S.), Canada, Puerto Rico and the United Kingdom (U.K.). The business is evaluated in two segments, Franchise salons and Company-owned salons. Franchise salons in operation decreased from 5,563 to 5,395 at June 30, 2021 compared to June 30, 2022, primarily due to the closure of 299 salons, which was partially offset by the conversion of 110 salons from company-owned. Company-owned salons in operation decreased from 276 to 105 at June 30, 2021 compared to June 30, 2022, primarily due to the conversion of 110 salons to franchise. See Note 15 to the Consolidated Financial Statements. Salons are located in leased space in strip center locations, malls or Walmart.

COVID-19 Impact:

During fiscal years 2022 and 2021, the global coronavirus pandemic (COVID-19) had an adverse impact on operations. The COVID-19 pandemic continues to impact salon guest visits and franchisee staffing, resulting in a significant reduction in revenue and profitability. In response to COVID-19, the Company received Canadian rent relief, Canadian wage relief and U.S. employee retention payroll tax credits. In fiscal years 2022 and 2021, the Company received the following amounts in rent and wage assistance:

		Fiscal Years	
	Financial Statement Caption	**2022**	**2021**
		(Dollars in thousands)	
Canadian rent relief	Rent	$ 1,235	$ —
Canadian wage relief	Company-owned salon expense	1,966	1,629
U.S. employee retention payroll tax credit	Company-owned salon expense	—	1,547

Additionally, in December 2021 the Company paid $2.5 million of social security contributions that had been deferred under the CARES Act. Overall, COVID-19 has, and may continue to have, a negative effect on revenue and profitability. The ultimate impact of the COVID-19 pandemic in both the short- and long-term is not currently estimable due to the uncertainty surrounding the duration of the pandemic, the emergence and impact of new COVID-19 variants and changing government restrictions. Additional impacts to the business may arise that we are not aware of currently.

Consolidation:

The Consolidated Financial Statements include the accounts of the Company and its subsidiaries after the elimination of intercompany accounts and transactions. All material subsidiaries are wholly owned. The Company consolidates variable interest entities where it has determined it is the primary beneficiary of those entities' operations.

Variable Interest Entities:

The Company has interests in certain privately-held entities through arrangements that do not involve voting interests. Such entities, known as a variable interest entities (VIE), are required to be consolidated by its primary beneficiary. The Company evaluates whether or not it is the primary beneficiary for each VIE using a qualitative assessment that considers the VIE's purpose and design, the involvement of each of the interest holders and the risk and benefits of the VIE. As of June 30, 2022, the Company has no VIEs where the Company is the primary beneficiary.

The Company has an investment in Empire Education Group, Inc. (EEG). During fiscal year 2020, the Company signed an agreement to sell its interest in EEG to the other shareholder. Until the transaction closes, the Company continues to account for EEG as an equity investment under the voting interest model. The Company has granted the other shareholder of EEG an irrevocable proxy to vote a certain number of the Company's shares such that the other shareholder of EEG has voting control of EEG's common stock, as well as the right to appoint four of the five members of EEG's Board of Directors. The Company wrote off its investment balance in EEG in fiscal year 2016.

Use of Estimates:

The preparation of Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make certain 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. Due to the economic disruption caused by the COVID-19 pandemic, the Company faces a greater degree of uncertainty than normal in making judgments and estimates needed to apply the Company's significant accounting policies. Actual results and outcomes may differ from management's estimates and assumptions.

Cash, Cash Equivalents and Restricted Cash:

Cash equivalents consist of investments in short-term, highly liquid securities having original maturities of three months or less, which are made as a part of the Company's cash management activity. The carrying values of these assets approximate their fair market values. The Company primarily utilizes a cash management system with a series of separate accounts consisting of lockbox accounts for receiving cash, concentration accounts that funds are moved to, and several "zero balance" disbursement accounts for funding of payroll and accounts payable. As a result of the Company's cash management system, checks issued, but not presented to the banks for payment, may create negative book cash balances. There were no checks outstanding in excess of related book cash balances at June 30, 2022 and 2021.

Restricted cash within other current assets primarily relates to consolidated advertising cooperatives funds, which can only be used to settle obligations of the respective cooperatives and contractual obligations to collateralize the Company's self-insurance programs. The self-insurance restricted cash arrangement can be canceled by the Company at any time if substituted with letters of credit. The table below reconciles the cash and cash equivalents balances and restricted cash balances, recorded within other current assets on the Consolidated Balance Sheet to the amount of cash, cash equivalents and restricted cash reported on the Consolidated Statement of Cash Flows:

	June 30,	
	2022	2021
	(Dollars in thousands)	
Cash and cash equivalents	$ 17,041	$ 19,191
Restricted cash, included in other current assets	10,423	9,961
Total cash, cash equivalents and restricted cash	$ 27,464	$ 29,152

Receivables and Allowance for Doubtful Accounts:

The receivable balance on the Company's Consolidated Balance Sheet primarily includes accounts and notes receivable from franchisees, credit card receivables and receivables related to salons sold to franchisees. The balance is presented net of an allowance for expected losses (i.e., doubtful accounts), related to receivables from the Company's franchisees. The Company monitors the financial condition of its franchisees and records provisions for estimated losses on receivables when it believes franchisees are unable to make their required payments based on factors such as delinquencies and aging trends. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses related to existing accounts and notes receivables. As of June 30, 2022 and 2021, the allowance for doubtful accounts was $6.6 and $7.8 million, respectively. The allowance for doubtful accounts decreased in fiscal year 2022 due to higher write-offs. See Note 2 to the Consolidated Financial Statements.

Inventories:

Inventories of finished goods consist principally of hair care products for retail product sales. A portion of inventories are also used for salon services consisting of hair color, hair care products including shampoo and conditioner and hair care treatments including permanents, neutralizers and relaxers. Inventories are stated at the lower of cost or market, with cost determined on a weighted average cost basis.

Physical inventory is held at salons and a third-party distribution center as of June 30, 2022. A physical inventory count is conducted annually at the third-party distribution center. Product and service inventories are adjusted based on the physical inventory counts. During the fiscal year, cost of retail product sold to salon guests is determined based on the weighted average cost of product sold, adjusted for an estimated shrinkage factor. The cost of product used in salon services is determined by applying an estimated percentage of total cost of service to service revenues.

The Company has inventory valuation reserves for excess and obsolete inventories, or other factors that may render inventories unmarketable at their historical costs. In fiscal year 2021, the Company announced it would transition away from its wholesale product distribution model in favor of a third-party distribution model. As a result, the Company exited its two distribution centers in fiscal year 2022 and now stores inventory at a third-party facility. To facilitate the exit of the distribution centers, the Company sold and continues to sell inventory at discounts and dispose of hard-to-sell products. Additionally, the reduction in company-owned salons decreases the Company's ability to redistribute inventory from closed locations to other salons to be sold or used. The inventory valuation reserve as of June 30, 2022 and 2021 was $1.9 and $11.8 million, respectively. During fiscal year 2022, the Company recorded total inventory reserve charges of $10.5 million, of which $7.7 and $2.8 million were recorded in Inventory reserve and Company-owned salon expense, respectively, in the Consolidated Statement of Operations. Included in Company-owned salon expense in the Consolidated Statement of Operations is an inventory reserve charge of $12.1 million during fiscal year 2021.

Property and Equipment:

Property and equipment are carried at cost, less accumulated depreciation and amortization. Depreciation of property and equipment is computed using the straight-line method over their estimated useful asset lives (i.e., 30 to 39 years for buildings, 10 years or lease life for improvements and three to 10 years or lease life for equipment, furniture and software). Depreciation expense was $5.8 and $20.9 million in fiscal years 2022 and 2021, respectively. Depreciation expense for fiscal years 2022 and 2021 include $1.0 and $4.7 million of asset retirement obligations, which are cash expenses.

The Company capitalizes both internal and external costs of developing or obtaining computer software for internal use. Costs incurred to develop internal-use software during the application development stage are capitalized, while data conversion, training and maintenance costs associated with internal-use software are expensed as incurred. Estimated useful lives range from three to seven years.

Expenditures for maintenance and repairs and minor renewals and betterments, which do not improve or extend the life of the respective assets, are expensed. All other expenditures for renewals and betterments are capitalized. The assets and related depreciation and amortization accounts are adjusted for property retirements and disposals with the resulting gain or loss included in operating income. Fully depreciated or amortized assets remain in the accounts until retired from service.

Right of Use Asset, Lease Liabilities and Rent Expense:

At contract inception, the Company determines whether a contract is, or contains, a lease by determining whether it conveys the right to control the use of the identified asset for a period of time. If the contract provides the Company the right to substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset, the Company considers it to be, or contain, a lease. The Company leases its company-owned salons and some of its corporate facilities under operating leases. The original terms of the salon leases range from 1 to 20 years with many leases renewable for an additional 5 to 10 year term at the option of the Company. In addition to the obligation to make fixed rental payments for the use of the salons, the Company also has variable lease payments that are based on sales levels. For most leases, the Company is required to pay real estate taxes and other occupancy expenses.

The Company leases salon premises in which the majority of its franchisees operate and has entered into corresponding sublease arrangements with franchisees. All lease-related costs are passed through to franchisees. The Company records the rental payments due from franchisees as Franchise rental income and the corresponding amounts owed to landlords as Franchise rent expense on the Consolidated Statement of Operations.

For salon operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments at the lease commencement date, including one lease term option when the lease is expected to be renewed. The right of use (ROU) asset is initially and subsequently measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, less any accrued lease payments and unamortized lease incentives received, if any. For leases classified as operating leases, expense for lease payments is recognized on a straight-line basis over the lease term, including the lease renewal option when the lease is expected to be renewed. Generally, the non-lease components, such as real estate taxes and other occupancy expenses, are separate from rent expense within the lease and are not included in the measurement of the lease liability because these charges are variable.

The discount rate used to determine the present value of the lease payments is the Company's estimated collateralized incremental borrowing rate, based on the yield curve for the respective lease terms, as the interest rate implicit in the lease cannot generally be determined. The Company uses the portfolio approach in applying the discount rate based on the original lease term.

Certain leases provide for contingent rents that are determined as a percentage of revenues in excess of specified levels. The Company records a contingent rent liability in accrued expenses on the Consolidated Balance Sheet, along with the corresponding rent expense in the Consolidated Statement of Operations, when specified levels have been achieved or when management determines that achieving the specified levels during the fiscal year is probable.

Salon Long-Lived Asset and Right of Use Asset Impairment Assessments:

A lessee's ROU asset is subject to the same asset impairment guidance in ASC 360, Property, Plant, and Equipment, applied to other elements of property, plant, and equipment. The Company has identified its asset groups at the individual salon level as this represents the lowest level that identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. Poor salon performance in fiscal years 2022 and 2021, primarily due to the COVID-19 pandemic, resulted in ASC 360-10-35-21 triggering events. As a result, management assessed underperforming salon asset groups, which included the related ROU assets, for impairment in accordance with ASC 360.

The Company assesses impairment of long-lived salon assets and right of use assets at the individual salon level, as this is the lowest level for which identifiable cash flows are largely independent of other groups of assets and liabilities, when events or changes in circumstances indicate the carrying value of the assets or the asset grouping may not be recoverable. Factors considered in deciding when to perform an impairment review include significant under-performance of an individual salon in relation to expectations, significant economic or geographic trends, and significant changes or planned changes in our use of the assets. The first step is to assess recoverability, and in doing that, the undiscounted cash flows are compared to the carrying value. If the undiscounted estimated cash flows are less than the carrying value of the assets, the Company calculates an impairment charge based on the difference between the carrying value of the asset group and its fair value. The fair value of the salon long-lived asset group is estimated using market participant methods based on the best information available. The fair value of the right of use asset is estimated by determining what a market participant would pay over the life of the primary asset in the group, discounted back to June 30, 2022. See Note 6 to the Consolidated Financial Statements for further discussion related to right of use asset impairment.

The first step in the impairment test under ASC 360 is to determine whether the long-lived assets are recoverable, which is determined by comparing the net carrying value of the salon asset group to the undiscounted net cash flows to be generated from the use and eventual disposition of that asset group. Estimating cash flows for purposes of the recoverability test is subjective and requires significant judgment. Estimated future cash flows used for the purposes of the recoverability test were based upon historical cash flows for the salons, adjusted for expected changes in future market conditions related to the COVID-19 pandemic, and other factors. The period of time used to determine the estimates of the future cash flows for the recoverability test was based on the remaining useful life of the primary asset of the group, which was the ROU asset in all cases.

The second step of the long-lived asset impairment test requires that the fair value of the asset group be estimated when determining the amount of any impairment loss. For the salon asset groups that failed the recoverability test, an impairment loss was measured as the amount by which the carrying amount of the asset group exceeds its fair value. The Company applied the fair value guidance within ASC 820-10 to determine the fair value of the asset group from the perspective of a market-participant considering, among other things, appropriate discount rates, multiple valuation techniques, the most advantageous market, and assumptions about the highest and best use of the asset group. To determine the fair value of the salon asset groups, the Company utilized market-participant assumptions rather than the Company's own assumptions about how it intends to use the asset group. The significant judgments and assumptions utilized to determine the fair value of the salon asset groups include the market rent of comparable properties and a discount rate. The fair value of the salon long-lived asset group is estimated using market participant methods based on the best information available.

For fiscal years 2022 and 2021, the Company recognized long-lived asset impairment charges of $0.5 and $13.0 million, respectively, which included $0.5 and $9.5 million, respectively, related to ROU assets on the Consolidated Statement of Operations. The impairment loss for each salon asset group that was recognized was allocated among the long-lived assets of the group on a pro-rata basis using their relative carrying amounts. Additionally, the impairment losses did not reduce the carrying amount of an individual asset below its fair value, including for the ROU assets included in the salon asset groups. Assessing the long-lived assets for impairment requires management to make assumptions and to apply judgment which can be affected by economic conditions and other factors that can be difficult to predict. The Company does not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions it uses to calculate impairment losses for its long-lived asset, including its ROU assets. If actual results are not consistent with the estimates and assumptions used in the calculations, the Company may be exposed to future impairment losses that could be material. See Note 6 to the Consolidated Financial Statements.

Goodwill:

As of June 30, 2022 and 2021, the Franchise reporting unit had $174.4 and $229.6 million, respectively, of goodwill and the Company-owned reporting unit had no goodwill for both periods. See Note 5 to the Consolidated Financial Statements for changes to the goodwill balance. The Company assesses goodwill impairment on an annual basis as of April 30, and between annual assessments if an event occurs, or circumstances change, that would more likely than not reduce the fair value of a reporting unit below its carrying amount.

Goodwill impairment assessments are performed at the reporting unit level, which is the same as the Company's operating segments. The Company performed its interim impairment tests and annual impairment tests by comparing the fair value of a reporting unit to its carrying amount. The Company then records an impairment charge for the amount that the carrying amount exceeds the fair value. In applying the goodwill impairment assessment, the Company could assess qualitative factors to determine whether it is more likely than not that the fair value of the reporting units was less than its carrying value (Step 0). Qualitative factors could include, but were not limited to, economic, market and industry conditions, cost factors and overall financial performance of the reporting unit. If after assessing these qualitative factors, the Company determined it is more likely than not that the carrying value was less than the fair value, then performing Step 1 of the goodwill impairment assessment was unnecessary.

The carrying value of each reporting unit is based on the assets and liabilities associated with the operations of the reporting unit, including allocation of shared or corporate balances among reporting units. Allocations are generally based on the number of salons in each reporting unit as a percent of total company-owned salons or expenses of the reporting unit as a percent of total company expenses.

The Company calculates estimated fair values of the reporting units based on discounted cash flows utilizing estimates in annual revenue, service and product margins, fixed expense rates, allocated corporate overhead, franchise and company-owned salon counts, proceeds from the sale of company-owned salons to franchisees and long-term growth rates for determining terminal value. Where available and as appropriate, comparative market multiples are used in conjunction with the results of the discounted cash flows. The Company engages third-party valuation consultants to assist in evaluating the Company's estimated fair value calculations.

Following is a description of the goodwill impairment assessments for each of the fiscal years:

Fiscal 2022

During fiscal year 2022, the Company performed a quantitative impairment test over goodwill during the second quarter due to a triggering event experienced in the quarter. This determination was made considering the sustained decrease in share price and a change in the Company's chief operating decision maker. In the second quarter, the Franchise reporting unit was determined to have a fair value in excess of its carrying value and no impairment was recorded. A quantitative goodwill impairment was performed in the third quarter due to a triggering event experienced during the quarter. This determination was made considering a decrease in forecasted revenue due to slower than expected recovery from COVID-19. In the third quarter, the Franchise reporting unit was determined to have a carrying value in excess of its fair value, resulting in a goodwill impairment charge of $16.0 million.

The Company performed its annual impairment assessment as of April 30. For the goodwill impairment analysis, management utilized a combination of both a discounted cash flows approach and market approach to evaluate the Franchise reporting unit. The discounted cash flows model reflects management's assumptions regarding revenue growth rates, economic and market trends, cost structure, and other expectations about the anticipated short-term and long-term operating results. Management's assumptions related to revenue growth rates were reduced and management increased expected salon closures compared to valuations in prior years. These changes, along with a decline in value from the market approach, reduced the fair value of the reporting unit. The discount rate of 20.0% was also a key assumption utilized in the discounted cash flows, which was an increase of 0.5% from the third quarter valuation due to an increase in market interest rates. As a result of the impairment testing, the Franchise reporting unit was determined to have a fair value in excess of its carrying value.

The Company derecognized $38.4 million of goodwill in fiscal year 2022 in connection to the sale of OSP. The $38.4 million represents the portion of goodwill related to the OSP business based on relative fair value. See Notes 3 and 5 to the Consolidated Financial Statements.

Fiscal 2021

During fiscal year 2021, the Company did not experience any triggering events that required an interim goodwill analysis. The Company performed its annual impairment assessment as of April 30. For the fiscal year 2021 annual impairment assessment, the Company performed a Step 1 impairment test for the Franchise reporting unit. The Company compared the carrying value of the Franchise reporting unit, including goodwill, to the estimated fair value. The results of this assessment indicated that the estimated fair value of the Company's Franchise reporting unit significantly exceeded the carrying value.

Self-Insurance Accruals:

The Company uses a combination of third-party insurance and self-insurance for a number of risks including workers' compensation, health insurance, employment practice liability and general liability claims. The liability represents the Company's estimate of the undiscounted ultimate cost of uninsured claims incurred as of the Consolidated Balance Sheet date.

The Company estimates self-insurance liabilities using a number of factors, primarily based on independent third-party actuarially-determined amounts, historical claims experience, estimates of incurred but not reported claims, demographic factors and severity factors.

Although the Company does not expect the amounts ultimately paid to differ significantly from the estimates, self-insurance accruals could be affected if future claims experience differs significantly from historical trends and actuarial assumptions. For fiscal years 2022 and 2021, the Company recorded decreases in expense for changes in estimates related to prior year open policy periods of $0.5 and $3.6 million, respectively. The Company updates loss projections bi-annually and adjusts its liability to reflect updated projections. The updated loss projections consider new claims and developments associated with existing claims for each open policy period. As certain claims can take years to settle, the Company has multiple policy periods open at any point in time.

As of June 30, 2022, the Company had $4.7 and $9.7 million recorded in current liabilities and non-current liabilities, respectively, related to the Company's workers' compensation and general liability self-insurance accruals. As of June 30, 2021, the Company had $6.8 and $12.7 million recorded in current liabilities and non-current liabilities, respectively, related to the Company's workers' compensation and general liability self-insurance accruals.

Revenue Recognition and Deferred Revenue:

Franchise revenues primarily include royalties, fees, product sales to franchisees and advertising fund fees. Royalties and advertising fund revenues represent sales-based royalties that are recognized as revenue in the period in which the sales occur. The Company defers franchise fees until the salon is open and then recognizes the revenue over the term of the franchise agreement. See Note 2 to the Consolidated Financial Statements. Product sales by the Company to its franchisees are recorded at the time product is delivered to franchise locations. Company-owned salon revenues are recognized at the time when the services are provided or the guest receives and pays for merchandise.

Classification of Revenue and Expenses:

Beginning in the first quarter of fiscal year 2022, the Company adjusted its Statement of Operations for all periods presented to align the presentation of results to its franchise-focused business. Below is a summary of the changes to the financial statement captions. The change does not have a financial impact on the Company's reported revenue, operating loss, reported net loss or cash flows from operations.

Royalties - sales-based royalty received from franchisees. In prior years, these fees were included in Royalties and Fees and disclosed in the footnotes.

Fees - fees received from franchisees and third parties, including franchise fees, software and hardware fees related to Opensalon Pro and fees received from the third-party distributors.

Product sales to franchisees - wholesale product sales to franchisees. This caption equates to Product sales in the Franchise segment in prior years. The Company changed its franchise product sales business in fiscal year 2022 from a wholesale distribution model to a third-party distribution model. This revenue was expected to decrease significantly during fiscal year 2022 and into fiscal year 2023.

Advertising fund contributions - sales-based advertising fund contributions received from franchisees. In prior years, these fees were included in Royalties and Fees and disclosed in the footnotes.

Company-owned salon revenue - service revenue and revenue derived from sales of product in Company-owned salons. This caption equates to revenue reported in the Company-owned segment in prior periods.

Cost of product sales to franchisees - direct cost of inventory and freight and other costs of sales. In prior years, these sales were included in the Franchise segment cost of product and site operating expenses.

Company-owned salon expense - cost of service and product sold to guests in our Company-owned salons and other salon-related costs. In prior years, these costs were classified as Company-owned segment cost of service, cost of product and site operating expenses. Excluded from this caption are general and administrative expense, rent and depreciation and amortization related to company-owned salons.

Consideration Received from Vendors:

The Company receives consideration for a variety of vendor-sponsored programs. These programs primarily include volume rebates and promotion and advertising reimbursements.

With respect to volume rebates, the Company estimates the amount of rebate it will receive and accrues it as a reduction to the cost of inventory over the period in which the rebate is earned based upon historical purchasing patterns and the terms of the volume rebate program. A quarterly analysis is performed in order to ensure the estimated rebate accrued is reasonable and any necessary adjustments are recorded.

Distribution Costs:

Distribution costs are incurred to store, move and ship product from the Company's distribution centers to salons and includes distribution center overhead. Such distribution costs related to product shipped to company-owned locations are included in Company-owned salon expenses in the Consolidated Statement of Operations. Distribution costs, including distribution center overhead, related to shipping product to franchise locations totaled $2.3 and $12.1 million during fiscal years 2022 and 2021, respectively, and are included within general and administrative on the Consolidated Statement of Operations. In fiscal year 2022, the Company exited its two distribution centers and changed the wholesale product distribution model in favor of a third-party distribution model, reducing the cost in fiscal year 2022. The Company now stores inventory at a third-party facility.

Advertising and Advertising Funds:

Advertising costs consist of the Company's corporate funded advertising costs, the Company's advertising fund contributions and franchisee's advertising fund contributions. Corporate funded advertising costs are expensed as incurred. The Company has various franchising programs supporting specific franchise salon concepts. Most maintain advertising funds that provide comprehensive advertising and sales promotion support. All salons are required to participate in the advertising funds for the same salon concept. The Company administers the advertising funds in accordance with franchise operating and other agreements. Advertising fund contributions are expensed when the contribution is made.

The Company's advertising costs included in the Consolidated Statement of Operations consist of the following:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Advertising fund contributions from franchisees	$ 32,573	$ 22,023
Advertising fund contributions from company-owned salons (1)	154	897
Corporate funded advertising costs (1)	671	7,015
Total advertising costs	$ 33,398	$ 29,935

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(1) Included in General and administrative expense in the Consolidated Statement of Operations.

The Company records all advertising funds as assets and liabilities within the Company's Consolidated Balance Sheet. As of June 30, 2022 and 2021, approximately $10.5 and $9.9 million, respectively, representing the advertising funds' assets and liabilities were recorded within total assets and total liabilities in the Company's Consolidated Balance Sheet.

Stock-Based Employee Compensation Plans:

The Company recognizes stock-based compensation expense based on the fair value of the awards at the grant date. Compensation expense is recognized on a straight-line basis over the requisite service period of the award (or to the date a participant becomes eligible for retirement, if earlier). The Company uses fair value methods that require the input of subjective assumptions, including the expected term, expected volatility, dividend yield and risk-free interest rate.

The Company estimates the likelihood and the rate of achievement for performance sensitive stock-based awards at the end of each reporting period. Changes in the estimated rate of achievement can have a significant effect on the recorded stock-based compensation expense as the effect of a change in the estimated achievement level is recognized in the period the change occurs.

Interest Income and Other, Net:

In March 2021, the Company recorded a gain of $15.0 million related to the Company's distribution centers. The gain on distribution centers was recorded to Interest income and other, net in the Consolidated Statement of Operations in fiscal year 2021.

Sales Taxes:

Sales taxes are recorded on a net basis (rather than as both revenue and an expense) within the Company's Consolidated Statement of Operations.

Income Taxes:

Deferred income tax assets and liabilities are recognized for the expected future tax consequences of events that have been included in the Consolidated Financial Statements or income tax returns. Deferred income tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using currently enacted tax rates in effect for the years in which the differences are expected to reverse.

We recognize deferred tax assets to the extent we believe these assets are more likely than not to be realized. The Company evaluates all evidence, including recent financial performance, the existence of cumulative year losses and our forecast of future taxable income, to assess the need for a valuation allowance against our deferred tax assets. While the determination of whether or not to record a valuation allowance is not fully governed by a specific objective test, accounting guidance places significant weight on recent financial performance.

The Company has a valuation allowance on its deferred tax assets of $201.7 and $192.5 million at June 30, 2022 and 2021, respectively. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make necessary adjustments to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

Significant components of the valuation allowance which occurred during fiscal year 2022 are as follows:

- The Company determined that it no longer had sufficient U.S. state indefinite-lived taxable temporary differences to support realization of its U.S. state indefinite-lived NOLs and its existing U.S. deferred tax assets that upon reversal are expected to generate state indefinite-lived NOLs. As a result, the Company recorded a $4.1 million valuation allowance on its U.S. state indefinite-lived deferred tax assets.

Significant components of the valuation allowance which occurred during fiscal year 2021 are as follows:

- The Company recognized a tax loss on its investment in Luxembourg and established a corresponding valuation allowance of $34.4 million.

The Company reserves for unrecognized tax benefits, interest and penalties related to anticipated tax audit positions in the U.S. and other tax jurisdictions based on an estimate of whether additional taxes will be due. If payment of these amounts ultimately proves to be unnecessary, the reversal of these liabilities would result in tax benefits being recognized in the period in which it is determined that the liabilities are no longer necessary. If the estimate of unrecognized tax benefits, interest and penalties proves to be less than the ultimate assessment, additional expenses would result.

Inherent in the measurement of deferred balances are certain judgments and interpretations of tax laws and published guidance with respect to the Company's operations. Income tax expense is primarily the current tax payable for the period and the change during the period in certain deferred tax assets and liabilities.

See Note 10 to the Consolidated Financial Statements.

Net Loss Per Share:

The Company's basic earnings per share is calculated as net loss divided by weighted average common shares outstanding, excluding unvested outstanding restricted stock awards and restricted stock units. The Company's dilutive earnings per share is calculated as net income divided by weighted average common shares and common share equivalents outstanding, which includes shares issuable under the Company's stock option plan and long-term incentive plan and dilutive securities. Stock-based awards with exercise prices greater than the average market value of the Company's common stock are excluded from the computation of diluted earnings per share. Due to the Company's net loss in all periods presented, basic and dilutive earnings per share are equal.

Comprehensive Loss:

Components of comprehensive loss include net loss, foreign currency translation adjustments and recognition of deferred compensation, net of tax within shareholders' (deficit) equity.

Foreign Currency Translation:

The Consolidated Balance Sheet, Consolidated Statement of Operations and Consolidated Statement of Cash Flows of the Company's international operations are measured using local currency as the functional currency. Assets and liabilities of these subsidiaries are translated at the exchange rates in effect at each Balance Sheet date. Translation adjustments arising from the use of differing exchange rates from period to period are included in accumulated other comprehensive income within shareholders' (deficit) equity. Statement of Operations accounts are translated at the average rates of exchange prevailing during the year. During fiscal years 2022 and 2021, a $0.6 million foreign currency loss and $0.3 million foreign currency gain is included in loss from continuing operations, respectively.

Accounting Standards Recently Adopted by the Company:

In December 2019, the FASB issued ASU 2019-12, "Income Taxes (Topic 740)," which simplifies the accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The amendments also improve consistent application of and simplify GAAP for other areas of Topic 740 by clarifying and amending existing guidance. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Depending on the amendment, adoption may have been applied on the retrospective, modified retrospective or prospective basis. The adoption of this new guidance during fiscal year 2022 using the prospective method did not have a material impact on our Consolidated Financial Statements.

Recently Issued Accounting Standards Not Yet Adopted:

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and it does not believe any of these pronouncements will have a material impact to the Company's financial statements.

2. REVENUE RECOGNITION:

Revenue Recognition and Deferred Revenue:

Revenue recognized at point of sale

Product sales to franchisees are recorded at the time product is delivered to the franchisee. Payment for franchisee product revenue is generally collected 30 to 90 days of delivery. Company-owned salon revenues are recognized at the time when the services are provided or the guest receives and pays for the merchandise. Revenues from purchases made with gift cards are also recorded when the guest takes possession of the merchandise or services are provided. Gift cards issued by the Company are recorded as a liability (deferred revenue) upon sale and recognized as revenue upon redemption by the guest. Gift card breakage, the amount of gift cards which will not be redeemed, is recognized proportional to redemptions using estimates based on historical redemption patterns.

Revenue recognized over time

Royalty and advertising fund revenues represent sales-based royalties that are recognized in the period in which the sales occur. Generally, royalty and advertising fund revenues are billed and collected monthly in arrears. Advertising fund revenues and expenditures, which must be spent on marketing and related activities per the franchise agreements, are recorded on a gross basis within the Consolidated Statement of Operations. The treatment increases both the gross amount of reported revenue and expense and generally has no impact on operating income and net income. Franchise fees are billed and received upon the signing of the franchise agreement. Recognition of these fees is deferred until the salon opening and is then recognized over the term of the franchise agreement, which is typically 10 years. Franchise rental income is a result of the Company signing leases on behalf of franchisees and entering into sublease arrangements with the franchisees. The Company recognizes franchise rental income and expense when it is due to the landlord.

Information about receivables, broker fees and deferred revenue subject to the revenue recognition guidance is as follows:

	June 30, 2022	June 30, 2021	Balance Sheet Classification
	(Dollars in thousands)		
Receivables from contracts with customers, net	$ 10,263	$ 18,011	Receivable, net
Broker fees	15,592	19,254	Other assets
Deferred revenue:			
Current			
Gift card liability	$ 2,037	$ 2,240	Accrued expenses
Deferred franchise fees unopened salons	16	40	Accrued expenses
Deferred franchise fees open salons	5,770	5,884	Accrued expenses
Total current deferred revenue	$ 7,823	$ 8,164	
Non-current			
Deferred franchise fees unopened salons	$ 3,211	$ 6,571	Other non-current liabilities
Deferred franchise fees open salons	26,827	32,365	Other non-current liabilities
Total non-current deferred revenue	$ 30,038	$ 38,936	

Receivables relate primarily to payments due for royalties, franchise fees, advertising fees, rent, franchise product sales and sales of salon services and product paid by credit card. The receivables balance is presented net of an allowance for expected losses (i.e., doubtful accounts), related to receivables from franchisees. The following table is a rollforward of the allowance for doubtful accounts for the periods indicated:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Balance at beginning of period	$ 7,774	$ 6,899
Provision for doubtful accounts (1)	967	509
Provision for franchisee rent (2)	1,421	1,920
Reclass of accrued rent (3)	149	—
Write-offs	(3,752)	(1,554)
Balance at end of period	$ 6,559	$ 7,774

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(1) The provision for doubtful accounts is recognized as general and administrative expense in the Consolidated Statement of Operations.

(2) The provision for franchisee rent is recognized as rent in the Consolidated Statement of Operations.

(3) The reclass of accrued rent represents franchisee rent obligations guaranteed by the Company that were unbilled and deemed unrecoverable as of June 30, 2021. The amounts billed in fiscal year 2022 and the related accrual was reclassified to allowance for doubtful accounts.

Broker fees are the costs associated with using external brokers to identify new franchisees. These fees are paid upon the signing of the franchise agreement and recognized as general and administrative expense over the term of the franchise agreement in the Consolidated Statement of Operations. The following table is a rollforward of the broker fee balance for the periods indicated:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Balance at beginning of period	$ 19,254	$ 20,516
Additions	25	2,112
Amortization	(3,189)	(3,180)
Write-offs	(498)	(194)
Balance at end of period	$ 15,592	$ 19,254

The decrease in non-current deferred franchise fees for unopened salons in fiscal year 2022 is primarily due to $2.4 million of deferred fees related to terminated development agreements being recognized as fees in the Consolidated Statement of Operations in the year ended June 30, 2022. Deferred revenue includes the gift card liability and deferred franchise fees for unopened salons and open salons. Deferred franchise fees related to open salons are generally recognized on a straight-line basis over the term of the franchise agreement. Franchise fee revenue for fiscal years 2022 and 2021 was $6.5 and $6.6 million, respectively. Estimated revenue expected to be recognized in the future related to deferred franchise fees for open salons as of June 30, 2022 is as follows (in thousands):

2023	$	5,770
2024		5,468
2025		5,092
2026		4,618
2027		4,157
Thereafter		7,492
Total	$	32,597

3. DISCONTINUED OPERATIONS

Opensalon Pro (OSP):

On June 30, 2022, the Company sold its OSP software-as-a-service solution to Soham Inc. for a purchase price of $20.0 million in cash plus up to an additional $19.0 million in cash contingent upon the number of salons that migrate to Soham's Zenoti product as their salon technology platform. The Company received $13.0 million in proceeds in June 2022. The remaining $7.0 million of the purchase price is subject to holdbacks including $4.0 million of the proceeds retained in escrow to be paid upon completion of the Company's refinancing, $1.0 million once the Company ends its arrangement with ProPoint in December 2022 and $2.0 million of proceeds held back until general indemnity provisions are satisfied within 18 months from closing. As a result of the sale, the Company classified the OSP business as discontinued operations in the financial statements for all years presented. Discontinued operations is included in the Franchise segment in the Consolidated Statement of Operations for all periods presented.

The following summarizes the components of the loss from sale of OSP for fiscal year 2022 included in discontinued operations (in thousands):

Cash proceeds	$ 13,000
Goodwill derecognition	(38,358)
Software write-off (1)	(8,408)
Hardware write-down (2)	(1,825)
Other, net, including professional fees	(552)
Loss from sale of OSP	$ (36,143)

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(1) Internally developed capitalized software is included in non-current assets related to discontinued operations as of June 30, 2021 and written off in June 2022 upon completion of the sale.

(2) Prior to the sale, hardware used to run OSP was sold to franchisees. As a result of the sale, the Company wrote-down the value of the hardware to its net realizable value and the charge is included in the loss on the sale of OSP. The hardware is included in inventory as of June 30, 2022 and current assets related to discontinued operations as of June 30, 2021 in the Consolidated Balance Sheet.

The following summarizes the results of discontinued operations for the periods presented:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Discontinued operations:		
Fees	$ 3,811	$ 3,461
Cost of product sales to franchisees	(1,037)	(2,790)
General and administrative	(3,517)	(9,006)
Rent	(194)	(176)
Depreciation and amortization	(1,322)	(964)
Goodwill impairment (1)	(2,880)	—
Interest expense	(715)	(650)
Loss from sale of OSP	(36,143)	—
Loss from discontinued operations, before taxes	(41,997)	(10,125)
Income tax benefit from discontinued operations (2)	2,599	—
Loss from discontinued operations, net of tax	$ (39,398)	$ (10,125)

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(1) Goodwill impairment included in discontinued operations represents the portion of impairment allocated to the OSP business based on relative fair value.

(2) Income taxes have been allocated to continuing and discontinued operations based on the methodology required by accounting for income taxes guidance.

The Company leases office space in Fremont, California. The lease related liabilities are included in long-term lease liability as of June 30, 2022, and the lease related assets and liabilities are included in non-current assets, current liabilities and non-current liabilities related to discontinued operations as of June 30, 2021 in the Consolidated Balance Sheet.

4. OTHER FINANCIAL STATEMENT DATA

The following provides additional information concerning selected balance sheet accounts:

	June 30, 2022	June 30, 2021
	(Dollars in thousands)	
Other current assets:		
Prepaid assets	$ 1,816	$ 4,121
Restricted cash	10,423	9,961
Other	1,745	2,935
Total other current assets	$ 13,984	$ 17,017
Property and equipment:		
Buildings and improvements	$ 8,228	$ 8,251
Equipment, furniture and leasehold improvements	14,260	28,782
Internal use software	34,824	34,644
Total property and equipment	57,312	71,677
Less accumulated depreciation and amortization	(44,477)	(54,771)
Total property and equipment, net	$ 12,835	$ 16,906
Accrued expenses:		
Payroll and payroll related costs	$ 7,767	$ 16,175
Insurance	5,012	7,525
Rent and related real estate costs	4,585	11,197
Deferred revenue	7,823	8,164
Other	8,597	8,181
Total accrued expenses	$ 33,784	$ 51,242
Other non-current liabilities:		
Deferred income taxes	$ 10,979	$ 10,650
Insurance	9,744	12,722
Deferred benefits	6,308	10,028
Deferred franchise fees	30,038	38,936
Other	1,905	2,739
Total other non-current liabilities	$ 58,974	$ 75,075

The following provides additional information concerning other intangibles, net:

	June 30,							
	2022				2021			
	Weighted Average Amortization Periods (1)	Cost (2)	Accumulated Amortization (2)	Net	Weighted Average Amortization Periods (1)	Cost (2)	Accumulated Amortization (2)	Net
	(In years)	(Dollars in thousands)			(In years)	(Dollars in thousands)		
Brand assets and trade names	36	$ 5,421	$ (3,234)	$ 2,187	35	$ 6,040	$ (3,568)	$ 2,472
Franchise agreements	20	7,719	(6,756)	963	19	10,099	(8,901)	1,198
Other	20	354	(278)	76	20	366	(275)	91
Total	26	$ 13,494	$ (10,268)	$ 3,226	24	$ 16,505	$ (12,744)	$ 3,761

(1) All intangible assets have been assigned an estimated finite useful life and are amortized on a straight-line basis over the number of years that approximate their expected period of benefit (ranging from three to 40 years).

(2) The change in the gross carrying value and accumulated amortization of other intangible assets is impacted by foreign currency.

Total amortization expense related to intangible assets during fiscal years 2022 and 2021 was approximately $0.4 and $0.8 million, respectively. As of June 30, 2022, future estimated amortization expense related to intangible assets is estimated as follows (in thousands):

2023	$ 365
2024	302
2025	302
2026	302
2027	302
Thereafter	1,653
Total	$ 3,226

The following provides supplemental disclosures of cash flow activity:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Cash paid (received) for:		
Interest	$ 11,786	$ 11,940
Taxes and penalties, net	(1,400)	(2,636)
Non-cash investing activities:		
Unpaid capital expenditures	35	312

5. GOODWILL

The table below contains details related to the Company's goodwill:

	June 30,					
	2022			2021		
	Gross Carrying Value (1)	Accumulated Impairment	Net	Gross Carrying Value (1)	Accumulated Impairment	Net
	(Dollars in thousands)					
Goodwill	$ 304,624	$ (130,264)	$ 174,360	$ 343,846	$ (114,264)	$ 229,582

(1) The change in the gross carrying value of goodwill relates to foreign currency translation adjustments.

The table below contains details related to the Company's goodwill related to the Franchise reporting unit:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Balance at beginning of period (1)	$ 229,582	$ 227,457
Derecognition of OSP goodwill	(38,358)	—
Goodwill impairment related to continuing operations	(13,120)	—
Goodwill impairment related to discontinued operations	(2,880)	—
Translation rate adjustments	(864)	2,125
Balance at end of period (1)	$ 174,360	$ 229,582

(1) The goodwill balance as of June 30, 2021 includes $41.3 million related to discontinued operations.

6. LEASES

At contract inception, the Company determines whether a contract is, or contains, a lease by determining whether it conveys the right to control the use of the identified asset for a period of time. If the contract provides the Company the right to substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset, the Company considers it to be, or contain, a lease. The Company leases its company-owned salons and some of its corporate facilities under operating leases. The original terms of the salon leases range from one to 20 years with many leases renewable for an additional five to 10-year term at the option of the Company. In addition to the obligation to make fixed rental payments for the use of the salons, the Company also has variable lease payments that are based on sales levels. For most leases, the Company is required to pay real estate taxes and other occupancy expenses. Total rent includes the following:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Office and warehouse rent	$ 4,575	$ 5,234
Lease termination expense (1)	1,835	13,544
Lease liability benefit (2)	(3,620)	(20,022)
Franchise salon rent	1,695	3,376
Company-owned salon rent	4,872	38,622
Total	$ 9,357	$ 40,754

(1) During fiscal year 2022, lease termination expense includes $0.9 million to exit the Company's distribution centers before the lease end dates and $0.9 million to exit salons before the lease end dates in order to relieve the Company of future lease obligations. During fiscal year 2021, lease termination fees include $8.3 million of early termination payments to close salons before the lease end date to relieve the Company of future lease obligations and $5.3 million to accrue future lease payments for salons that are no longer operating.

(2) Upon termination of previously impaired leases, the Company derecognizes the corresponding ROU assets and lease liabilities which results in a net gain. In addition, the Company recognizes a benefit from lease liabilities decreasing in excess of previously impaired ROU assets for ongoing leases that were previously impaired.

The Company leases salon premises in which the majority of its franchisees operate and has entered into corresponding sublease arrangements with franchisees. All lease-related costs are passed through to the franchisees. The Company records the rental payments due from franchisees as franchise rental income and the corresponding amounts owed to landlords as franchise rent expense on the Consolidated Statement of Operations. In fiscal years 2022 and 2021, Franchise rental income and Franchise rent expense were $130.8 and $127.4 million, respectively. These leases generally have lease terms of approximately five years. The Company expects to renew SmartStyle and some franchise leases upon expiration. Some other leases are expected to be renewed by the franchisee upon expiration.

For salon operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments at the lease commencement date, including one lease term option when the lease is expected to be renewed. The ROU asset is initially and subsequently measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, less any accrued lease payments and unamortized lease incentives received, if any. For leases classified as operating leases, expense for lease payments is recognized on a straight-line basis over the lease term, including the lease renewal option when the lease is expected to be renewed. Generally, the non-lease components, such as real estate taxes and other occupancy expenses, are separate from rent expense within the lease and are not included in the measurement of the lease liability because these charges are variable.

The discount rate used to determine the present value of the lease payments is the Company's estimated collateralized incremental borrowing rate, based on the yield curve for the respective lease terms, as the interest rate implicit in the lease cannot generally be determined. The Company uses the portfolio approach in applying the discount rate based on the original lease term. The weighted average remaining lease term was 6.02 and 6.44 years and the weighted average discount rate was 4.25% and 4.11% for all salon operating leases as of June 30, 2022 and 2021, respectively.

A lessee's ROU asset is subject to the same asset impairment guidance in ASC 360, Property, Plant, and Equipment, applied to other elements of property, plant, and equipment. The Company has identified its asset groups at the individual salon level as this represents the lowest level that identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. Poor salon performance in fiscal years 2022 and 2021 resulted in ASC 360-10-35-21 triggering events. As a result, management assessed underperforming salon asset groups, which included the related ROU assets, for impairment in accordance with ASC 360.

The first step in the impairment test under ASC 360 is to determine whether the long-lived assets are recoverable, which is determined by comparing the net carrying value of the salon asset group to the undiscounted net cash flows to be generated from the use and eventual disposition of that asset group. Estimating cash flows for purposes of the recoverability test is subjective and requires significant judgment. Estimated future cash flows used for the purposes of the recoverability test were based upon historical cash flows for the salons, adjusted for expected changes in future market conditions related to the COVID-19 pandemic, and other factors. The period of time used to determine the estimates of the future cash flows for the recoverability test was based on the remaining useful life of the primary asset of the group, which was the ROU asset in all cases.

The second step of the long-lived asset impairment test requires that the fair value of the asset group be estimated when determining the amount of any impairment loss. For the salon asset groups that failed the recoverability test, an impairment loss was measured as the amount by which the carrying amount of the asset group exceeds its fair value. The Company applied the fair value guidance within ASC 820-10 to determine the fair value of the asset group from the perspective of a market-participant considering, among other things, appropriate discount rates, multiple valuation techniques, the most advantageous market, and assumptions about the highest and best use of the asset group. To determine the fair value of the salon asset groups, the Company utilized market-participant assumptions rather than the Company's own assumptions about how it intends to use the asset group. The significant judgments and assumptions utilized to determine the fair value of the salon asset groups include the market rent of comparable properties and a discount rate.

The fair value of the salon long-lived asset group is estimated using market participant methods based on the best information available. The Company engaged a third-party valuation specialist to assist with the research related to inputs used in their determination of the fair value of the ROU asset which included providing information related to significant inputs and assumptions utilized in the measurement of the impairment loss.

For fiscal years 2022 and 2021, the Company recognized long-lived impairment charges of $0.5 and $13.0 million, respectively, which included $0.5 and $9.5 million, respectively, related to ROU assets on the Consolidated Statement of Operations. The impairment loss for each salon asset group that was recognized was allocated among the long-lived assets of the group on a pro-rata basis using their relative carrying amounts. Additionally, the impairment losses did not reduce the carrying amount of an individual asset below its fair value, including for the ROU assets included in the salon asset groups. Assessing the long-lived assets for impairment requires management to make assumptions and to apply judgment, which can be affected by economic conditions and other factors that can be difficult to predict. The Company does not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions it uses to calculate impairment losses for its long-lived asset, including its ROU assets. If actual results are not consistent with the estimates and assumptions used in the calculations, the Company may be exposed to future impairment losses that could be material.

As of June 30, 2022, future operating lease commitments, including one renewal option for leases expected to be renewed, to be paid and received by the Company were as follows (in thousands):

Fiscal Year	Leases For Franchise Salons	Leases For Company-Owned Salons	Corporate Leases	Total Operating Lease Payments	Sublease Income To Be Received From Franchisees	Net Rent Commitments
2023	$ 116,644	$ 3,590	$ 2,229	$ 122,463	$ (116,644)	$ 5,819
2024	102,360	2,049	1,301	105,710	(102,360)	3,350
2025	85,788	710	1,334	87,832	(85,788)	2,044
2026	72,155	385	1,367	73,907	(72,155)	1,752
2027	61,698	143	1,401	63,242	(61,698)	1,544
Thereafter	122,570	256	4,417	127,243	(122,570)	4,673
Total future obligations	$ 561,215	$ 7,133	$ 12,049	$ 580,397	$ (561,215)	$ 19,182
Less amounts representing interest	66,693	361	1,702	68,756		
Present value of lease liabilities	$ 494,522	$ 6,772	$ 10,347	$ 511,641		
Less current lease liabilities	97,954	3,399	1,843	103,196		
Long-term lease liabilities	$ 396,568	$ 3,373	$ 8,504	$ 408,445		

Supplemental operating cash flow information and non-cash activity related to our operating leases are as follows (in thousands):

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Cash paid for amounts included in the measurement of lease liabilities (1)	$ 74,507	$ 130,039
Right of use assets obtained in exchange for new lease liabilities	2,011	4,242

(1) Cash paid for amounts included in the measurement of lease liabilities includes rent, termination fees, settlements and legal fees, and commission payments.

7. FAIR VALUE MEASUREMENTS

Fair value measurements are categorized into one of three levels based on the lowest level of significant input used: Level 1 (unadjusted quoted prices in active markets); Level 2 (observable market inputs available at the measurement date, other than quoted prices included in Level 1); and Level 3 (unobservable inputs that cannot be corroborated by observable market data).

Assets and Liabilities Measured at Fair Value on a Recurring Basis

As of June 30, 2022 and 2021, the estimated fair value of the Company's cash, cash equivalents, restricted cash, receivables, inventory, deferred compensation assets, debt and accounts payable approximated their carrying values.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

We measure certain assets, including the Company's equity method investments, tangible fixed and other assets and goodwill, at fair value on a nonrecurring basis when they are deemed to be other than temporarily impaired. The fair values of these assets are determined, when applicable, based on valuation techniques using the best information available, and may include quoted market prices, market comparables and discounted cash flow projections.

The following impairment charges were based on fair values using Level 3 inputs (1):

	Fiscal Years	
	2022	**2021**
	(Dollars in thousands)	
Goodwill impairment	$ 16,000	$ —
Long-lived asset impairment	542	13,023

(1) See Notes 1 and 5 to the Consolidated Financial Statements.

8. FINANCING ARRANGEMENTS

The Company's debt consists of the following:

Revolving Credit Facility

		June 30,			
	Maturity Date (1)	2022	2021	2022	2021
	(Fiscal year)	(Interest rate %)		(Dollars in thousands)	
Revolving credit facility	2023	5.50%	5.00%	$ 179,994	$ 186,911

(1) As of June 30, 2022 the Company's borrowings matured in March 2023. On August 12, 2022, the Company amended its credit agreement. In connection with the amendment, the maturity of the credit agreement was extended to August 31, 2025. Accordingly, the debt is classified as non-current on the Consolidated Balance Sheet. See Note 16 to the Consolidated Financial Statements.

At June 30, 2022, cash and cash equivalents totaled $17.0 million. As of June 30, 2022, the Company had $180.0 million of outstanding borrowings under the original $295.0 million revolving credit facility, of which $277.5 million was available as of June 30, 2022. The credit facility decreased $16.9 million from $294.4 million as of June 30, 2021, in accordance with the bulk sale provisions in the revolving credit facility agreement, due to the sale of OSP and secured inventory related to our transition to a third-party distribution partner. At June 30, 2022, the Company had outstanding standby letters of credit under the revolving credit facility of $15.7 million, primarily related to the Company's self-insurance program. The unused available credit under the facility was $81.9 million at June 30, 2022. Total liquidity per the agreement was $119.8 million as of June 30, 2022. As of June 30, 2022, the Company had cash, cash equivalents and restricted cash of $27.5 million and current liabilities of $152.8 million.

Under the terms of the revolving credit facility as of June 30, 2022, the Company is required to maintain a minimum liquidity of $75.0 million and the Company's lenders are secured in the Company's assets. The applicable margin for loans bearing interest at SOFR ranges from 3.75%-4.25%, the applicable margin for loans bearing interest at the base rate ranges from 2.75%-3.25% and the facility fee ranges from 0.50%-0.75%, each depending on average utilization of the revolving line of credit. The Company was in compliance with all covenants and other requirements of the financing arrangements as of June 30, 2022. On August 12, 2022, the Company amended and extended its credit facility which, among other things, converted the revolving credit facility to a $180.0 million term loan and $55.0 million revolving credit facility. The amendment also extends the maturity date to August 31, 2025. See Note 16 to the Consolidated Financial Statements.

9. COMMITMENTS AND CONTINGENCIES

Contingencies:

The Company is self-insured for most workers' compensation, employment practice liability and general liability. Workers' compensation and general liability losses are subject to per occurrence and aggregate annual liability limitations. The Company is insured for losses in excess of these limitations. The Company is also self-insured for health care claims for eligible participating employees subject to certain deductibles and limitations. The Company determines its liability for claims incurred but not reported on an actuarial basis.

Litigation and Settlements:

The Company is a plaintiff or defendant in various lawsuits and claims arising out of the normal course of business. Like certain other franchisors, the Company has faced allegations of franchise regulation and agreement violations. Additionally, because the Company may be the tenant under a master lease for a location subleased to a franchisee, the Company has faced allegations of nonpayment of rent and associated charges. Further, similar to other large retail employers, the Company has been faced with allegations of purported class-wide consumer and wage and hour violations.

During fiscal year 2022, the Company recorded $2.2 million of expense related to litigation, of which $1.7 million was paid during the year. The Company's accrual related to potential settlement liability was $0.5 million as of June 30, 2022. Included in the expense is litigation brought in the 11th Judicial Circuit, St. Charles County, Missouri, in which the Company challenged a landlord regarding a lease the Company secured but the landlord leased to another tenant. The landlord in the case prevailed and the court ordered the Company to pay the landlord $0.5 million in attorney's fees. The Company requested leave to appeal and plans to vigorously pursue overturning this judgment.

The Company's previous point-of-sale system supplier had challenged the development of certain parts of the Company's technology systems in litigation brought in the Northern District of California. The Company and the supplier entered into an agreement, effective June 25, 2021, that provided for the dismissal of the lawsuit and set forth a Transition Services Agreement pursuant to which the supplier will assist in the transfer of franchise salons from its point-of-sale system to the Company's salon management system, OSP. The Company and the supplier entered into an amendment to the Settlement Agreement, effective June 15, 2022, in which the Company agreed to pay $2.0 million to the supplier in installments commencing on June 15, 2022, and ending on December 10, 2022, in consideration of a release of claims arising out of or related to the Transition Services Agreement and for the supplier to continue to provide the services set forth in that agreement.

Litigation is inherently unpredictable, and the outcome of these matters cannot presently be determined. Although the actions are being vigorously defended, the Company could incur judgments in the future or enter into settlements of claims that could have a material adverse effect on its results of operations in any particular period.

10. INCOME TAXES

The components of loss from continuing operations before income taxes are as follows:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Loss before income taxes		
U.S.	$ (41,231)	$ (143,104)
International	(3,211)	34,470
	$ (44,442)	$ (108,634)

The provision (benefit) for income taxes consists of:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
Current:		
U.S.	$ (535)	$ (620)
International	(425)	(1,421)
Deferred:		
U.S.	3,130	(3,701)
International	(153)	314
	$ 2,017	$ (5,428)

The provision (benefit) for income taxes differs from the amount of income tax determined by applying the applicable U.S. statutory rate to loss from continuing operations before income taxes, as a result of the following:

	Fiscal Years	
	2022	2021
U.S. statutory rate	21.0 %	21.0 %
State income taxes, net of federal income tax benefit	1.4	7.9
Valuation allowance (1)	(6.6)	(61.5)
Foreign income taxes at other than U.S. rates	3.0	9.4
Uncertain tax positions	(17.9)	0.2
Stock-based compensation	(2.8)	(0.7)
Loss on investment in Luxembourg	—	29.3
Other, net (2)	(2.6)	(0.6)
Effective tax rate	(4.5)%	5.0 %

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(1) See Note 1 to the Consolidated Financial Statements.

(2) The (2.6)% of Other, net in fiscal year 2022 includes the rate impact of the federal provision to return true-up and miscellaneous items of (2.0)% and (0.6)%, respectively. The (0.6)% of Other, net in fiscal year 2021 does not include the rate impact of any items in excess of 5% of computed tax.

The components of the net deferred tax assets and liabilities are as follows:

	June 30, 2022	June 30, 2021
	(Dollars in thousands)	
Deferred tax assets:		
Payroll and payroll related costs	$ 5,267	$ 8,523
Net operating loss carryforwards	153,190	145,823
Tax credit carryforwards	37,664	37,433
Capital loss carryforwards	5,338	14,179
Deferred franchise fees	8,694	10,153
Operating lease liabilities	124,905	154,255
Other (1)	17,542	12,608
Subtotal	352,600	382,974
Valuation allowance (1)	(201,731)	(192,522)
Total deferred tax assets	$ 150,869	$ 190,452
Deferred tax liabilities:		
Goodwill and intangibles	$ (33,466)	$ (43,375)
Operating lease assets	(123,333)	(150,573)
Other	(5,049)	(7,154)
Total deferred tax liabilities	(161,848)	(201,102)
Net deferred tax liability	$ (10,979)	$ (10,650)

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(1) The $17.5 million of Other in fiscal year 2022 includes $5.3 million of deferred tax assets with a corresponding valuation allowance of the same amount related to discontinued operations.

Significant components of the valuation allowance which occurred during fiscal year 2022 are as follows:

- The Company determined that it no longer had sufficient U.S. state indefinite-lived taxable temporary differences to support realization of its U.S. state indefinite-lived NOLs and its existing U.S. deferred tax assets that upon reversal are expected to generate state indefinite-lived NOLs. As a result, the Company recorded a $4.1 million valuation allowance on its U.S. state indefinite-lived deferred tax assets.

Significant components of the valuation allowance which occurred during fiscal year 2021 are as follows:

- The Company recognized a tax loss on its investment in Luxembourg and established a corresponding valuation allowance of $34.4 million.

At June 30, 2022, the Company has tax-effected federal, state, Canada, and U.K. net operating loss carryforwards of approximately $116.8, $28.1, $7.8 and $0.5 million, respectively. The Company's federal loss carryforward consists of $27.3 million that will expire from fiscal years 2034 to 2038 and $89.5 million that has no expiration. The state loss carryforwards consist of $24.4 million that will expire from fiscal years 2023 to 2042 and $3.7 million that has no expiration. The Canada loss carryforward will expire from fiscal years 2036 to 2042. The U.K. loss carryforward has no expiration.

The Company's tax credit carryforward of $37.7 million primarily consists of Work Opportunity Tax Credits that will expire from fiscal years 2031 to 2042.

The Company's capital loss carryforward of $5.3 million will expire in fiscal year 2025.

We consider the earnings of certain non-U.S. subsidiaries to be indefinitely invested outside the U.S. Accordingly, we have not recorded deferred taxes related to the U.S. federal and state income taxes and foreign withholding taxes on approximately $7.8 million of undistributed earnings of foreign subsidiaries, which have been reinvested outside the U.S. As a result of the Tax Cuts and Jobs Act of 2017, taxes payable on the remittance of such earnings is expected to be minimal.

The Company files tax returns and pays tax primarily in the U.S., Canada, the U.K. and Luxembourg, as well as states, cities, and provinces within these jurisdictions. The Company is no longer subject to Internal Revenue Service examinations for years before 2014. With limited exceptions, the Company is no longer subject to state and international income tax examination by tax authorities for years before 2012.

A rollforward of the unrecognized tax benefits is as follows:

	Fiscal Years	
	2022	**2021**
	(Dollars in thousands)	
Balance at beginning of period	$ 13,858	$ 14,045
Additions based on tax positions related to the current year, primarily salon vendition activity and tax positions related to a capital loss	8,636	292
Additions based on tax positions of prior years	81	50
Reductions on tax positions related to the expiration of the statute of limitations	(402)	(529)
Balance at end of period	$ 22,173	$ 13,858

If the Company were to prevail on all unrecognized tax benefits recorded, a net benefit of approximately $1.0 million would be recorded in the effective tax rate. Interest and penalties associated with unrecognized tax benefits are recorded within income tax expense. During each of the fiscal years 2022 and 2021, the Company recorded interest and penalties of approximately $0.2 million as reductions to the accrual, net of the respective reversal of previously accrued interest and penalties. As of June 30, 2022, the Company had accrued interest and penalties related to unrecognized tax benefits of $0.7 million. This amount is not included in the gross unrecognized tax benefits noted above.

It is reasonably possible the amount of the unrecognized tax benefit with respect to certain of our unrecognized tax positions will increase or decrease during the next fiscal year. However, an estimate of the amount or range of the change cannot be made at this time.

11. BENEFIT PLANS

Regis Retirement Savings Plan:

The Company maintains a defined contribution 401(k) plan, the Regis Retirement Savings Plan (RRSP). The RRSP is a defined contribution profit sharing plan with a 401(k) feature that is intended to qualify under Section 401(a) of the Internal Revenue Code (the Code) and is subject to the Employee Retirement Income Security Act of 1974 (ERISA).

The 401(k) portion of the RRSP is a cash or deferred arrangement intended to qualify under section 401(k) of the Code and under which eligible employees may elect to contribute a percentage of their eligible compensation. Employees who are 18 years of age or older and who were not highly compensated employees as defined by the Code during the preceding RRSP year are eligible to participate in the RRSP commencing with the first day of the month following their completion of one month of service.

The discretionary employer contribution profit sharing portion of the RRSP is a noncontributory defined contribution component covering full-time and part-time employees of the Company who have at least one year of eligible service, defined as 1,000 hours of service during the RRSP year, are employed by the Company on the last day of the RRSP year and are Salon Support employees, distribution center employees, field leaders, artistic directors or consultants, and that are not highly compensated employees as defined by the Code. Participants' interest in the noncontributory defined contribution component become 20.0% vested after completing two years of service with vesting increasing 20.0% for each additional year of service with participants becoming fully vested after six full years of service.

Nonqualified Deferred Salary Plan:

The Company maintains a Nonqualified Deferred Salary Plan (Executive Plan), which covers Company officers and all other employees who are highly compensated as defined by the Code. The discretionary employer contribution portion of the Executive Plan is a profit sharing component in which a participant's interest becomes 20.0% vested after completing two years of service with vesting increasing 20.0% for each additional year of service with participants becoming fully vested after six full years of service. Certain participants within the Executive Plan also receive a matching contribution from the Company.

Regis Individual Secured Retirement Plan (RiSRP):

The Company maintains a Regis Individual Secured Retirement Plan (RiSRP), pursuant to which eligible employees may use post-tax dollars to purchase life insurance benefits. Salon Support employees at the director level and above qualify. The Company may make discretionary contributions on behalf of participants within the RiSRP, which may be calculated as a matching contribution. The participant is the owner of the life insurance policy under the RiSRP.

Stock Purchase Plan:

The Company has an employee stock purchase plan (ESPP) available to qualifying employees. Under the terms of the ESPP, eligible employees may purchase the Company's common stock through payroll deductions. The Company contributes an amount equal to 15.0% of the purchase price of the stock to be purchased on the open market and pays all expenses of the ESPP and its administration, not to exceed an aggregate contribution of $14.0 million or when 4.6 million shares registered under the SEC for issuance under the plan have been purchased. As of June 30, 2022, the Company's cumulative contributions to the ESPP totaled $11.2 million.

Deferred Compensation Contracts:

The Company has unfunded deferred compensation contracts covering certain current and former key executives. Effective June 30, 2012, these contracts were amended and the benefits were frozen.

The table below presents the projected benefit obligation of these deferred compensation contracts in the Consolidated Balance Sheet:

	June 30, 2022	June 30, 2021
	(Dollars in thousands)	
Current portion (included in accrued expenses)	$ 303	$ 1,660
Long-term portion (included in other non-current liabilities)	2,320	3,115
Total	$ 2,623	$ 4,775

The accumulated other comprehensive loss for the deferred compensation contracts, consisting of primarily unrecognized actuarial income, was $0.7 and $0.3 million at June 30, 2022 and 2021, respectively.

Additionally, the Company had previously agreed to pay the former Vice Chairman and his spouse an annual benefit for life. Costs associated with this benefit included in general and administrative expense on the Consolidated Statement of Operations totaled $0.5 and $0.4 million for fiscal years 2022 and 2021, respectively. The fair value of the related obligations totaled $2.3 and $2.3 million at June 30, 2022 and 2021, respectively, with $0.5 million within accrued expenses at June 30, 2022 and 2021, and the remainder included in other non-current liabilities in the Consolidated Balance Sheet.

12. EARNINGS PER SHARE

The Company's basic earnings per share is calculated as net loss divided by weighted average common shares outstanding, excluding unvested outstanding stock options (SOs), outstanding stock appreciation rights (SARs), restricted stock units (RSUs) and stock-settled performance units (PSUs). The Company's diluted earnings per share is calculated as net income divided by weighted average common shares and common share equivalents outstanding, which includes shares issued under the Company's stock-based compensation plans. Stock-based awards with exercise prices greater than the average market price of the Company's common stock are excluded from the computation of diluted earnings per share. As the Company is in a net loss position, basic earnings per share is equivalent to dilutive earnings per share.

For fiscal years 2022 and 2021, 608,503 and 636,310 of common stock equivalents of dilutive common stock, respectively, were excluded from the diluted earnings per share calculation due to net loss from continuing operations.

The computation of weighted average shares outstanding, assuming dilution, excluded the following stock-based awards as they were not dilutive under the treasury stock method:

	Fiscal Years	
	2022	**2021**
Equity-based compensation awards	2,269,335	2,322,006

13. STOCK-BASED COMPENSATION

The Company grants long-term equity-based awards under the 2018 Long Term Incentive Plan (the 2018 Plan). The 2018 Plan, which was approved by the Company's shareholders at its 2018 Annual Meeting, provides for the granting of nonqualified stock options (SOs), equity-based stock appreciation rights and cash-settled stock appreciation rights (SARs), restricted stock units (RSUs) and stock-settled performance units (PSUs), to employees and non-employee directors of the Company. Under the 2018 Plan, a maximum of 3,818,895 shares are approved for issuance. The 2018 Plan incorporates a fungible share design, under which full value awards (such as RSUs and PSUs) count against the shares reserved for issuance at a rate 2.0 times higher than appreciation awards (such as SARs and SOs). As of June 30, 2022, a maximum of 2,793,494 shares were available for grant under the 2018 Plan. All unvested awards are subject to forfeiture in the event of termination of employment, unless accelerated. SAR and RSU awards granted under the 2018 Plan generally include various acceleration terms, including upon retirement for participants aged 62 years or older or who are aged 55 years or older and have 15 years of continuous service.

The Company also has outstanding awards under the 2016 Long Term Incentive Plan (the 2016 Plan), although the 2016 Plan terminated in October 2018 and no additional awards have since been or will be made under the 2016 Plan. The 2016 Plan provided for the granting of SARs, restricted stock awards (RSAs), RSUs and PSUs, as well as cash-based performance grants, to employees and non-employee directors of the Company.

The Company also has outstanding awards under the Amended and Restated 2004 Long Term Incentive Plan (the 2004 Plan), although the 2004 Plan terminated in October 2016 and no additional awards have since been or will be made under the 2004 Plan. The 2004 Plan provided for the granting of nonqualified SOs, SARs, RSAs, RSUs and PSUs, as well as cash-based performance grants, to employees and non-employee directors of the Company.

Under the 2018 Plan, 2016 Plan and the 2004 Plan, stock-based awards are granted at an exercise price or initial value equal to the fair market value on the date of grant. The fair value of cash-settled SARs granted in fiscal year 2022 are re-valued on a quarterly basis.

Using the fair value of each grant on the date of grant, the weighted average fair values per stock-based compensation award granted during fiscal years 2022 and 2021 were as follows (1):

	Fiscal Years	
	2022	2021
SARs	$ 2.56	$ —
SOs	1.82	2.89
RSUs	2.69	7.15
PSUs	—	5.83

____

(1) The fair value of cash-settled SARs granted are estimated on the date of grant using a Black-Scholes valuation model, with the fair value recalculated on a quarterly basis. The fair value of market-based SOs granted are estimated on the date of grant using either a Monte Carlo valuation model or a Black-Scholes valuation model. The fair value of market-based RSUs and PSUs granted are estimated on the date of grant using a Monte Carlo valuation model. The significant assumptions used in determining the estimated fair value of the market-based awards granted during fiscal years 2022 and 2021 were as follows:

	Fiscal Years	
	2022	2021
Risk-free interest rate	1.25 - 3.04%	0.16 - 0.78%
Expected volatility	58.3 - 64.5%	44.9 - 66.8%
Expected dividend yield	— %	— %
Expected term of share options	6.1 - 7.7 years	7.0 years

The risk-free interest rate is determined based on the U.S. Treasury rates approximating the expected life of the market-based SARs, SOs, RSUs and PSUs granted. Expected volatility is established based on historical volatility of the Company's stock price. The Company uses historical data to estimate pre-vesting forfeiture rates. The expected term is based on a review of historical exercise experience.

Stock-based compensation expense was as follows:

	Fiscal Years	
	2022	2021
	(Dollars in thousands)	
SARs & SOs (1)	$ (241)	$ 456
RSUs & PSUs	1,575	2,798
Total stock-based compensation expense (recorded in general and administrative)	1,334	3,254
Less: Income tax benefit (2)	—	—
Total stock-based compensation expense, net of tax	$ 1,334	$ 3,254

(1) A benefit was recognized in fiscal year 2022 due to forfeiture of SARs and SOs.

(2) Federal statutory income tax rate utilized of 0% due to a valuation allowance in fiscal years 2022 and 2021.

Stock Appreciation Rights:

SARs granted under the 2018 Plan, 2016 Plan and the 2004 Plan generally vest 20%, 20%, and 60% over a three-year period subsequent to the grant date or vest ratably over a three to five year period on each of the annual grant date anniversaries and expire 10 years from the grant date. SARs granted in fiscal year 2022 were awarded to the Company's executives and are liability-classified awards that vest 20%, 20%, and 60% over a three-year period and are revalued on a quarterly basis. SARs granted before fiscal year 2022 vest ratably over a three year period with the exception of the April 2017 grant to the former Chief Executive Officer, which vested in full after two years.

Activity for all the Company's outstanding SARs is as follows:

	Shares/Units (in thousands) SARs	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value (in thousands)
Outstanding balance at June 30, 2021	1,041	$ 11.32		
Granted	600	2.56		
Forfeited/Expired	(30)	16.95		
Exercised	—	—		
Outstanding balance at June 30, 2022	1,611	$ 7.95	6.50	$ (11,068)
Exercisable at June 30, 2022	1,011	$ 11.15	4.78	$ (10,181)
Unvested awards, net of estimated forfeitures	466	$ 2.56	9.40	$ (690)

As of June 30, 2022, there was $0.2 million of unrecognized expense related to SARs that is to be recognized over a weighted average period of 2.5 years.

Stock Options:

SOs granted under the 2018 Plan, 2016 Plan and the 2004 Plan generally vest 20%, 20%, and 60% over a three-year period subsequent to the grant date or vest ratably over a three to five year period on each of the annual grant date anniversaries and expire 10 years from the grant date. The SOs granted during fiscal year 2022 were awarded to the Company's executives and vest 20%, 20%, and 60% over a three-year period.

Activity for all the Company's outstanding SOs is as follows:

	Shares/Units (in thousands) SOs	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value (in thousands)
Outstanding balance at June 30, 2021	1,459	$ 6.53		
Granted	1,505	1.82		
Forfeited/Expired	(1,469)	6.50		
Exercised	—	—		
Outstanding balance at June 30, 2022	1,495	$ 1.81	9.66	$ (1,091)
Exercisable at June 30, 2022	—	$ —	—	$ —
Unvested awards, net of estimated forfeitures	1,079	$ 1.84	9.66	$ (820)

As of June 30, 2022, there was $1.0 million of unrecognized expense related to SOs that is to be recognized over a weighted average period of 2.7 years.

Restricted Stock Units:

RSUs granted to employees under the 2018 Plan, 2016 Plan and 2004 Plan generally vest 20%, 20%, and 60% over a three-year period subsequent to the grant date, vest ratably over a three to five year period on each of the annual grant date anniversaries or vest entirely after a one, three or five year period subsequent to the grant date. RSUs granted to non-employee directors under the 2018 Plan, 2016 Plan and 2004 Plan generally vest in equal monthly amounts over a one year period from the Company's previous annual shareholder meeting date and distributions are deferred until the director's board service ends. RSUs granted in fiscal year 2022 were issued under the Company's matching program, as well as to the Company's Board members.

Activity for all the Company's RSUs is as follows:

	Shares/Units (in thousands) RSUs	Weighted Average Grant Date Fair Value	Aggregate Intrinsic Value (in thousands)
Outstanding balance at June 30, 2021	1,175	$ 10.30	
Granted	828	2.69	
Forfeited	(437)	6.44	
Vested	(659)	8.84	
Outstanding balance at June 30, 2022	907	$ 6.27	$ 980
Vested at June 30, 2022	413	$ 8.73	$ 446
Unvested awards, net of estimated forfeitures	310	$ 4.59	$ 335

As of June 30, 2022, there was $1.0 million of unrecognized expense related to RSUs that is expected to be recognized over a weighted average period of 1.9 years.

Performance Share Units:

PSUs are grants of restricted stock units which are earned based on the achievement of performance goals established by the Compensation Committee over a performance period, typically three years. There were no PSUs granted in fiscal year 2022.

Activity for all the Company's PSUs is as follows:

	Shares/Units (in thousands) PSUs	Weighted Average Grant Date Fair Value	Aggregate Intrinsic Value (in thousands)
Outstanding balance at June 30, 2021	164	$ 12.56	
Granted	—	—	
Forfeited	(90)	13.68	
Vested	—	—	
Outstanding balance at June 30, 2022	74	$ 9.82	$ 80
Vested at June 30, 2022	—	$ —	$ —
Unvested awards, net of estimated forfeitures	62	$ 9.20	$ 67

There was $0.3 million of total unrecognized compensation expense related to the unvested awards to be recognized over 1.8 years.

14. SHAREHOLDERS' (DEFICIT) EQUITY

Authorized Shares and Designation of Preferred Class:

The Company has 100.0 million shares of capital stock authorized, par value $0.05, of which all outstanding shares, and shares available under the Stock Option Plans, have been designated as common.

Share Issuance Program:

In February 2021, the Company filed a $150.0 million shelf registration statement and $50.0 million prospectus supplement with the Securities and Exchange Commission (SEC) under which it may offer and sell, from time to time, up to $50.0 million worth of its common stock in "at-the-market" offerings. During fiscal year 2022, the Company received gross proceeds of $38.4 million related to the "at-the-market" offering and paid fees to sales agents and other fees of $1.2 million. Net proceeds from sales of shares under the "at-the-market" program, if any, may be used to, among other things, fund working capital requirements, repay debt and support growth strategies.

Share Repurchase Program:

In May 2000, the Company's Board approved a stock repurchase program with no stated expiration date. Originally, the program authorized up to $50.0 million to be expended for the repurchase of the Company's stock. The Board elected to increase this maximum to $100.0 million in August 2003, to $200.0 million in May 2005, to $300.0 million in April 2007, to $350.0 million in April 2015, to $400.0 million in September 2015, to $450.0 million in January 2016, and to $650.0 million in August 2018. All repurchased shares become authorized but unissued shares of the Company. As of June 30, 2022, 30.0 million shares have been cumulatively repurchased for $595.4 million, and $54.6 million remained authorized for repurchase. The Company does not anticipate repurchasing shares of common stock for the foreseeable future.

Accumulated Other Comprehensive Income:

The components of accumulated other comprehensive income are as follows:

	June 30,	
	2022	2021
	(Dollars in thousands)	
Foreign currency translation	$ 8,732	$ 9,279
Unrealized gain on deferred compensation contracts	723	264
Accumulated other comprehensive income	$ 9,455	$ 9,543

15. SEGMENT INFORMATION

Segment information is prepared on the same basis the chief operating decision maker (CODM) reviews financial information for operational decision-making purposes. The Franchise reportable operating segment is comprised of 5,395 franchised salons located mainly in strip center locations and Walmart. Franchise salons offer high quality, convenient and value priced hair care and beauty services and retail products. This segment operates primarily in the U.S., Puerto Rico and Canada and primarily includes the Supercuts, SmartStyle, Cost Cutters, First Choice Haircutters, Roosters and Magicuts concepts.

The Company-owned salons reportable operating segment is comprised of 105 company-owned salons located mainly in strip center locations and Walmart. Company-owned salons offer high quality, convenient and value priced hair care and beauty services and retail products. SmartStyle, Supercuts, Cost Cutters and other regional trade names operating in the United States and Canada are generally within the Company-owned salons segment.

Financial information concerning the Company's reportable operating segments is shown in the following table:

	For the Year Ended June 30, 2022		
	Franchise	Company - owned	Consolidated (1)
	(Dollars in thousands)		
Revenues:			
Royalties	$ 65,753	$ —	$ 65,753
Fees	11,587	—	11,587
Product sales to franchisees	15,072	—	15,072
Advertising fund contributions	32,573	—	32,573
Franchise rental income	130,777	—	130,777
Company-owned salon revenue	—	20,205	20,205
Total revenue	255,762	20,205	275,967
Operating expenses:			
Cost of product sales to franchisees	17,391	—	17,391
Inventory reserve (1)	—	—	7,655
General and administrative	62,816	2,458	65,274
Rent	5,498	3,859	9,357
Advertising fund expense	32,573	—	32,573
Franchise rent expense	130,777	—	130,777
Company-owned salon expense	—	21,952	21,952
Depreciation and amortization	4,913	1,311	6,224
Long-lived asset impairment	450	92	542
Goodwill impairment	13,120	—	13,120
Total operating expenses	267,538	29,672	304,865
Operating loss	$ (11,776)	$ (9,467)	$ (28,898)

(1) This charge, primarily related to reserving for personal protective equipment acquired as a result of the COVID-19 pandemic, relates to the wind down of our distribution centers and is reviewed separately from the segment results by the CODM. Consolidated results will not cross foot as the inventory reserve is not part of the Company's segments.

	For the Year Ended June 30, 2021		
	Franchise	Company - owned	Consolidated
	(Dollars in thousands)		
Revenues:			
Royalties	$ 52,357	$ —	$ 52,357
Fees	10,215	—	10,215
Product sales to franchisees	56,699	—	56,699
Advertising fund contributions	22,023	—	22,023
Franchise rental income	127,392	—	127,392
Company-owned salon revenue	—	142,965	142,965
Total revenue	268,686	142,965	411,651
Operating expenses:			
Cost of product sales to franchisees	43,756	—	43,756
General and administrative	87,493	8,934	96,427
Rent	4,922	35,832	40,754
Advertising fund expense	22,023	—	22,023
Franchise rent expense	127,392	—	127,392
Company-owned salon expense	—	141,204	141,204
Depreciation and amortization	7,019	14,730	21,749
Long-lived asset impairment	726	12,297	13,023
Total operating expenses	293,331	212,997	506,328
Operating loss	$ (24,645)	$ (70,032)	$ (94,677)

The Company's CODM does not evaluate reportable segments using assets and capital expenditure information.

Total revenues and property and equipment, net associated with business operations in the U.S. and all other countries in aggregate were as follows:

	June 30,			
	2022		2021	
	Total Revenues	Property and Equipment, Net	Total Revenues	Property and Equipment, Net
	(Dollars in thousands)			
U.S.	$ 249,285	$ 12,808	$ 380,506	$ 16,807
Other countries	26,682	27	31,145	99
Total	$ 275,967	$ 12,835	$ 411,651	$ 16,906

16. SUBSEQUENT EVENT:

On August 12, 2022, the Company amended its credit agreement. The amendment, among other things, converts $180.0 million of the existing $295.0 million revolving credit facility to a new term loan, reduces commitments under the revolving credit facility to $55.0 million, and extends the term of the credit facility from March 26, 2023 to August 31, 2025, with no scheduled amortization prior to maturity.

The Company's obligations will continue to be guaranteed by certain of its subsidiaries and secured by substantially all real and personal property of the Company and such subsidiaries.

The amendment replaces the current utilization-based interest rate margins applicable to borrowings with a margin that is subject to annual increases. The margin applicable to term SOFR loans will initially be 3.875%. Effective March 27, 2023, the margin will increase to 6.25%, of which 4.25% will be paid currently in cash and 2.00% will be PIK interest (added to the principal balance and thereafter accruing interest). Effective March 27, 2024, the margin will increase to 7.25%, of which 4.25% will be paid currently in cash and 3.00% will be PIK interest. The margin applicable to base rate loans will be 100 basis points (1.00%) less than the margin applicable to term SOFR loans.

The amendment also eliminates the $115.0 million incremental loan facility; requires the Company to prepay the credit facilities each quarter in an amount equal to 75% to 100% of its excess cash flow (as defined in the agreement, if any); reduces the threshold for prepayment due to excess cash on hand from $100.0 million to $15.0 million; reduces the existing minimum liquidity covenant from $75.0 million to $10.0 million; and includes new financial covenants regarding minimum EBITDA, maximum leverage and minimum fixed charge coverage.

Upon closing the agreement, the Company paid $4.9 million of fees and other costs.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Regis Corporation

Opinion on the Financial Statements

We have audited the consolidated balance sheet of Regis Corporation and its subsidiaries (the "Company") as of June 30, 2020, and the related consolidated statements of operations, of comprehensive loss, of shareholders' equity and of cash flows for the year ended June 30, 2020, including the related notes (collectively referred to as the "consolidated financial statements"), before the effects of the adjustments to retrospectively reflect the discontinued operations described in Note 3. In our opinion, the consolidated financial statements, before the effects of the adjustments to retrospectively reflect the discontinued operations described in Note 3, present fairly, in all material respects, the financial position of the Company as of June 30, 2020, and the results of its operations and its cash flows for the year ended June 30, 2020 in conformity with accounting principles generally accepted in the United States of America (the 2020 financial statements before the effects of the adjustments discussed in Note 3 are not presented herein).

We were not engaged to audit, review, or apply any procedures to the adjustments to retrospectively reflect the discontinued operations described in Note 3 and accordingly, we do not express an opinion or any other form of assurance about whether such adjustments are appropriate and have been properly applied. Those adjustments were audited by other auditors.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements, before the effects of the adjustments described above, based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of these consolidated financial statements, before the effects of the adjustments described above, in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Minneapolis, Minnesota
August 31, 2020

We served as the Company's auditor from at least 1990 to 2020. We have not been able to determine the specific year we began serving as auditor of the Company.

Regis Corporation

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REGIS CORPORATION

CONSOLIDATED BALANCE SHEET

(Dollars in thousands, except per share data)

	June 30, 2020
ASSETS	
Current assets:	
Cash and cash equivalents	$ 113,667
Receivables, net	31,030
Inventories	60,775
Other current assets	19,138
Current assets related to discontinued operations (Note 3)	1,822
Total current assets	226,432
Property and equipment, net	53,778
Goodwill (Note 6)	186,515
Other intangibles, net	4,579
Right of use asset (Note 7)	784,993
Other assets	40,934
Non-current assets related to discontinued operations (Note 3)	45,563
Total assets	$ 1,342,794
LIABILITIES AND SHAREHOLDERS' EQUITY	
Current liabilities:	
Accounts payable	$ 50,918
Accrued expenses	48,675
Short-term lease liability (Note 7)	137,153
Current liabilities related to discontinued operations (Note 3)	268
Total current liabilities	237,014
Long-term debt, net	177,500
Long-term lease liability (Note 7)	679,282
Long-term financing liabilities	27,981
Other non-current liabilities	94,142
Non-current liabilities related to discontinued operations (Note 3)	1,172
Total liabilities	1,217,091
Commitments and contingencies (Note 10)	
Shareholders' equity:	
Common stock, $0.05 par value; issued and outstanding, 35,625,716 common shares at June 30, 2020	1,781
Additional paid-in capital	22,011
Accumulated other comprehensive income	7,449
Retained earnings	94,462
Total shareholders' equity	125,703
Total liabilities and shareholders' equity	$ 1,342,794

The accompanying notes are an integral part of the Consolidated Financial Statements.

REGIS CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS
(Dollars and shares in thousands, except per share data)

	Fiscal Year 2020
Revenues:	
Service	$ 331,538
Product	137,586
Royalties and fees	73,402
Franchise rental income (Note 7)	127,203
Total revenue	669,729
Operating expenses:	
Cost of service	222,279
Cost of product	84,698
Site operating expenses	71,543
General and administrative	127,981
Rent (Note 7)	76,159
Franchise rent expense (Note 7)	127,203
Depreciation and amortization	36,648
Long-lived asset impairment (Note 1)	22,560
TBG mall restructuring (Note 4)	2,333
Goodwill impairment (Note 1)	40,164
Total operating expenses	811,568
Operating loss	(141,839)
Other (expense) income:	
Interest expense	(6,807)
Loss from sale of salon assets to franchisees, net	(27,306)
Interest income and other, net	3,353
Loss from continuing operations before income taxes	(172,599)
Income tax benefit	4,619
Loss from continuing operations	(167,980)
Loss from discontinued operations, net of taxes (Notes 3 and 4)	(3,382)
Net loss	$ (171,362)

The accompanying notes are an integral part of the Consolidated Financial Statements.

REGIS CORPORATION
CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
(Dollars in thousands)

	Fiscal Year 2020
Net loss	$ (171,362)
Other comprehensive loss, net of tax:	
Net current period foreign currency translation adjustments	(1,462)
Recognition of deferred compensation	(431)
Other comprehensive loss	(1,893)
Comprehensive loss	$ (173,255)

The accompanying notes are an integral part of the Consolidated Financial Statements.

REGIS CORPORATION
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
(Dollars in thousands, except share data)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive	Retained Earnings	Total
	Shares	Amount				
Balance, June 30, 2019	**36,869,249**	**1,843**	**47,152**	**9,342**	**265,908**	**324,245**
Net loss	—	—	—	—	(171,362)	(171,362)
Foreign currency translation (Note 1)	—	—	—	(1,462)	—	(1,462)
Stock repurchase program	(1,504,000)	(75)	(26,281)	—	—	(26,356)
Exercise of SARs	1,776	—	28	—	—	28
Stock-based compensation	—	—	3,275	—	—	3,275
Recognition of deferred compensation (Note 12)	—	—	—	(431)	—	(431)
Net restricted stock activity	258,691	13	(2,163)	—	—	(2,150)
Minority interest (Note 1)	—	—	—	—	(84)	(84)
Balance, June 30, 2020	**35,625,716**	**$ 1,781**	**$ 22,011**	**$ 7,449**	**$ 94,462**	**$ 125,703**

The accompanying notes are an integral part of the Consolidated Financial Statements.

REGIS CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS
(Dollars in thousands)

	Fiscal Year 2020
Cash flows from operating activities:	
Net loss	$ (171,362)
Adjustments to reconcile net loss to net cash used in operating activities:	
Non-cash adjustments related to discontinued operations	(1,098)
Depreciation and amortization	33,101
Salon asset impairments	3,851
Long-lived asset impairment	22,560
Deferred income taxes	(3,934)
Gain from sale of company headquarters, net	(2,513)
Loss from sale of salon assets to franchisees, net	27,306
Goodwill impairment	40,164
Stock-based compensation	3,275
Amortization of debt discount and financing costs	398
Other non-cash items affecting earnings	(539)
Changes in operating assets and liabilities (1):	
Receivables	(3,902)
Inventories	(2,255)
Income tax receivable	(1,804)
Other current assets	2,827
Other assets	(10,094)
Accounts payable	4,588
Accrued expenses	(27,622)
Net lease liabilities	276
Other non-current liabilities	368
Net cash used in operating activities:	(86,409)
Cash flows from investing activities:	
Capital expenditures	(37,494)
Proceeds from sale of company headquarters	8,996
Proceeds from sale of assets to franchisees	91,616
Costs associated with sale of assets to franchisees	(2,089)
Net cash provided by investing activities:	61,029
Cash flows from financing activities:	
Borrowings on revolving credit facility	213,000
Repayments of revolving credit facility	(125,500)
Repurchase of common stock	(28,246)
Sale and leaseback payments	(769)
Taxes paid for shares withheld	(2,320)
Net cash provided by financing activities:	56,165
Effect of exchange rate changes on cash and cash equivalents	(284)
Increase in cash, cash equivalents and restricted cash	30,501
Cash, cash equivalents and restricted cash:	
Beginning of year	92,379
End of year	$ 122,880

(1) Changes in operating assets and liabilities exclude assets and liabilities sold or acquired.

The accompanying notes are an integral part of the Consolidated Financial Statements.

1. BUSINESS DESCRIPTION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Description:

Regis Corporation (the "Company") franchises, owns and operates technology-enabled hairstyling and hair care salons throughout the United States (U.S.), the United Kingdom (U.K.), Canada and Puerto Rico. The business is evaluated in two segments, Franchise salons and Company-owned salons. See Note 16 to the Consolidated Financial Statements. Franchised salons throughout the U.S. and Canada are primarily located in strip shopping centers or Walmart Supercenters. Salons in the U.K. are franchised locations and operate in leading department stores, mass merchants and high-street locations. Substantially all of the hairstyling and hair care salons owned and operated by the Company in the U.S., Canada and Puerto Rico are located in leased space in strip shopping centers, malls or Walmart Supercenters.

COVID-19 Impact:

During fiscal year 2020, the global coronavirus pandemic (COVID-19) had an adverse impact on operations, including the closure of all company-owned salons and almost all franchise locations from March 2020 due to government mandates. Salons continued to be closed until April 23, 2020 when franchise salons began re-opening slowly, as government, state and local restrictions eased. As of June 30, 2020 approximately 87% of franchise salons were open. Company-owned salons were closed through May 21, 2020 and gradually re-opened. As of June 30, 2020, approximately 54% of company-owned salons were open. As salons re-open, the Company is taking additional measures across its portfolio of franchise and company-owned salons to facilitate customer and employee safety. As a result, COVID-19 has and will continue to negatively affect revenue and profitability. To offset the loss of revenue, in April 2020, the Company implemented a furlough program for a substantial majority of the workforce across the corporate office, field support, and distribution centers; and reductions in the pay for executives and other working employees. The furlough program was in effect for the majority of the fiscal fourth quarter with a substantial majority returning to work in June 2020. Despite actions taken to resume business operations, COVID-19, and the volatile regional and global economic conditions stemming from the pandemic, as well as reactions to future pandemics or resurgences of COVID-19, could potentially prolong and intensify the impact of the global crisis on our business.

The economic disruption due to COVID-19 was determined to be a triggering event and as a result, management assessed its long-term assets, including long-lived salon assets, right of use assets, goodwill and other intangibles for impairment. Impairments were recorded related to long-lived salon assets (Note 8), right of use assets (Note 7), intangible assets (Note 5) and goodwill (Notes 1 and 6). As the COVID-19 pandemic continues, management will reassess all long-term assets and further impairment may result.

Consolidation:

The Consolidated Financial Statements include the accounts of the Company and its subsidiaries after the elimination of intercompany accounts and transactions. All material subsidiaries are wholly owned. The Company consolidates variable interest entities where it has determined it is the primary beneficiary of those entities' operations.

Variable Interest Entities:

The Company has interests in certain privately-held entities through arrangements that do not involve voting interests. Such entities, known as a variable interest entity (VIE), are required to be consolidated by its primary beneficiary. The Company evaluates whether or not it is the primary beneficiary for each VIE using a qualitative assessment that considers the VIE's purpose and design, the involvement of each of the interest holders and the risk and benefits of the VIE.

As of June 30, 2020, the Company has one VIE, Roosters MGC International LLC (Roosters), where the Company is the primary beneficiary. The Company owns an 84.0% ownership interest in Roosters. As of June 30, 2020, total assets, total liabilities and total shareholders' equity of Roosters were $13.2, $4.8 and $8.4 million, respectively. Net income attributable to the non-controlling interest in Roosters was immaterial for fiscal year 2020. Shareholders' equity attributable to the non-controlling interest in Roosters was $1.0 million as of June 30, 2020, and recorded within retained earnings on the Consolidated Balance Sheet.

The Company accounts for its investment in Empire Education Group, Inc. (EEG) as an equity investment under the voting interest model, as the Company has granted the other shareholder of EEG an irrevocable proxy to vote a certain number of the Company's shares such that the other shareholder of EEG has voting control of EEG's common stock, as well as the right to appoint four of the five members of EEG's Board of Directors. The Company wrote off its investment balance in EEG in fiscal year 2016. During fiscal year 2020, the Company signed an agreement to sell its interest in EEG to the other shareholder.

Use of Estimates:

The preparation of Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make certain 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. For the three months ended June 30, 2020, the impact of the decline in business activity brought about by the COVID-19 pandemic continues to evolve. As a result, many of our estimates and assumptions required increased judgment and carry a higher degree of variability and volatility. As events continue to evolve and additional information becomes available, our estimates may change materially in future periods.

Cash, Cash Equivalents and Restricted Cash:

Cash equivalents consist of investments in short-term, highly liquid securities having original maturities of three months or less, which are made as a part of the Company's cash management activity. The carrying values of these assets approximate their fair market values. The Company primarily utilizes a cash management system with a series of separate accounts consisting of lockbox accounts for receiving cash, concentration accounts that funds are moved to and several "zero balance" disbursement accounts for funding of payroll and accounts payable. As a result of the Company's cash management system, checks issued, but not presented to the banks for payment, may create negative book cash balances. There were no checks outstanding in excess of related book cash balances at June 30, 2020.

Restricted cash within other current assets primarily relates to consolidated advertising cooperatives funds which can only be used to settle obligations of the respective cooperatives and contractual obligations to collateralize the Company's self-insurance programs. The self-insurance restricted cash arrangement can be canceled by the Company at any time if substituted with letters of credit. The table below reconciles the cash and cash equivalents balances and restricted cash balances, recorded within other current assets on the Consolidated Balance Sheet to the amount of cash, cash equivalents and restricted cash reported on the Consolidated Statement of Cash Flows:

	June 30, 2020
	(Dollars in thousands)
Cash and cash equivalents	$ 113,667
Restricted cash, included in other current assets	9,213
Total cash, cash equivalents and restricted cash	$ 122,880

Receivables and Allowance for Doubtful Accounts:

The receivable balance on the Company's Consolidated Balance Sheet primarily includes credit card receivables, accounts and notes receivable from franchisees and receivables related to salons sold to franchisees. The balance is presented net of an allowance for expected losses (i.e., doubtful accounts), related to receivables from the Company's franchisees. The Company monitors the financial condition of its franchisees and records provisions for estimated losses on receivables when it believes franchisees are unable to make their required payments based on factors such as delinquencies and aging trends. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses related to existing accounts and notes receivables. As of June 30, 2020, the allowance for doubtful accounts was $6.9 million. The allowance for doubtful accounts increased in fiscal year 2020 due to an increased risk in collecting franchise receivables due to decreased franchisee cash flows as a result of the government-mandated salon closures due to the COVID-19 pandemic. See Note 2.

Inventories:

Inventories of finished goods consist principally of hair care products for retail product sales. A portion of inventories are also used for salon services consisting of hair color, hair care products including shampoo and conditioner and hair care treatments including permanents, neutralizers and relaxers. Inventories are stated at the lower of cost or market, with cost determined on a weighted average cost basis.

Physical inventory counts are performed primarily in the fourth quarter of the fiscal year for salons and throughout the year at the distribution centers. Product and service inventories are adjusted based on the physical inventory counts. During the fiscal year, cost of retail product sold to salon guests is determined based on the weighted average cost of product sold, adjusted for an estimated shrinkage factor. The cost of product used in salon services is determined by applying an estimated percentage of total cost of service to service revenues. These estimates are updated quarterly based on cycle count results for the distribution centers, service sales mix, discounting, special promotions and other factors.

The Company has inventory valuation reserves for excess and obsolete inventories, or other factors that may render inventories unmarketable at their historical costs. Estimates of the future demand for the Company's inventory and anticipated changes in formulas and packaging are some of the other factors used by management in assessing the net realizable value of inventories. Activity in the inventory valuation reserves during fiscal year 2020 was not significant.

Property and Equipment:

Property and equipment are carried at cost, less accumulated depreciation and amortization. Depreciation of property and equipment is computed using the straight-line method over their estimated useful asset lives (30 to 39 years for buildings, 10 years or lease life for improvements and three to ten years or lease life for equipment, furniture and software). Depreciation expense was $31.5 million in fiscal year 2020.

The Company capitalizes both internal and external costs of developing or obtaining computer software for internal use. Costs incurred to develop internal-use software during the application development stage are capitalized, while data conversion, training and maintenance costs associated with internal-use software are expensed as incurred. Estimated useful lives range from three to seven years.

Expenditures for maintenance and repairs and minor renewals and betterments, which do not improve or extend the life of the respective assets, are expensed. All other expenditures for renewals and betterments are capitalized. The assets and related depreciation and amortization accounts are adjusted for property retirements and disposals with the resulting gain or loss included in operating income. Fully depreciated or amortized assets remain in the accounts until retired from service.

Non-Current Assets Held for Sale:

In March 2019, the Company announced that it had entered into a ten year lease for a new corporate headquarters and would be selling the land and buildings currently used for its headquarters. The sale was completed in December 2019 for proceeds of $9.0 million, resulting in a net gain on sale of $2.5 million, which was recorded in Interest income and other, net on the Condensed Consolidated Statement of Operations.

Right of Use Asset, Lease Liabilities and Rent Expense:

At contract inception, the Company determines whether a contract is, or contains, a lease by determining whether it conveys the right to control the use of the identified asset for a period of time. If the contract provides the Company the right to substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset, the Company considers it to be, or contain, a lease. The Company leases its company-owned salons and some of its corporate facilities under operating leases. The original terms of the salon leases range from 1 to 20 years with many leases renewable for additional 5 to 10 year terms at the option of the Company. The right of use asset and lease liability includes one renewal options as leases for leases expected to be renewed. The Company also has variable lease payments that are based on sales levels. For most leases, the Company is required to pay real estate taxes and other occupancy expense.

The Company also leases the premises in which the majority of its franchisees operate and has entered into corresponding sublease arrangements with franchisees. These leases, generally with terms of approximately 5 years, are expected to be renewed on expiration. All additional lease costs are passed through to the franchisees. Upon adopting Topic 842, the Company now records the rental payments due from franchisees as franchise rental income and the corresponding amounts owed to landlords as franchise rent expense on the Consolidated Statement of Operations.

For franchise and company-owned salon operating leases, the lease liability is initially and subsequently measured at the present value of the unpaid lease payments at the lease commencement date. The right of use (ROU) asset is initially and subsequently measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, less any accrued lease payments and unamortized lease incentives received, if any. The Company's consolidated Right of Use Asset (ROUA) balance was $785.0 million as of June 30, 2020. As noted above, the ROU asset is a long-lived asset that is subject to impairment testing annually or as triggering events occur. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Generally, the non-lease components such as real estate taxes and other occupancy expenses are separate from rent expense within the lease and are not allocated to the lease liability.

The discount rate used to determine the present value of the lease payments is the Company's estimated collateralized incremental borrowing rate, based on the yield curve for the respective lease terms, as the interest rate implicit in the lease cannot generally be determined. The Company uses the portfolio approach in applying the discount rate based on original lease term.

For purposes of recognizing incentives and minimum rental expenses on a straight-line basis, the Company uses the date it obtains the legal right to use and control the leased space to begin amortization, which is generally when the Company enters the space and begins to make improvements in preparation of its intended use.

Certain leases provide for contingent rents, which are determined as a percentage of revenues in excess of specified levels. The Company records a contingent rent liability in accrued expenses on the Consolidated Balance Sheet, along with the corresponding rent expense in the Consolidated Statement of Operations, when specified levels have been achieved or when management determines that achieving the specified levels during the fiscal year is probable.

Salon Long-Lived Asset and Right of Use Asset Impairment Assessments:

The Company assesses impairment of long-lived salon assets and right of use assets at the individual salon level, as this is the lowest level for which identifiable cash flows are largely independent of other groups of assets and liabilities, when events or changes in circumstances indicate the carrying value of the assets or the asset grouping may not be recoverable. Factors considered in deciding when to perform an impairment review include significant under-performance of an individual salon in relation to expectations, significant economic or geographic trends, and significant changes or planned changes in our use of the assets. The first step is to assess recoverability, and in doing that, the undiscounted cash flows are compared to the carrying value. If the undiscounted estimated cash flows are less than the carrying value of the assets, the Company calculates an impairment charge based on the difference between the carrying value of the asset group and its fair value. The fair value of the salon long-lived asset group is estimated using market participant methods based on the best information available. The fair value of the right of use asset is estimated by determining what a market participant would pay over the life of the primary asset in the group, discounted back to June 30, 2020. See Note 7 for further discussion related to right of use asset impairment.

Judgments made by management related to the expected useful lives of long-lived assets and the ability to realize undiscounted cash flows in excess of the carrying amounts of such assets are affected by factors such as the ongoing maintenance and improvement of the assets, changes in economic conditions and changes in operating performance. As the ongoing expected cash flows and carrying amounts of long-lived assets are assessed, these factors could cause the Company to realize material impairment charges.

Long-lived property and equipment asset impairment charges related to continuing operations of $3.9 million were recorded during fiscal year 2020, and are recorded in Depreciation and Amortization in the Consolidated Statement of Operations. A long-lived asset, including right of use and salon property and equipment, impairment charge of $22.6 million was recorded during fiscal year 2020, and is separately stated on Consolidated Statement of Operations. Of the total $22.6 million long-lived asset impairment charge, $17.4 million was allocated to the right of use asset and $5.2 million was allocated to salon property and equipment.

Goodwill:

As of June 30, 2020, the Franchise salons reporting unit had $186.5 million of goodwill, there was $40.9 million of goodwill associated with discontinued operations and the Company-owned reporting unit had no goodwill. See Note 6 to the Consolidated Financial Statements. The Company assesses goodwill impairment on an annual basis as of April 30, 2020, and between annual assessments if an event occurs, or circumstances change, that would more likely than not reduce the fair value of a reporting unit below its carrying amount.

Goodwill impairment assessments are performed at the reporting unit level, which is the same as the Company’s operating segments. In fiscal year 2020, the Company adopted ASU 2017-04, which simplified the test for goodwill impairment. Under this accounting standard, the Company performed its interim impairment test and annual impairment tests by comparing the fair value of a reporting unit to its carrying amount. The Company then records an impairment charge for the amount that the carrying amount exceeds the fair value. This eliminates Step 2 from the goodwill impairment test to simplify the subsequent measure of goodwill. Prior to the adoption, the goodwill assessment involved a one-step comparison of the reporting unit’s fair value to its carrying value, including goodwill (Step 1). If the reporting unit’s fair value exceeded its carrying value, no further procedures were required. However, if the reporting unit’s fair value was less than the carrying value, an impairment charge was recorded for the difference between the fair value and carrying value of the reporting unit.

In applying the goodwill impairment assessment, the Company could assess qualitative factors to determine whether it is more likely than not that the fair value of the reporting units was less than its carrying value (Step 0). Qualitative factors could include, but were not limited to, economic, market and industry conditions, cost factors and overall financial performance of the reporting unit. If after assessing these qualitative factors, the Company determined it is "more-likely-than-not" that the carrying value was less than the fair value, then performing Step 1 of the goodwill impairment assessment was unnecessary.

The carrying value of each reporting unit is based on the assets and liabilities associated with the operations of the reporting unit, including allocation of shared or corporate balances among reporting units. Allocations are generally based on the number of salons in each reporting unit as a percent of total company-owned salons or expenses of the reporting unit as a percent of total company expenses.

The Company calculates estimated fair values of the reporting units based on discounted cash flows utilizing estimates in annual revenue, service and product margins, fixed expense rates, allocated corporate overhead, franchise and company-owned salon counts, proceeds from the sale of company-owned salons to franchisees and long-term growth rates for determining terminal value. Where available and as appropriate, comparative market multiples are used in conjunction with the results of the discounted cash flows. The Company engages third-party valuation consultants to assist in evaluating the Company's estimated fair value calculations.

Following is a description of the goodwill impairment assessment:

During the third quarter of fiscal year 2020, the Company determined a triggering event occurred, resulting in quantitative impairment tests performed over the goodwill. This determination was made considering the reduced sales and profitability projections for the reporting units, driven by the COVID-19 pandemic and related economic disruption.

The triggering event experienced in the third quarter impacted both reporting units of the business, Franchise and Company-owned. The Company engaged a third-party valuation specialist to perform an impairment analysis on the Franchise reporting unit of the business. The Company-owned reporting unit is comprised of a portfolio of salons that the Company intends to sell to franchisees or close in the short-term as part of the transition to a fully-franchised model. As a result, the Company-owned reporting unit has a limited life which allows the Company to perform its own impairment analysis on the Company-owned reporting unit.

For the goodwill impairment analysis, management utilized a combination of both a discounted cash flows approach and market approach to evaluate the Franchise reporting unit, and the discounted cash flows approach to evaluate the Company-owned reporting unit. The discounted cash flow models reflect management's assumptions regarding revenue growth rates, economic and market trends including deterioration from the current COVID-19 pandemic, cost structure, and other expectations about the anticipated short-term and long-term operating results of the reporting units. For the Franchise reporting unit, the number of salons to be sold to franchisees and the discount rate of 13 percent were significant assumptions utilized in the discounted cash flow. For the Company-owned reporting unit, proceeds from the sale of salons to franchisees and number of salon venditions were the significant assumptions utilized in its discounted cash flow.

As a result of the impairment testing, the Franchise reporting unit, which has goodwill of $186.5 million, was determined to have a fair value that exceeded carrying value by approximately 50 percent. The Company-owned reporting unit was determined to have a carrying value in excess of its fair value, resulting in a goodwill impairment charge of $40.2 million. Prior to the COVID-19 pandemic, the Company had been derecognizing Company-owned goodwill as part of the calculation of gain or loss on the sale of salons to franchisees. The Company-owned reporting unit has no remaining goodwill, so there will be no further derecognition of Company-owned goodwill. The Company performed its annual impairment assessment as of April 30, 2020 and noted no significant changes to the carrying value or the fair value of the Franchise reporting unit which would indicate that the headroom dropped below the 50 percent determined as of March 31, 2020.

If a future triggering event analysis or the Company's annual impairment assessment indicates the fair value of the Franchise reporting unit has potentially fallen below more than the 50 percent headroom, we may be required to perform an updated impairment assessment which may result in a non-cash impairment charge to reduce the carrying value of goodwill.

Assessing goodwill for impairment requires management to make assumptions and to apply judgment, including forecasting future sales, future salon sales to franchisees and selecting appropriate discount rates, which can be affected by economic conditions and other factors that can be difficult to predict. The Company does not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions it uses to calculate impairment losses of goodwill. However, if actual results are not consistent with the estimates and assumptions used in the calculations, or if management is unable to expand its franchise base, the Company may be exposed to future impairment losses that could be material.

Investments In Affiliates:

The Company has equity investments in securities of certain privately held entities. The Company accounts for these investments under the equity or cost method of accounting. The Company's investments have no value as of June 30, 2020.

Self-Insurance Accruals:

The Company uses a combination of third party insurance and self-insurance for a number of risks including workers' compensation, health insurance, employment practice liability and general liability claims. The liability represents the Company's estimate of the undiscounted ultimate cost of uninsured claims incurred as of the Consolidated Balance Sheet date.

The Company estimates self-insurance liabilities using a number of factors, primarily based on independent third-party actuarially-determined amounts, historical claims experience, estimates of incurred but not reported claims, demographic factors and severity factors.

Although the Company does not expect the amounts ultimately paid to differ significantly from the estimates, self-insurance accruals could be affected if future claims experience differs significantly from historical trends and actuarial assumptions. For fiscal year 2020, the Company recorded a decrease in expense for changes in estimates related to prior year open policy periods of $3.1 million. The Company updates loss projections quarterly and adjusts its liability to reflect updated projections. The updated loss projections consider new claims and developments associated with existing claims for each open policy period. As certain claims can take years to settle, the Company has multiple policy periods open at any point in time.

As of June 30, 2020, the Company had $8.5 and $20.3 million recorded in current liabilities and non-current liabilities, respectively, related to the Company's self-insurance accruals.

Revenue Recognition and Deferred Revenue:

Franchise revenues primarily include royalties, advertising fund fees and initial franchise fees. Royalties and advertising fund revenues represent sales-based royalties that are recognized as revenue in the period in which the sales occur. The Company defers franchise fees until the salon is open and then recognizes the revenue over the term of the franchise agreement. See Note 2 to the Consolidated Financial Statements.

Product sales by the Company to its franchisees are included within product revenues on the Consolidated Statement of Operations and recorded at the time product is delivered to franchise locations.

Company-owned salon revenues are recognized at the time when the services are provided. Product revenues are recognized when the guest receives and pays for the merchandise.

Classification of Expenses:

The following discussion provides the primary costs classified in each major expense category:

Cost of service— labor costs related to salon employees and the cost of product used in providing service.

Cost of product— cost of product sold to guests, labor costs related to selling retail product and the cost of product sold to franchisees.

Site operating— direct costs incurred by the Company's salons, such as advertising, workers' compensation, insurance, utilities and janitorial costs.

General and administrative— costs associated with field supervision, costs associated with salon training, distribution centers and corporate offices (such as salaries and professional fees), including cost incurred to support franchise operations.

Consideration Received from Vendors:

The Company receives consideration for a variety of vendor-sponsored programs. These programs primarily include volume rebates and promotion and advertising reimbursements.

With respect to volume rebates, the Company estimates the amount of rebate it will receive and accrues it as a reduction to the cost of inventory over the period in which the rebate is earned based upon historical purchasing patterns and the terms of the volume rebate program. A quarterly analysis is performed in order to ensure the estimated rebate accrued is reasonable and any necessary adjustments are recorded.

Shipping and Handling Costs:

Shipping and handling costs are incurred to store, move and ship product from the Company's distribution centers to franchise and company-owned locations and include an allocation of internal overhead. Such shipping and handling costs related to product shipped to company-owned locations are included in site operating expenses in the Consolidated Statement of Operations. Shipping and handling costs related to shipping product to franchise locations totaled $8.6 million during fiscal year 2020, and are included within general and administrative expenses on the Consolidated Statement of Operations. Any amounts billed to franchisees for shipping and handling are included in product revenues within the Consolidated Statement of Operations.

Advertising and Advertising Funds:

Advertising costs consist of the Company's corporate funded advertising costs, the Company's advertising fund contributions and Franchisee's advertising fund contributions. Corporate funded advertising costs are expensed as incurred. The Company has various franchising programs supporting certain of its franchise salon concepts. Most maintain advertising funds that provide comprehensive advertising and sales promotion support. Salons, both franchise and company-owned, are required to participate in the advertising funds for the same salon concept. The Company assists in the administration of the advertising funds, however, a group of individuals consisting of franchisee representatives has control over all of the expenditures and operates the funds in accordance with franchise operating and other agreements. Advertising fund contributions are expensed when the contribution is made.

The Company's advertising costs are included in site operating expenses in the Consolidated Statement of Operations and consist of the following:

		Fiscal Year
		2020
		(Dollars in thousands)
Corporate funded advertising costs	$	13,210
Advertising fund contributions from company-owned salons		3,715
Advertising fund contributions from franchisees (1)		13,341
Total advertising costs	$	30,266

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(1) Includes the refunding of $14.9 million of previously collected cooperative fees to franchisees as a direct result of the COVID-19 pandemic.

The Company records all advertising funds as assets and liabilities within the Company's Consolidated Balance Sheet. As of June 30, 2020, approximately $4.3 million representing the advertising funds' assets and liabilities were recorded within total assets and total liabilities in the Company's Consolidated Balance Sheet.

Stock-Based Employee Compensation Plans:

The Company recognizes stock-based compensation expense based on the fair value of the awards at the grant date. Compensation expense is recognized on a straight-line basis over the requisite service period of the award (or to the date a participant becomes eligible for retirement, if earlier). The Company uses fair value methods that require the input of subjective assumptions, including the expected term, expected volatility, dividend yield and risk-free interest rate.

The Company estimates the likelihood and the rate of achievement for performance sensitive stock-based awards at the end of each reporting period. Changes in the estimated rate of achievement can have a significant effect on the recorded stock-based compensation expense as the effect of a change in the estimated achievement level is recognized in the period the change occurs.

Sales Taxes:

Sales taxes are recorded on a net basis (rather than as both revenue and an expense) within the Company's Consolidated Statement of Operations.

Income Taxes:

Deferred income tax assets and liabilities are recognized for the expected future tax consequences of events that have been included in the Consolidated Financial Statements or income tax returns. Deferred income tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using currently enacted tax rates in effect for the years in which the differences are expected to reverse.

We recognize deferred tax assets to the extent that we believe these assets are more likely than not to be realized. The Company evaluates all evidence, including recent financial performance, the existence of cumulative year losses and our forecast of future taxable income, to assess the need for a valuation allowance against our deferred tax assets. While the determination of whether or not to record a valuation allowance is not fully governed by a specific objective test, accounting guidance places significant weight on recent financial performance.

The Company has a valuation allowance on its deferred tax assets of $122.4 million at June 30, 2020. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make necessary adjustments to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

Significant components of the valuation allowance which occurred during fiscal year 2020 are as follows:

- In connection with the Coronavirus Aid, Relief and Economic Security Act (CARES Act), NOLs resulting from accounting periods which straddled December 31, 2017 are now considered definite-lived NOLs. Therefore, the Company established a valuation allowance against the U.S. NOLs generated during its fiscal year 2018 and recorded a net tax expense of $14.7 million.

- The Company determined that it no longer had sufficient U.S. indefinite-lived taxable temporary differences to support realization of its U.S. indefinite-lived NOLs and its existing U.S. deferred tax assets that upon reversal are expected to generate indefinite-lived NOLs. As a result, the Company recorded an additional $17.0 million valuation allowance on its U.S. federal indefinite-lived deferred tax assets.

- The Company recognized a capital loss and established a corresponding valuation allowance of $14.9 million on investment outside basis previously impaired for financial accounting purposes.

The Company reserves for unrecognized tax benefits, interest and penalties related to anticipated tax audit positions in the U.S. and other tax jurisdictions based on an estimate of whether additional taxes will be due. If payment of these amounts ultimately proves to be unnecessary, the reversal of these liabilities would result in tax benefits being recognized in the period in which it is determined that the liabilities are no longer necessary. If the estimate of unrecognized tax benefits, interest and penalties proves to be less than the ultimate assessment, additional expenses would result.

Inherent in the measurement of deferred balances are certain judgments and interpretations of tax laws and published guidance with respect to the Company's operations. Income tax expense is primarily the current tax payable for the period and the change during the period in certain deferred tax assets and liabilities. See Note 11.

Net Loss Per Share:

The Company's basic earnings per share is calculated as net loss divided by weighted average common shares outstanding, excluding unvested outstanding restricted stock awards and restricted stock units. The Company's dilutive earnings per share is calculated as net loss divided by weighted average common shares and common share equivalents outstanding, which includes shares issuable under the Company's stock option plan and long-term incentive plan and dilutive securities. Stock-based awards with exercise prices greater than the average market value of the Company's common stock are excluded from the computation of diluted earnings per share.

Comprehensive Loss:

Components of comprehensive loss include net loss, foreign currency translation adjustments and recognition of deferred compensation, net of tax within shareholders' equity.

Foreign Currency Translation:

The Consolidated Balance Sheet, Consolidated Statement of Operations and Consolidated Statement of Cash Flows of the Company's international operations are measured using local currency as the functional currency. Assets and liabilities of these subsidiaries are translated at the exchange rates in effect at each Balance Sheet date. Translation adjustments arising from the use of differing exchange rates from period to period are included in accumulated other comprehensive income within shareholders' equity. Statement of Operations accounts are translated at the average rates of exchange prevailing during the year. During fiscal year 2020, the foreign currency loss included in loss from continuing operations was $0.1 million.

Accounting Standards Recently Adopted by the Company:

Simplifying the Test for Goodwill Impairment

In fiscal year 2020, the Company adopted ASU 2017-04, "Intangibles - Goodwill and Other (Topic 350)" for the interim impairment test performed due to the triggering event noted above, for the quarter ended March 31, 2020. Under this accounting standard, the Company performed its interim impairment test and annual impairment tests by comparing the fair value of a reporting unit to its carrying amount. The Company then records an impairment charge for the amount that the carrying amount exceeds the fair value. This eliminates Step 2 from the goodwill impairment test to simplify the subsequent measure of goodwill.

Leases

In February 2016, the FASB issued updated guidance requiring organizations that lease assets to recognize the rights and obligations created by those leases on the Consolidated Balance Sheet. The Company adopted ASU 2016-02, "Leases (Topic 842)" and all subsequent ASUs that modified Topic 842 as of July 1, 2019 using the modified retrospective method and elected the option to not restate comparative periods in the year of adoption. The Company also elected the package of practical expedients that do not require reassessment of whether existing contracts are or contain leases, lease classification or initial direct costs. The Company has also made an accounting policy election to keep leases with an initial term of 12 months or less off of the Consolidated Balance Sheet.

Under adoption of Topic 842, the Company recorded a right of use asset and lease liability of $980.8 and $993.7 million, respectively. The difference between the assets and liabilities are attributable to the reclassification of certain existing lease-related assets and liabilities as an adjustment to the right of use assets. The decrease in the right of use asset and lease liability from July 1, 2019 to June 30, 2020 was due to lease modifications and salon closures. Additionally, the right of use asset was impaired in the fourth fiscal quarter.

The Lease Liability reflects a present value of the Company's current minimum lease payments for existing operating leases primarily relating to real estate leases, over a lease term which includes one option, as options are reasonably assured of being exercised, discounted using a collateralized incremental borrowing rate. The Company will use the portfolio approach in applying the discount rate.

The accounting guidance for lessors remained largely unchanged from previous guidance, with the exception of the presentation of rent payments that the Company passes through to franchisees (lessees). These costs are generally paid by the Company and reimbursed by the franchisee. Historically, these costs have been recorded on a net basis within rent expense in the Consolidated Statements of Operations, but are now presented on a gross basis upon adoption of the new guidance. The adoption of the new guidance resulted in the recognition of franchise rental income and franchise rent expense of $127.2 million during fiscal year 2020. See Note 7 for further information about our transition to Topic 842 and the newly required disclosures.

2. REVENUE RECOGNITION:

In May 2014, the FASB issued amended guidance for revenue recognition which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The Company adopted the amended revenue recognition guidance, ASC Topic 606, on July 1, 2018 using the full retrospective transition method which required the adjustment of each prior reporting period presented. As a result of adopting this new standard, the Company is providing its updated revenue recognition policies.

Revenue Recognition and Deferred Revenue:

Revenue recognized at point of sale

Company-owned salon revenues are recognized at the time when the services are provided. Product revenues for company-owned salons are recognized when the guest receives and pays for the merchandise. Revenues from purchases made with gift cards are also recorded when the guest takes possession of the merchandise or services are provided. Gift cards issued by the Company are recorded as a liability (deferred revenue) upon sale and recognized as revenue upon redemption by the customer. Gift card breakage, the amount of gift cards which will not be redeemed, is recognized proportional to redemptions using estimates based on historical redemption patterns. Product sales by the Company to its franchisees are included within product revenues in the Consolidated Statement of Operations and recorded at the time product is delivered to the franchisee. Payment for franchisee product revenue is generally collected within 30 to 90 days of delivery.

Revenue recognized over time

Franchise revenues primarily include royalties, advertising fund cooperatives fees, franchise fees and other fees. Royalty and advertising fund revenues represent sales-based royalties that are recognized in the period in which the sales occur. Generally, royalty and advertising fund revenue is billed and collected monthly in arrears. Advertising fund revenues and expenditures, which must be spent on marketing and related activities per the franchise agreements, are recorded on a gross basis within the Consolidated Statement of Operations. This increases both the gross amount of reported franchise revenue and site operating expense and generally has no impact on operating income and net income. Franchise fees are billed and received upon the signing of the franchise agreement. Recognition of these fees is deferred until the salon opening and is then recognized over the term of the franchise agreement, typically ten years. Franchise rental income is a result of the Company signing leases on behalf of franchisees as the primary obligor and entering into a sublease arrangement with the franchise. The Company recognizes franchise rental income and expense when it is due to the landlord.

The following table disaggregates revenue by timing of revenue recognition and is reconciled to reportable segment revenues as follows:

	For the Year Ended June 30, 2020	
	Franchise	Company-owned
	(Dollars in thousands)	
Revenue recognized at a point in time:		
Service	$ —	$ 331,538
Product	52,421	85,165
Total revenue recognized at a point in time	$ 52,421	$ 416,703
Revenue recognized over time:		
Royalty and other franchise fees	$ 60,061	$ —
Advertising fund fees	13,341	—
Franchise rental income	127,203	—
Total revenue recognized over time	200,605	—
Total revenue	$ 253,026	$ 416,703

Information about receivables, broker fees and deferred revenue subject to the revenue recognition guidance is as follows:

	June 30, 2020	Balance Sheet Classification
	(Dollars in thousands)	
Receivables from contracts with customers, net	$ 22,991	Accounts receivable, net
Broker fees	$ 20,516	Other assets
Deferred revenue:		
Current		
Gift card liability	$ 2,543	Accrued expenses
Deferred franchise fees unopened salons	77	Accrued expenses
Deferred franchise fees open salons	5,537	Accrued expenses
Total current deferred revenue	$ 8,157	
Non-current		
Deferred franchise fees unopened salons	$ 11,855	Other non-current liabilities
Deferred franchise fees open salons	33,623	Other non-current liabilities
Total non-current deferred revenue	$ 45,478	

Receivables relate primarily to payments due for royalties, franchise fees, advertising fees, franchise product sales and sales of salon services and product paid by credit card. The receivables balance is presented net of an allowance for expected losses (i.e., doubtful accounts), related to receivables from franchisees. As of June 30, 2020, the balance in the allowance for doubtful accounts was $6.9 million. The increase is due to an increased risk in collecting franchise receivables due to decreased franchisee cash flows as a result of the government-mandated salon closures due to the COVID-19 pandemic. The following table is a rollforward of the allowance for doubtful accounts for the periods indicated (in thousands):

Balance as of June 30, 2019	$	2,025
Provision for doubtful accounts		5,958
Write-offs		(1,084)
Balance as of June 30, 2020	$	6,899

Broker fees are the costs associated with using external brokers to identify new franchisees. These fees are paid upon the signing of the franchise agreement and recognized as General and Administrative expense over the term of the agreement.

The following table is a rollforward of the broker fee balance for the periods indicated (in thousands):

Balance as of June 30, 2019	$	17,819
Additions		5,606
Amortization		(2,852)
Write-offs		(57)
Balance as of June 30, 2020	$	20,516

Deferred revenue includes the gift card liability and deferred franchise fees for unopened salons and open salons. Gift card revenue for the year ended June 30, 2020 was $2.4 million. Deferred franchise fees related to open salons are generally recognized on a straight-line basis over the term of the franchise agreement. Franchise fee revenue for the year ended June 30, 2020 was $5.2 million. Estimated revenue expected to the recognized in the future related to deferred franchise fees for open salons as of June 30, 2020 is as follows (in thousands):

2021	$	5,471
2022		5,351
2023		5,174
2024		4,939
2025		4,577
Thereafter		13,648
Total	$	39,160

3. DISCONTINUED OPERATIONS AND RESTRUCTURING - Opensalon Pro (OSP)

Opensalon Pro (OSP):

On June 30, 2022, the Company sold its Opensalon(R) Pro solution to Soham Inc. for a purchase price of $20.0 million in cash plus up to an additional $19.0 million in cash contingent upon the number of salons that migrate to Soham's Zenoti product as their salon technology platform. As a result of the sale, the Company classified the OSP business as discontinued operations in the financial statements. Discontinued operations is included in the Corporate segment in the Consolidated Statement of Operations.

The following summarizes the results of OSP discontinued operations for the period presented:

	Fiscal Year	
	2020	
	(Dollars in thousands)	
OSP discontinued operations:		
General and administrative	$	2,972
Rent		223
Depreciation and amortization		304
Interest expense		715
Loss from discontinued operations, net of tax	$	4,214

Current assets related to discontinued operations relates to the hardware used to run the OSP system. Non-current assets related to discontinued operations is comprised of goodwill associated with OSP of $40.9 million, internal use OSP software of $3.1 million, a right of use asset of $1.2 million and $0.4 million of office property and equipment. Current liabilities related to discontinued operations consists of the current portion of the lease liability of $0.1 million and accrued fees of $0.2 million. Non-current liabilities related to discontinued operations relates to the long-term portion of the lease liability.

4. DISCONTINUED OPERATIONS AND RESTRUCTURING - The Beautiful Group (TBG)

The Beautiful Group (TBG):

In October 2017, the Company sold substantially all of its mall-based salon business in North America, representing 858 salons, to The Beautiful Group (TBG), an affiliate of Regent, a private equity firm based in Los Angeles, California, who operated these locations as franchise locations until June 2019. In addition, the Company entered into a share purchase agreement for substantially all of its International segment, representing approximately 250 salons in the UK, with TBG operating these locations as franchise locations until they were transferred to another franchisee in fiscal year 2020. The Company classified the results of its mall-based business and its International segment as a discontinued operation for all periods presented in the Consolidated Statement of Operations.

In the second quarter of fiscal year 2020, TBG transferred 207 of its North American mall-based salons to the Company. The 207 North American mall-based salons transferred were the salons that the Company was the guarantor of the lease obligation. The transfer of the 207 mall-based salons occurred on December 31, 2019, so the operational results of these mall-based salons are included in the Consolidated Statement of Operations beginning in the third quarter. The assets acquired and liabilities assumed were not material to the Consolidated Balance Sheet.

As of June 30, 2020, prior to any mitigation efforts which may be available, the Company remains liable for up to approximately $23 million related to its mall-based salon lease commitments on the 166 salons that remain open. The commitments are included in our lease liabilities.

The following summarizes the results of TBG related charges and TBG discontinued operations for the periods presented:

	Fiscal Year 2020
	(Dollars in thousands)
Revenue	$ —
Total TBG mall restructuring (1)	$ 2,333
TBG Discontinued Operations:	
Other charges (2)	(1,063)
Income from TBG discontinued operations, before taxes	(1,063)
Income tax expense on TBG discontinued operations (3)	231
Income from TBG discontinued operations, net of tax	$ (832)

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(1) In fiscal year 2020, the Company recorded professional fees associated with the transfer of the mall salons back to the Company as TBG mall restructuring charges.

(2) Insurance adjustments associated with the discontinued operations.

(3) Income taxes have been allocated to continuing and discontinued operations based on the methodology required by accounting for income taxes guidance.

5. OTHER FINANCIAL STATEMENT DATA

The following provides additional information concerning selected balance sheet accounts:

		June 30, 2020
		(Dollars in thousands)
Other current assets:		
Prepaids	$	5,165
Restricted cash		9,213
Other		4,760
	$	19,138
Property and equipment:		
Buildings and improvements		36,379
Equipment, furniture and leasehold improvements		198,664
Internal use software		67,827
		302,870
Less accumulated depreciation and amortization		(249,092)
	$	53,778
Accrued expenses:		
Payroll and payroll related costs	$	18,204
Insurance		10,278
Rent and related real estate costs		4,179
Other		16,014
	$	48,675
Other non-current liabilities:		
Deferred income taxes	$	13,916
Insurance		20,301
Deferred benefits		11,106
Deferred franchise fees		45,478
Other		3,341
	$	94,142

The following provides additional information concerning other intangibles, net:

	June 30, 2020						
	Weighted Average Amortization Periods (1)		Cost (2)		Accumulated Amortization (2)		Net
	(In years)		(Dollars in thousands)				
Brand assets and trade names	33	$	6,494	$	(3,609)	$	2,885
Franchise agreements	19		9,558		(8,194)		1,364
Lease intangibles (3)	0		—		—		—
Other	20		874		(544)		330
Total	24	$	16,926	$	(12,347)	$	4,579

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(1) All intangible assets have been assigned an estimated finite useful life and are amortized on a straight-line basis over the number of years that approximate their expected period of benefit (ranging from three to 40 years).

(2) The change in the gross carrying value and accumulated amortization of other intangible assets is impacted by foreign currency.

(3) A $2.5 million lease intangible impairment was recorded in the fourth fiscal quarter as a result of the COVID-19 triggering event.

Total amortization expense related to intangible assets during fiscal year 2020 was approximately $1.3 million. As of June 30, 2020, future estimated amortization expense related to intangible assets is estimated as follows (in thousands):

2021	$	467
2022		438
2023		425
2024		363
2025		366
Thereafter		2,520
Total	$	4,579

The following provides supplemental disclosures of cash flow activity:

	Fiscal Year 2020	
	(Dollars in thousands)	
Cash paid for:		
Interest	$	7,390
Taxes and penalties, net		2,150
Non-cash investing activities:		
Unpaid capital expenditures		2,569

6. GOODWILL

The table below contains details related to the Company's goodwill:

	June 30, 2020		
	Gross Carrying Value (1)	Accumulated Impairment (3)	Net
	(Dollars in thousands)		
Goodwill	$ 300,779	$ (114,264)	$ 186,515

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(1) The change in the gross carrying value of goodwill relates to goodwill derecognized for salons sold to franchisees and foreign currency translation adjustments.

(2) In fiscal year 2011, the Company realized a $74.1 million goodwill impairment loss associated with the Company-owned reporting unit (the previous North American Value reporting unit).

(3) In fiscal year 2020, the Company realized a $40.2 million goodwill impairment associated with the Company-owned reporting unit. Prior to the COVID-19 pandemic, the Company had been derecognizing Company-owned goodwill as part of the calculation of gain or loss on the sale of salons to franchisees. Following the goodwill impairment in fiscal year 2020, the Company-owned reporting unit has no remaining goodwill, so there will be no further derecognition of Company-owned goodwill.

The table below contains details related to the Company's goodwill:

	Franchise	Company-owned	Consolidated
		(Dollars in thousands)	
Goodwill, net at June 30, 2019	$ 227,928	$ 117,790	$ 345,718
Allocation to OSP discontinued operations	(40,942)	—	(40,942)
Translation rate adjustments	(471)	(660)	(1,131)
Derecognition related to sale of salon assets to franchisees	—	(76,966)	(76,966)
Goodwill impairment	—	(40,164)	(40,164)
Goodwill, net at June 30, 2020 (1)	$ 186,515	$ —	$ 186,515

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(1) Prior to the impairment charge, goodwill was derecognized for salons sold to franchisees with positive cash flows. The amount of goodwill derecognized was determined by a fraction (the numerator of which is the trailing-twelve months EBITDA of the salon being sold and the denominator of which is the estimated annualized EBITDA of the Company-owned reporting unit) that is applied to the goodwill balance of the Company-owned reporting unit at the time of sale. This methodology utilizing the trailing-twelve months of EBITDA as the unit of account is most representative of fair value for the derecognition calculation due to vendition strategies that may cause proceeds to not be representative of a market participant value.

7. LEASES

At contract inception, the Company determines whether a contract is, or contains, a lease by determining whether it conveys the right to control the use of the identified asset for a period of time. If the contract provides the Company the right to substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset, the Company considers it to be, or contain, a lease. The Company leases its company-owned salons and some of its corporate facilities under operating leases. The original terms of the salon leases range from 1 to 20 years with many leases renewable for additional 5 to 10 year terms at the option of the Company. In addition to the obligation to make fixed rental payments for use of the salons, the Company also has variable lease payments that are based on sales levels. For most leases, the Company is required to pay real estate taxes and other occupancy expenses. Total rent expense includes the following:

	Fiscal Year
	2020
	(Dollars in thousands)
Minimum rent	$ 60,703
Percentage rent based on sales	2,043
Real estate taxes and other expenses	13,413
Total	$ 76,159

The Company also leases the premises in which the majority of its franchisees operate, where the Company retains the head lease primary obligation, and has entered into corresponding sublease arrangements with franchisees. These leases, generally with terms of approximately 5 years, are expected to be renewed on expiration. All lease related costs are passed through to the franchisees. The Company retains the primary obligation for the head lease and upon adopting Topic 842, the Company records the rental payments due from franchisees as franchise rental income and the corresponding amounts owed to landlords as franchise rent expense on the Consolidated Statement of Operations. In fiscal year 2020, franchise rental income and franchise rent expense were $127.2 million.

In April 2020, the FASB issued a question and answer document focused on the application of lease accounting guidance to lease concessions provided as a result of COVID-19 (the "Lease Modification Q&A"). The Lease Modification Q&A provides entities with the option to elect to account for lease concessions as though the enforceable rights and obligations existed in the original lease when the total cash flows resulting from the modified lease are substantially similar to the cash flows in the original lease. The Company elected this FASB relief for COVID-19-related rent concessions for the Walmart rent abatement received in April and May 2020 and has elected not to remeasure the related lease liability and right of use asset for Walmart leases. The Walmart rent abatement was recognized as a reduction of variable rent expense of $2.7 million in the fourth fiscal quarter of 2020. Additionally, included in accounts payable as of June 30, 2020 is approximately $20 million of rental payments that were due but the Company had not paid. The Company has elected to account for these rent deferrals as if no changes to the lease contract were made and, as noted above, has increased its accounts payable as the lease payments accrue.

For franchise and company-owned salon operating leases, the lease liability is initially measured at the present value of the unpaid lease payments at the lease commencement date. The Right of Use (ROU) asset is initially measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, less any accrued lease payments and unamortized lease incentives received, if any. The Company’s consolidated Right of Use Asset (ROUA) balance was $785.0 million as of June 30, 2020. For leases classified as operating leases, expense for lease payments is recognized on a straight-line basis over the lease term. Generally, the non-lease components such as real estate taxes and other occupancy expenses are separate from rent expense within the lease and are not included in the measurement of the lease liability because these charges are variable.

The discount rate used to determine the present value of the lease payments is the Company's estimated collateralized incremental borrowing rate, based on the yield curve for the respective lease terms, as the interest rate implicit in the lease cannot generally be determined. The Company uses the portfolio approach in applying the discount rate based on original lease term. The weighted average remaining lease term was 6.87 years and the weighted-average discount rate was 3.95% for all salon operating leases as of June 30, 2020.
A lessee’s right of use asset is subject to the same asset impairment guidance in ASC 360, Property, Plant, and Equipment, applied to other elements of property, plant, and equipment. The Company has identified its asset groups at the individual salon level as this represents the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. As a result of COVID-19 and the related store closures that occurred during the fourth fiscal quarter of 2020, the Company determined that a triggering event had occurred pursuant to ASC 360-10-35-21 given that there had been a significant adverse change in the business climate that could affect the value of its salon long-lived asset groups combined with a significant adverse change in the extent or manner in which the salon long-lived groups were being used. As a result, management assessed all of its salon asset groups, which included the related ROU assets, for impairment in accordance with ASC 360.

The first step in the impairment test under ASC 360 is to determine whether the long-lived assets are recoverable, which is determined by comparing the net carrying value of the salon asset group to the undiscounted net cash flows to be generated from the use and eventual disposition of that asset group. Estimating cash flows for purposes of the recoverability test is subjective and requires significant judgment. Estimated future cash flows used for the purposes of the recoverability test were based upon historical cash flows for the salons, adjusted for expected changes in future market conditions related to COVID-19 and other factors. The period of time used to determine the estimates of the future cash flows for the recoverability test was based on the remaining useful life of the primary asset of the group, which was the ROU asset in all cases.

Step two of the long-lived asset impairment test requires that the fair value of the asset group be determined when calculating the amount of any impairment loss. For the salon asset groups that failed the recoverability test, an impairment loss was measured as the amount by which the carrying amount of the asset group exceeds its fair value. The Company applied the fair value guidance within ASC 820-10 to determine the fair value of the asset group from the perspective of a market-participant considering, among other things, appropriate discount rates, multiple valuation techniques, the most advantageous market, and assumptions about the highest and best use of the asset group. To determine the fair value of the salon asset groups, the Company utilized market-participant assumptions, rather than the Company's own assumptions about how it intends to use the asset group.

The fair value of the salon long-lived asset group is estimated using market participant methods based on the best information available. The significant judgments and assumptions utilized to determine the fair value of the salon asset groups include; the market rent of comparable properties based on recently negotiated leases as applicable, the asset group's projected sales for fiscal years 2021 through 2023 for properties with no recently negotiated leases, and a discount rate. The Company engaged a third-party valuation specialist to assist with the research related to inputs used in their determination of the fair value of the ROU asset which included providing information related to significant inputs and assumptions utilized in the measurement of the impairment loss.

Of the total $22.6 million long-lived asset impairment charge in the Consolidated Statement of Operations, $17.4 million related to the right of use asset included in the salon asset groups. The impairment loss for each salon asset group that was recognized was allocated among the long-lived assets of the group on a pro rata basis using their relative carrying amounts. Additionally, the impairment losses did not reduce the carrying amount of an individual asset below its fair value, including for the ROU assets included in the salon asset groups. Assessing the long-lived assets for impairment requires management to make assumptions and to apply judgment which can be affected by economic conditions and other factors that can be difficult to predict. The Company does not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions it uses to calculate impairment losses for its long-lived asset, including its ROU assets. However, the ultimate severity and longevity of the COVID-19 pandemic is unknown therefore, if actual results are not consistent with the estimates and assumptions used in the calculations, the Company may be exposed to future impairment losses that could be material.

As of June 30, 2020, future operating lease commitments to be paid and received by the Company were as follows:

Fiscal Year	Leases For Franchise Salons	Leases For Company-Owned Salons	Corporate Leases	Total Operating Lease Payments	Sublease Income To Be Received From Franchisees	Net Rent Commitments
2021	$ 121,149	$ 43,705	$ 1,614	$ 166,468	$ (121,149)	$ 45,319
2022	110,951	36,628	1,238	148,817	(110,951)	37,866
2023	100,640	31,943	1,269	133,852	(100,640)	33,212
2024	90,649	28,057	1,301	120,007	(90,649)	29,358
2025	79,398	23,746	1,334	104,478	(79,398)	25,080
Thereafter	190,793	59,994	7,187	257,974	(190,793)	67,181
Total future obligations	$ 693,580	$ 224,073	$ 13,943	$ 931,596	$ (693,580)	$ 238,016
Less amounts representing interest	85,432	27,193	2,536	115,161		
Present value of lease liabilities	$ 608,148	$ 196,880	$ 11,407	$ 816,435		
Less current lease liabilities	99,217	36,767	1,169	137,153		
Long-term lease liabilities	$ 508,931	$ 160,113	$ 10,238	$ 679,282		

8. FAIR VALUE MEASUREMENTS

Fair value measurements are categorized into one of three levels based on the lowest level of significant input used: Level 1 (unadjusted quoted prices in active markets); Level 2 (observable market inputs available at the measurement date, other than quoted prices included in Level 1); and Level 3 (unobservable inputs that cannot be corroborated by observable market data).

Assets and Liabilities Measured at Fair Value on a Recurring Basis

As of June 30, 2020, the estimated fair value of the Company's cash, cash equivalents, restricted cash, receivables and accounts payable approximated their carrying values. As of June 30, 2020, the estimated fair value of the Company's debt was $177.5 million, which approximated its carrying value. As of June 30, 2020, the estimated fair value of the long-term financial liability was $28.0 million, which approximated its carrying value. The estimated fair value of the Company's debt and long-term financial liability are based on Level 2 inputs.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

We measure certain assets, including the Company's equity method investments, tangible fixed and other assets and goodwill, at fair value on a nonrecurring basis when they are deemed to be other than temporarily impaired. The fair values of these assets are determined, when applicable, based on valuation techniques using the best information available, and may include quoted market prices, market comparables and discounted cash flow projections.

The following impairment charges were based on fair values using Level 3 inputs:

	Fiscal Year 2020 (Dollars in thousands)
Goodwill	$ 40,164
Salon asset impairments (1)	3,851
Long-lived assets impairment (1)	22,560

(1) See Note 1 to the Consolidated Financial Statements.

9. FINANCING ARRANGEMENTS

The Company's long-term debt consists of the following:

Revolving Credit Facility

		June 30,	
	Maturity Date	2020	2020
	(Fiscal year)	(Interest rate %)	(Dollars in thousands)
Revolving credit facility	2023	5.50%	$ 177,500

At June 30, 2020, cash, cash equivalents and marketable securities totaled $113.7 million. As of June 30, 2020, the Company had $177.5 million of outstanding borrowings under a $295.0 million revolving credit facility. At June 30, 2020, the Company had outstanding standby letters of credit under the revolving credit facility of $21.0 million, primarily related to the Company's self-insurance program. The unused available credit under the facility was $96.5 million at June 30, 2020. The Company increased its outstanding borrowings from June 30, 2019 to June 30, 2020 by making a draw on the credit facility of $183.0 million in March of 2020. The $183.0 million draw was done to increase the Company's cash position and preserve financial flexibility as the Company experienced significant business interruption due to the COVID-19 pandemic. In the fourth quarter of fiscal year 2020, the Company repaid $125.5 million. As of June 30, 2020, the Company had cash, cash equivalents and restricted cash of $122.9 million and current liabilities of $237.0 million.

In May of 2020, the Company amended its $295.0 million revolving credit facility that expires in March 2023. The amendment to the revolving credit facility provides relief for the maximum consolidated net leverage ratio covenant and the minimum fixed charge coverage ratio covenant. Without such amendment, the Company would have been in violation of the covenants as of March 31, 2020, which could have resulted in default. Under the new terms of the amendment, the Company is required to maintain a minimum liquidity of not less than $75.0 million, and provides the Company's lenders security in the Company's assets, adds additional guarantors and grants a first priority lien and security interest to the lenders in substantially all of the Company’s and the guarantors’ existing and future property. The amendment also increases the applicable interest rate margins and facility fees applicable to the loans and inserts a 1.25% LIBOR floor. The applicable margin for loans bearing interest at LIBOR ranges from 3.75%-4.25%, the applicable margin for loans bearing interest at the base rate ranges from 2.75%-3.25% and the facility fee ranges from 0.5%-0.75%, each depending on average utilization of the revolving line of credit. This amendment gives the Company flexibility throughout the uncertainty generated by the business disruption caused by the COVID-19 pandemic, as well as the Company's navigation through its strategic transformation. The Company was in compliance with all covenants and other requirements of the financing arrangements as of June 30, 2020 and believes it will continue to be in compliance for at least one year from our filing date.

Sale and Leaseback Transactions

The Company’s long-term lease liability consists of the following:

	Maturity Date	Interest Rate	June 30, 2020
	(Fiscal year)		(Dollars in thousands)
Financial liability - Salt Lake City Distribution Center	2034	3.30%	$ 16,773
Financial liability - Chattanooga Distribution Center	2034	3.70%	11,208
Long-term financing liabilities			$ 27,981

In fiscal year 2019, the Company sold its Salt Lake City and Chattanooga Distribution Centers to an unrelated party. The Company is leasing the properties back for 15 years with the option to renew. As the Company plans to lease the property for more than 75% of its economic life, the sales proceeds received from the buyer-lessor are recognized as a financial liability. This financial liability is reduced based on the rental payments made under the lease that are allocated between principal and interest. As of June 30, 2020, the current portion of the Company’s lease liabilities was $0.9 million, which was recorded in accrued expenses on the Consolidated Balance Sheet. The weighted average remaining lease term was 13.6 years and the weighted-average discount rate was 3.46% for financing leases as of June 30, 2020.

As of June 30, 2020, future lease payments due are as follows:

Fiscal year	Salt Lake City Distribution Center	Chattanooga Distribution Center
	(Dollars in thousands)	
2021	$ 1,157	$ 817
2022	1,171	829
2023	1,186	842
2024	1,200	854
2025	1,215	867
Thereafter	10,683	8,414
Total	$ 16,612	$ 12,623

These lease payments were not impacted by the adoption of ASC 842. The financing lease liability does not include interest. Future lease payments above are due per the lease agreement and include embedded interest. Therefore, the total payments do not equal the liability. Total interest expense for the financing leases was $0.7 million for the year ended June 30, 2020, including a one-time $0.4 million credit to interest related to 75% of the April and May rent being waived due to the COVID-19 pandemic.

10. COMMITMENTS AND CONTINGENCIES

Contingencies:

The Company is self-insured for most workers' compensation, employment practice liability and general liability. Workers' compensation and general liability losses are subject to per occurrence and aggregate annual liability limitations. The Company is insured for losses in excess of these limitations. The Company is also self-insured for health care claims for eligible participating employees subject to certain deductibles and limitations. The Company determines its liability for claims incurred but not reported on an actuarial basis.

Litigation and Settlements:

The Company is a defendant in various lawsuits and claims arising out of the normal course of business. Like certain other large retail employers, the Company has been faced with allegations of purported class-wide consumer and wage and hour violations. Litigation is inherently unpredictable and the outcome of these matters cannot presently be determined. Although the actions are being vigorously defended, the Company could in the future incur judgments or enter into settlements of claims that could have a material adverse effect on its results of operations in any particular period. The Company is a defendant in two wage and hour lawsuits in California. The first, a class action in U.S. District Court, alleges various violations of the California Labor Code, including but not limited to failure to pay wages, failure to permit rest breaks, failure to pay all wages due on termination of employment, waiting time penalties, failure to provide accurate wage statements and violation of the business and professions code. This case has preliminarily settled, pending approval of the court and class, for $2.1 million. The second, a class action filed in California Superior Court, alleges various violations of the California Labor Code as well as PAGA penalties. Barring successful objection from plaintiffs' attorneys to the first class action, the second case will be subsumed into the first case's settlement. As of June 30, 2020, $2.1 million was included within accrued expenses on the Condensed Consolidated Balance Sheet related to these class action lawsuits.

11. INCOME TAXES

The components of loss from continuing operations before income taxes are as follows:

	Fiscal Year 2020 (Dollars in thousands)
Loss before income taxes	
U.S.	$ (161,046)
International	(11,553)
	$ (172,599)

The benefit for income taxes consists of:

	Fiscal Year 2020 (Dollars in thousands)
Current:	
U.S.	$ (925)
International	238
Deferred:	
U.S.	(3,353)
International	(579)
	$ (4,619)

The benefit for income taxes differs from the amount of income tax determined by applying the applicable U.S. statutory rate to loss before income taxes, as a result of the following:

	Fiscal Year 2020
U.S. statutory rate	21.0 %
State income taxes, net of federal income tax benefit	4.0
Valuation allowance (1)	(29.4)
Foreign income taxes at other than U.S. rates	(0.6)
Work opportunity tax credits	0.4
Uncertain tax positions	(6.2)
Stock-based compensation	0.1
Capital loss	15.0
Other, net (2)	(1.7)
	2.6 %

(1) See Note 1 to the Consolidated Financial Statements.

(2) The (1.7)% of Other, net in fiscal year 2020 includes the rate impact of goodwill derecognition and impairment and miscellaneous items of (1.2)% and (0.6)%, respectively. Miscellaneous items do not include the rate impact of any items in excess of 5% of computed tax.

The components of the net deferred tax assets and liabilities are as follows:

		June 30, 2020
		(Dollars in thousands)
Deferred tax assets:		
Payroll and payroll related costs		9,903
Net operating loss carryforwards		64,402
Tax credit carryforwards		37,072
Capital loss carryforwards		14,978
Deferred franchise fees		9,342
Operating lease liabilities		202,940
Financing lease liabilities		7,157
Other		8,214
Subtotal	$	354,008
Valuation allowance		(122,447)
Total deferred tax assets	$	231,561
Deferred tax liabilities:		
Goodwill and intangibles	$	(40,904)
Operating lease assets		(197,304)
Other		(7,269)
Total deferred tax liabilities	$	(245,477)
Net deferred tax liability	$	(13,916)

Significant components of the valuation allowance which occurred during fiscal year 2020 are as follows:

- On March 27, 2020, the U.S. government enacted the Coronavirus Aid, Relief and Economic Security Act (CARES Act) in response to the COVID-19 pandemic. The CARES Act included several significant business tax provisions that, among other items, eliminated the taxable income limit and granted business a five-year carryback for certain net operating losses (NOLs), accelerated refunds of previously generated corporate alternative minimum tax (AMT) credits, temporarily loosened the business interest limitation under section 163(j) and corrected certain provisions under the Tax Cuts and Jobs Act (TCJA).
- The Company determined that it no longer had sufficient U.S. indefinite-lived taxable temporary differences to support realization of its U.S. indefinite-lived NOLs and its existing U.S. deferred tax assets that upon reversal are expected to generate indefinite-lived NOLs. As a result, the Company recorded an additional $17.0 million valuation allowance on its U.S. federal indefinite-lived deferred tax assets.
- The Company further recognized a capital loss and established a corresponding valuation allowance of $14.9 million on investment outside basis previously impaired for financial accounting purposes.

The Company also expects to receive a refund of approximately $1.4 million due to accelerated refunds of AMT credits as a result of the CARES Act.

At June 30, 2020, the Company has tax effected federal, state, Canada, and U.K. net operating loss carryforwards of approximately $43.6, $16.7, $3.8 and $0.3 million, respectively. The Company's federal loss carryforward consists of $27.3 million that will expire from fiscal years 2034 to 2038 and $16.3 million that has no expiration. The state loss carryforwards consist of $15.7 million that will expire from fiscal years 2021 to 2040 and $1.0 million that has no expiration. The Canada loss carryforward will expire from fiscal years 2036 to 2040. The U.K. loss carryforward has no expiration.

The Company's tax credit carryforward of $37.1 million primarily consist of Work Opportunity Tax Credits that will expire from fiscal years 2031 to 2040.

The Company's capital loss carryforward of $14.9 million will expire in fiscal year 2025.

We consider the earnings of certain non-U.S. subsidiaries to be indefinitely invested outside the United States. Accordingly, we have not recorded deferred taxes related to the U.S. federal and state income taxes and foreign withholding taxes on approximately $30.3 million of undistributed earnings of foreign subsidiaries which have been reinvested outside the United States. As a result of the Tax Cuts and Jobs Act of 2017, taxes payable on the remittance of such earnings is expected to be minimal.

The Company files tax returns and pays tax primarily in the U.S., Canada, the U.K. and Luxembourg as well as states, cities, and provinces within these jurisdictions. The Company is no longer subject to IRS examinations for years before 2014. With limited exceptions, the Company is no longer subject to state and international income tax examination by tax authorities for years before 2012.

A rollforward of the unrecognized tax benefits is as follows:

	Fiscal Year 2020
	(Dollars in thousands)
Balance at beginning of period	$ 2,763
Additions based on tax positions related to the current year, primarily salon vendition activity and tax positions related to a capital loss	11,985
(Reductions)/additions based on tax positions of prior years	(223)
Reductions on tax positions related to the expiration of the statute of limitations	(480)
Balance at end of period	$ 14,045

If the Company were to prevail on all unrecognized tax benefits recorded, a net benefit of approximately $1.3 million would be recorded in the effective tax rate. Interest and penalties associated with unrecognized tax benefits are recorded within income tax expense. During fiscal year 2020, the Company recorded interest and penalties of approximately $0.1 million as additions to the accrual, net of the respective reversal of previously accrued interest and penalties. As of June 30, 2020, the Company had accrued interest and penalties related to unrecognized tax benefits of $1.1 million. This amount is not included in the gross unrecognized tax benefits noted above.

It is reasonably possible the amount of the unrecognized tax benefit with respect to certain of our unrecognized tax positions will increase or decrease during the next fiscal year. However, an estimate of the amount or range of the change cannot be made at this time.

12. BENEFIT PLANS

Regis Retirement Savings Plan:

The Company maintains a defined contribution 401(k) plan, the Regis Retirement Savings Plan (RRSP). The RRSP is a defined contribution profit sharing plan with a 401(k) feature that is intended to qualify under Section 401(a) of the Internal Revenue Code (the Code) and is subject to the Employee Retirement Income Security Act of 1974 (ERISA).

The 401(k) portion of the RRSP is a cash or deferred arrangement intended to qualify under section 401(k) of the Code and under which eligible employees may elect to contribute a percentage of their eligible compensation. Employees who are 18 years of age or older and who were not highly compensated employees as defined by the Code during the preceding RRSP year are eligible to participate in the RRSP commencing with the first day of the month following their completion of one month of service.

The discretionary employer contribution profit sharing portion of the RRSP is a noncontributory defined contribution component covering full-time and part-time employees of the Company who have at least one year of eligible service, defined as 1,000 hours of service during the RRSP year, are employed by the Company on the last day of the RRSP year and are employed at Salon Support, distribution centers, as field leaders, artistic directors or consultants, and that are not highly compensated employees as defined by the Code. Participants' interest in the noncontributory defined contribution component become 20.0% vested after completing two years of service with vesting increasing 20.0% for each additional year of service, and with participants becoming fully vested after six full years of service.

Nonqualified Deferred Salary Plan:

The Company maintains a Nonqualified Deferred Salary Plan (Executive Plan), which covers Company officers and all other employees who are highly compensated as defined by the Code. The discretionary employer contribution portion of the Executive Plan is a profit sharing component in which a participant's interest becomes 20.0% vested after completing two years of service with vesting increasing 20.0% for each additional year of service, and with participants becoming fully vested after six full years of service. Certain participants within the Executive Plan also receive a matching contribution from the Company.

Regis Individual Secured Retirement Plan (RiSRP):

The Company maintains a Regis Individual Secured Retirement Plan (RiSRP), pursuant to which eligible employees may use post-tax dollars to purchase life insurance benefits. Salon Support employees at the director level and above, as well as regional vice presidents, are eligible to participate. The Company may make discretionary contributions on behalf of participants within the RiSRP, which may be calculated as a matching contribution. The participant is the owner of the life insurance policy under the RiSRP.

Stock Purchase Plan:

The Company has an employee stock purchase plan (ESPP) available to qualifying employees. Under the terms of the ESPP, eligible employees may purchase the Company's common stock through payroll deductions. The Company contributes an amount equal to 15.0% of the purchase price of the stock to be purchased on the open market and pays all expenses of the ESPP and its administration, not to exceed an aggregate contribution of $11.8 million. As of June 30, 2020, the Company's cumulative contributions to the ESPP totaled $11.1 million.

Deferred Compensation Contracts:

The Company has unfunded deferred compensation contracts covering certain current and former key executives. Effective June 30, 2012, these contracts were amended and the benefits were frozen.

Expense associated with the deferred compensation contracts included in general and administrative expenses on the Consolidated Statement of Operations totaled zero for fiscal year 2020.

The table below presents the projected benefit obligation of these deferred compensation contracts in the Consolidated Balance Sheet:

	June 30, 2020
	(Dollars in thousands)
Current portion (included in accrued liabilities)	$ 302
Long-term portion (included in other non-current liabilities)	4,637
	$ 4,939

The accumulated other comprehensive loss for the deferred compensation contracts, consisting of primarily unrecognized actuarial income, was $0.1 million at June 30, 2020.

The Company had previously agreed to pay the former Vice Chairman and his spouse an annual benefit for life. Costs associated with this benefit included in general and administrative expenses on the Consolidated Statement of Operations totaled $0.4 million for fiscal year 2020. Related obligations totaled $2.4 million at June 30, 2020, with $0.5 million within accrued expenses at June 30, 2020, and the remainder included in other non-current liabilities in the Consolidated Balance Sheet.

The Company did not receive life insurance proceeds in fiscal year 2020.

13. EARNINGS PER SHARE

The Company's basic earnings per share is calculated as net loss divided by weighted average common shares outstanding, excluding unvested outstanding restricted stock awards (RSAs), restricted stock units (RSUs) and stock-settled performance units (PSUs). The Company's diluted earnings per share is calculated as net loss divided by weighted average common shares and common share equivalents outstanding, which includes shares issued under the Company's stock-based compensation plans. Stock-based awards with exercise prices greater than the average market price of the Company's common stock are excluded from the computation of diluted earnings per share.

For fiscal year 2020, 963,456 of common stock equivalents of dilutive common stock were excluded from the diluted earnings per share calculation due to net loss from continuing operations. The computation of weighted average shares outstanding, assuming dilution, excluded the following stock-based awards as they were not dilutive under the treasury stock method:

	Fiscal Year 2020
Equity-based compensation awards	315,312

14. STOCK-BASED COMPENSATION

The Company grants long-term equity-based awards under the 2018 Long Term Incentive Plan (the 2018 Plan). The 2018 Plan, which was approved by the Company's shareholders at its 2018 Annual Meeting, provides for the granting of nonqualified stock options, equity-based stock appreciation rights (SARs), RSAs, RSUs and PSUs, as well as cash-based performance grants, to employees and non-employee directors of the Company. Under the 2018 Plan, a maximum of 3,818,895 shares are approved for issuance. The 2018 Plan incorporates a fungible share design, under which full value awards (such as RSUs and PSUs) count against the shares reserved for issuance at a rate 2.0 times higher than appreciation awards (such as SARs and stock options). As of June 30, 2020, a maximum of 3,774,266 shares were available for grant under the 2018 Plan. All unvested awards are subject to forfeiture in event of termination of employment, unless accelerated. SAR and RSU awards granted under the 2018 Plan generally include various acceleration terms, including upon retirement for participants aged sixty-two years or older or who are aged fifty-five or older and have 15 years of continuous service.

The Company also has outstanding awards under the 2016 Long Term Incentive Plan (the 2016 Plan), although the 2016 Plan terminated in October 2018 and no additional awards have since been or will be made under the 2016 Plan. The 2016 Plan provided for the granting of SARs, RSAs, RSUs and PSUs, as well as cash-based performance grants, to employees and non-employee directors of the Company.

The Company also has outstanding awards under the Amended and Restated 2004 Long Term Incentive Plan (the 2004 Plan), although the 2004 Plan terminated in October 2016 and no additional awards have since been or will be made under the 2004 Plan. The 2004 Plan provided for the granting of nonqualified stock options, SARs, RSAs, RSUs and PSUs, as well as cash-based performance grants, to employees and non-employee directors of the Company.

Under the 2018 Plan, 2016 Plan and the 2004 Plan, stock-based awards are granted at an exercise price or initial value equal to the fair market value on the date of grant. There were no SARs granted in fiscal year 2020.

Using the fair value of each grant on the date of grant, the weighted average fair values per stock-based compensation award granted during fiscal year 2020 was as follows:

	Fiscal Year 2020
RSUs (1)	$ 16.48
PSUs (1)	12.09

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(1) The fair value of market-based RSUs and PSUs granted are estimated on the date of grant using a Monte Carlo valuation model. The significant assumptions used in determining the estimated fair value of the market-based awards granted during fiscal year 2020 is as follows:

	Fiscal Year 2020
Risk-free interest rate	1.43 %
Expected volatility	33.9 %
Expected dividend yield	— %

The risk free interest rate is determined based on the U.S. Treasury rates approximating the expected life of the market-based RSUs and PSUs granted. Expected volatility is established based on historical volatility of the Company's stock price. The Company uses historical data to estimate pre-vesting forfeiture rates.

Stock-based compensation expense was as follows:

	Fiscal Year 2020
	(Dollars in thousands)
SARs	$ —
RSAs, RSUs, & PSUs	3,275
Total stock-based compensation expense (recorded in G&A)	3,275
Less: Income tax benefit (1)	(688)
Total stock-based compensation expense, net of tax	$ 2,587

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(1) Federal statutory income tax rate of 21% utilized in fiscal year 2020.

The Company recorded a stock compensation benefit of $1.6 million in fiscal year 2020 related to performance awards that did not meet the vesting requirements.

Stock Appreciation Rights & Stock Options:

SARs and stock options granted under the 2018 Plan, 2016 Plan and the 2004 Plan generally vest ratably over a three to five year period on each of the annual grant date anniversaries and expire ten years from the grant date. SARs granted subsequent to fiscal year 2012 vest ratably over a three year period with the exception of the April 2017 grant to the Chief Executive Officer, which vested in full after two years.

Activity for all the Company's outstanding SARs and stock options is as follows:

	Shares (in thousands)				
	SARs	Stock Options	Weighted Average Exercise Price	Weighted-Average Remaining Contractual	Aggregate Intrinsic Value (in thousands)
Outstanding balance at June 30, 2019	1,321	10	$ 11.97		
Granted	—	—	—		
Forfeited/Expired	(36)	(9)	16.69		
Exercised	—	(1)	18.61		
Outstanding balance at June 30, 2020	1,285	—	$ 11.79	6.08	$ (4,639)
Exercisable at June 30, 2020	1,285	—	$ 11.79	6.08	$ (4,639)
Unvested awards, net of estimated forfeitures	—	—	$ —	—	$ —

Restricted Stock Units:

RSUs granted to employees under the 2018 Plan, 2016 Plan and 2004 Plan generally vest ratably over a three to five year period on each of the annual grant date anniversaries or vest entirely after a three or five year period. RSUs granted to non-employee directors under the 2018 Plan, 2016 Plan and 2004 Plan generally vest in equal monthly amounts over a one year period from the Company's previous annual shareholder meeting date and distributions are deferred until the director's board service ends.

Activity for all the Company's RSUs is as follows:

	Shares/Units (in thousands) RSUs	Weighted Average Grant Date	Aggregate Intrinsic Value (in thousands)
Outstanding balance at June 30, 2019	850	$ 16.42	
Granted	257	16.48	
Forfeited	(166)	17.29	
Vested	(235)	11.88	
Outstanding balance at June 30, 2020	706	$ 17.72	$ 5,775
Vested at June 30, 2020	263	$ 15.94	$ 2,151
Unvested awards, net of estimated forfeitures	381	$ 18.68	$ 3,117

As of June 30, 2020, there was $3.8 million of unrecognized expense related to RSUs that is expected to be recognized over a weighted-average period of 1.75 years.

Performance Share Units:

PSUs are grants of restricted stock units which are earned based on the achievement of performance goals established by the Compensation Committee over a performance period.

Activity for all of the Company's PSUs is as follows:

	Shares/Units (in thousands) PSUs	Weighted Average Grant Date	Aggregate Intrinsic Value (in thousands) (1)
Outstanding balance at June 30, 2019	980	$ 14.10	
Granted	74	12.09	
Forfeited	(165)	14.57	
Vested	(179)	12.93	
Outstanding balance at June 30, 2020	710	$ 13.90	$ 5,808
Vested at June 30, 2020	—	$ —	$ —
Unvested awards, net of estimated forfeitures	396	$ 13.34	$ 3,239

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(1) Includes actual or expected payout rates as set forth in the performance criteria.

In connection with the termination of former executive officers, the Company settled certain PSUs for cash of $0.8 million during fiscal year 2018.

PSUs granted in fiscal year 2020 have a performance period of three years, after which they will vest to the extent earned. There was $0.3 million of total unrecognized compensation expense related to the unvested awards to be recognized over 2.2 years.

15. SHAREHOLDERS' EQUITY

Authorized Shares and Designation of Preferred Class:

The Company has 100.0 million shares of capital stock authorized, par value $0.05, of which all outstanding shares, and shares available under the Stock Option Plans, have been designated as common.

Shareholders' Rights Plan:

The Company previously had a shareholders' rights plan, which expired by its terms in December 2016.

Share Repurchase Program:

In May 2000, the Company's Board approved a stock repurchase program with no stated expiration date. Originally, the program authorized up to $50.0 million to be expended for the repurchase of the Company's stock. The Board elected to increase this maximum to $100.0 million in August 2003, to $200.0 million in May 2005, to $300.0 million in April 2007, to $350.0 million in April 2015, to $400.0 million in September 2015, to $450.0 million in January 2016, and to $650.0 million in August 2018. All repurchased shares become authorized but unissued shares of the Company. The timing and amounts of any repurchases depends on many factors, including the market price of the common stock and overall market conditions. As of June 30, 2020, 30.0 million shares have been cumulatively repurchased for $595.4 million, and $54.6 million remained outstanding under the approved stock repurchase program.

Accumulated Other Comprehensive Income:

The components of accumulated other comprehensive income are as follows:

	June 30, 2020
	(Dollars in thousands)
Foreign currency translation	$ 7,391
Unrealized gain on deferred compensation contracts	58
Accumulated other comprehensive income	$ 7,449

16. SEGMENT INFORMATION

Segment information is prepared on the same basis the chief operating decision maker reviews financial information for operational decision-making purposes. During the first quarter of fiscal year 2018, the Company redefined its operating segments to reflect how the chief operating decision maker evaluates the business as a result of the sale of the mall-based business and International segment sale. See Note 1 to the Consolidated Financial Statements. The Company now reports its operations in two operating segments: Franchise salons and Company-owned salons. The Company's operating segments are its reportable operating segments. Prior to this change, the Company had four operating segments: North American Value, North American Premium, North American Franchise, and International.

The Franchise salons reportable operating segment is comprised of 5,209 franchised salons located mainly in strip center locations and Walmart Supercenters. Franchise salons offer high quality, convenient and value priced hair care and beauty services and retail products. This segment operates primarily in the United States and Canada and primarily includes the Supercuts, SmartStyle, Cost Cutters, First Choice Haircutters, Roosters and Magicuts concepts.

The Company-owned salons reportable operating segment is comprised of 1,632 company-owned salons located mainly in strip center locations and Walmart Supercenters. Company-owned salons offer high quality, convenient and value priced hair care and beauty services and retail products. SmartStyle, Supercuts, Cost Cutters and other regional trade names operating in the United States, Canada and Puerto Rico are generally within the Company-owned salons segment.

Financial information concerning the Company's reportable operating segments is shown in the following table:

	For the Year Ended June 30, 2020			
	Franchise	Company - owned	Corporate[1]	Consolidated
	(Dollars in thousands)			
Revenues:				
Service	$ —	$ 331,538	$ —	$ 331,538
Product	52,421	85,165	—	137,586
Royalties and fees	73,402	—	—	73,402
Franchise rental income	127,203	—	—	127,203
	253,026	416,703	—	669,729
Operating expenses:				
Cost of service	—	222,279	—	222,279
Cost of product	40,032	44,666	—	84,698
Site operating expenses	13,341	58,202	—	71,543
General and administrative	33,725	24,638	69,618	127,981
Rent	872	72,921	2,366	76,159
Franchise rent expense	127,203	—	—	127,203
Depreciation and amortization	922	29,113	6,613	36,648
Long-lived asset impairment	1,712	20,848	—	22,560
TBG restructuring	2,333	—	—	2,333
Goodwill impairment	—	40,164	—	40,164
Total operating expenses	220,140	512,831	78,597	811,568
Operating income (loss)	32,886	(96,128)	(78,597)	(141,839)
Other (expense) income:				
Interest expense	—	—	(6,807)	(6,807)
Gain from sale of salon assets to franchisees, net	—	—	(27,306)	(27,306)
Interest income and other, net	—	—	3,353	3,353
Income (loss) from continuing operations before income taxes	$ 32,886	$ (96,128)	$ (109,357)	$ (172,599)

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(1) Corporate consists primarily of unallocated general and administrative expenses, including expenses associated with salon support, depreciation and amortization related to our corporate headquarters and unallocated insurance, benefit and compensation programs, including stock-based compensation.

The Company's chief operating decision maker does not evaluate reportable segments using assets and capital expenditure information.

Total revenues and property and equipment, net associated with business operations in the U.S. and all other countries in aggregate were as follows:

	Fiscal Year 2020	
	Total Revenues	Property and Equipment, Net
	(Dollars in thousands)	
U.S.	$ 613,652	$ 53,134
Other countries	56,077	644
Total	$ 669,729	$ 53,778

UNAUDITED FINANCIAL STATEMENTS

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

REGIS CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEET (Unaudited)
(Dollars in thousands, except share data)

	September 30, 2022	June 30, 2022
ASSETS		
Current assets:		
Cash and cash equivalents (Note 7)	$ 9,505	$ 17,041
Receivables, net	12,999	14,531
Inventories, net	5,127	3,109
Other current assets	15,730	13,984
Total current assets	43,361	48,665
Property and equipment, net	12,070	12,835
Goodwill (Note 1)	173,057	174,360
Other intangibles, net	2,975	3,226
Right of use asset (Note 8)	461,579	493,749
Other assets	28,976	36,465
Total assets	$ 722,018	$ 769,300
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 16,080	$ 15,860
Accrued expenses	28,980	33,784
Short-term lease liability (Note 8)	98,270	103,196
Total current liabilities	143,330	152,840
Long-term debt, net (Note 9)	171,879	179,994
Long-term lease liability (Note 8)	379,915	408,445
Other non-current liabilities	56,754	58,974
Total liabilities	751,878	800,253
Commitments and contingencies (Note 6)		
Shareholders' deficit:		
Common stock, $0.05 par value; issued and outstanding, 45,536,525 and 45,510,245 common shares at September 30, 2022 and June 30, 2022, respectively	2,277	2,276
Additional paid-in capital	63,044	62,562
Accumulated other comprehensive income	8,597	9,455
Accumulated deficit	(103,778)	(105,246)
Total shareholders' deficit	(29,860)	(30,953)
Total liabilities and shareholders' deficit	$ 722,018	$ 769,300

The accompanying notes are an integral part of the unaudited Condensed Consolidated Financial Statements.

REGIS CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (Unaudited)
For The Three Months Ended September 30, 2022 And 2021
(Dollars and shares in thousands, except per share amounts)

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021
Revenues:		
Royalties	$ 17,180	$ 16,602
Fees	2,553	2,327
Product sales to franchisees	443	8,008
Advertising fund contributions	8,251	8,114
Franchise rental income (Note 8)	30,330	33,762
Company-owned salon revenue	3,114	8,005
Total revenue	61,871	76,818
Operating expenses:		
Cost of product sales to franchisees	470	7,648
General and administrative	14,361	20,784
Rent (Note 8)	1,753	1,747
Advertising fund expense	8,251	8,114
Franchise rent expense	30,330	33,762
Company-owned salon expense (1)	2,985	7,945
Depreciation and amortization	1,251	1,539
Long-lived asset impairment	—	163
Total operating expenses	59,401	81,702
Operating income (loss)	2,470	(4,884)
Other expense:		
Interest expense	(3,817)	(3,127)
Loss from sale of salon assets to franchisees, net	—	(1,080)
Other, net	(463)	(239)
Loss from operations before income taxes	(1,810)	(9,330)
Income tax (expense) benefit	(28)	48
Loss from continuing operations	(1,838)	(9,282)
Income (loss) from discontinued operations (Note 3)	3,306	(1,096)
Net income (loss)	$ 1,468	$ (10,378)
Net income (loss) per share:		
Basic and diluted:		
Loss from continuing operations	$ (0.04)	$ (0.25)
Income (loss) from discontinued operations	0.07	(0.03)
Net income (loss) per share, basic and diluted (2)	$ 0.03	$ (0.28)
Weighted average common and common equivalent shares outstanding:		
Basic and diluted	46,054	36,850

(1) Includes cost of service and product sold to guests in our Company-owned salons. Excludes general and administrative expense, rent and depreciation and amortization related to Company-owned salons.

(2) Total is a recalculation; line items calculated individually may not sum to total due to rounding.

The accompanying notes are an integral part of the unaudited Condensed Consolidated Financial Statements.

REGIS CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS) (Unaudited)
For The Three Months Ended September 30, 2022 And 2021
(Dollars in thousands)

	Three Months Ended September 30,	
	2022	2021
Net income (loss)	$ 1,468	$ (10,378)
Foreign currency translation adjustments	(858)	(474)
Comprehensive income (loss)	$ 610	$ (10,852)

The accompanying notes are an integral part of the unaudited Condensed Consolidated Financial Statements.

REGIS CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' DEFICIT (Unaudited)
For The Three Months Ended September 30, 2022 And 2021
(Dollars in thousands)

	Three Months Ended September 30, 2022					
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
	Shares	Amount				
Balance, June 30, 2022	45,510,245	$ 2,276	$ 62,562	$ 9,455	$ (105,246)	$ (30,953)
Net income	—	—	—	—	1,468	1,468
Foreign currency translation	—	—	—	(858)	—	(858)
Stock-based compensation	—	—	496	—	—	496
Net restricted stock activity	26,280	1	(14)	—	—	(13)
Balance, September 30, 2022	45,536,525	$ 2,277	$ 63,044	$ 8,597	$ (103,778)	$ (29,860)

	Three Months Ended September 30, 2021					
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Total
	Shares	Amount				
Balance, June 30, 2021	35,795,844	$ 1,790	$ 25,102	$ 9,543	$ (19,389)	$ 17,046
Net loss	—	—	—	—	(10,378)	(10,378)
Foreign currency translation	—	—	—	(474)	—	(474)
Issuance of common stock, net of offering costs	8,072,304	404	31,789	—	—	32,193
Stock-based compensation	—	—	1,678	—	—	1,678
Net restricted stock activity	96,341	4	(259)	—	—	(255)
Balance, September 30, 2021	43,964,489	$ 2,198	$ 58,310	$ 9,069	$ (29,767)	$ 39,810

The accompanying notes are an integral part of the unaudited Condensed Consolidated Financial Statements.

REGIS CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (Unaudited)
For The Three Months Ended September 30, 2022 And 2021
(Dollars in thousands)

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021
Cash flows from operating activities:		
Net income (loss)	$ 1,468	$ (10,378)
Adjustments to reconcile net income (loss) to cash used in operating activities:		
Gain from sale of OSP (Note 3)	(3,927)	—
Depreciation and amortization	1,035	1,574
Long-lived asset impairment	—	163
Deferred income taxes	28	(258)
Loss from sale of salon assets to franchisees, net	—	1,080
Stock-based compensation	531	1,678
Amortization of debt discount and financing costs	648	460
Other non-cash items affecting earnings	481	232
Changes in operating assets and liabilities, excluding the effects of asset sales (1)	(5,321)	(6,805)
Net cash used in operating activities	(5,057)	(12,254)
Cash flows from investing activities:		
Capital expenditures	(184)	(1,524)
Net proceeds from sale of OSP	3,500	—
Net cash provided by (used in) investing activities	3,316	(1,524)
Cash flows from financing activities:		
Borrowings on credit facility	6,357	10,000
Repayments of long-term debt	(5,801)	(1,106)
Debt refinancing fees	(4,341)	—
Proceeds from issuance of common stock, net of offering costs	—	32,193
Taxes paid for shares withheld	(13)	(255)
Net cash (used in) provided by financing activities	(3,798)	40,832
Effect of exchange rate changes on cash and cash equivalents	(166)	(148)
(Decrease) increase in cash, cash equivalents, and restricted cash	(5,705)	26,906
Cash, cash equivalents and restricted cash:		
Beginning of period	27,464	29,152
End of period	$ 21,759	$ 56,058

(1) Changes in operating assets and liabilities exclude assets and liabilities sold.

The accompanying notes are an integral part of the unaudited Condensed Consolidated Financial Statements.

REGIS CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. BASIS OF PRESENTATION OF UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The unaudited interim Condensed Consolidated Financial Statements of Regis Corporation (the Company) as of September 30, 2022 and for the three months ended September 30, 2022 and 2021, reflect, in the opinion of management, all adjustments necessary to fairly state the consolidated financial position of the Company as of September 30, 2022 and its consolidated results of operations, comprehensive income (loss), shareholders' deficit and cash flows for the interim periods. Adjustments consist only of normal recurring items, except for any discussed in the notes below. The results of operations and cash flows for any interim period are not necessarily indicative of results of operations and cash flows for the full year.

The accompanying interim unaudited Condensed Consolidated Financial Statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Accordingly, they do not include all disclosures required by accounting principles generally accepted in the United States of America (GAAP). The unaudited interim Condensed Consolidated Financial Statements should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended June 30, 2022 and other documents filed or furnished with the SEC during the current fiscal year.

Inventories:

The Company has inventory valuation reserves for excess and obsolete inventories or other factors that may render inventories unmarketable at their historical costs. The Company exited its distribution centers in fiscal year 2022 and now stores inventory at a third-party facility. To facilitate the exit of the distribution centers, the Company sold and continues to sell inventory at discounts. The inventory valuation reserve as of September 30, 2022 and June 30, 2022 was $0.9 and $1.9 million, respectively.

Goodwill:

As of September 30, 2022 and June 30, 2022, the Franchise reporting unit had $173.1 and $174.4 million, respectively, of goodwill. The change in goodwill for the three months ended September 30, 2022 is due to foreign currency translation. The Company assesses goodwill impairment on an annual basis, during the Company's fourth fiscal quarter, and between annual assessments if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. An interim impairment analysis was not required in the three months ended September 30, 2022.

Depreciation:

Depreciation expense in the three months ended September 30, 2022 and 2021 include $0.2 and $0.3 million, respectively, of asset retirement obligations, which are cash expenses.

2. REVENUE RECOGNITION:

Revenue Recognition and Deferred Revenue:

Revenue recognized over time

Royalty and advertising fund revenues represent sales-based royalties that are recognized in the period in which the sales occur. Generally, royalty and advertising fund revenues are billed and collected monthly in arrears. Advertising fund revenues and expenditures, which must be spent on marketing and related activities per the franchise agreements, are recorded on a gross basis within the unaudited Condensed Consolidated Statement of Operations. The treatment increases both the gross amount of reported revenue and expense and generally has no impact on operating income and net income. Franchise fees are billed and received upon the signing of the franchise agreement. Recognition of these fees is deferred until the salon opens and is then recognized over the term of the franchise agreement, which is typically 10 years. Franchise rental income is a result of the Company signing leases on behalf of franchisees and entering into sublease arrangements with the franchisees. The Company recognizes franchise rental income and expense when it is due to the landlord.

Revenue recognized at point of sale

Company-owned salon revenues are recognized at the time when the services are provided or the guest receives and pays for the merchandise. Revenues from purchases made with gift cards are also recorded when the guest takes possession of the merchandise or services are provided. Gift cards issued by the Company are recorded as a liability (deferred revenue) upon sale and recognized as revenue upon redemption by the guest. Gift card breakage, the amount of gift cards which will not be redeemed, is recognized proportional to redemptions using estimates based on historical redemption patterns. Product sales to franchisees and other partners are recorded at the time product is delivered to the franchisee.

Information about receivables, broker fees and deferred revenue subject to the current revenue recognition guidance is as follows:

	September 30, 2022	June 30, 2022	Balance Sheet Classification
	(Dollars in thousands)		
Receivables from contracts with customers, net	$ 8,675	$ 10,263	Receivables, net
Broker fees	14,765	15,592	Other assets
Deferred revenue:			
Current			
Gift card liability	$ 1,951	$ 2,037	Accrued expenses
Deferred franchise fees open salons	5,674	5,770	Accrued expenses
Total current deferred revenue	$ 7,625	$ 7,807	
Non-current			
Deferred franchise fees unopened salons	$ 3,107	$ 3,211	Other non-current liabilities
Deferred franchise fees open salons	25,391	26,827	Other non-current liabilities
Total non-current deferred revenue	$ 28,498	$ 30,038	

Receivables relate primarily to payments due for royalties, franchise fees, advertising fees, rent, product sales and sales of salon services and product paid by credit card. The receivables balance is presented net of an allowance for expected losses (i.e., doubtful accounts), primarily related to receivables from franchisees. The following table is a rollforward of the allowance for doubtful accounts for the period:

	Three Months Ended September 30,	
	2022	2021
	(Dollars in thousands)	
Balance at beginning of period	$ 6,559	$ 7,774
Provision for doubtful accounts	461	237
Provision for franchisee rent (1)	19	364
Reclass of accrued rent (2)	60	396
Write-offs	(725)	(102)
Balance at end of period	$ 6,374	$ 8,669

(1) The provision for franchisee rent is recognized as rent in the unaudited Condensed Consolidated Statement of Operations.
(2) The reclass of accrued rent represents franchisee rent obligations guaranteed by the Company that were unbilled and deemed unrecoverable as of June 30, 2021. The amounts billed in fiscal year 2023 and 2022 and the related accrual were reclassified to allowance for doubtful accounts.

Broker fees are the costs associated with using external brokers to identify new franchisees. These fees are paid upon the signing of the franchise agreement and recognized as general and administrative expense over the term of the franchise agreement. The following table is a rollforward of the broker fee balance for the periods indicated:

	Three Months Ended September 30,	
	2022	2021
	(Dollars in thousands)	
Balance at beginning of period	$ 15,592	$ 19,254
Additions	—	25
Amortization	(827)	(862)
Write-offs	—	(145)
Balance at end of period	$ 14,765	$ 18,272

Deferred franchise fees related to open salons are generally recognized on a straight-line basis over the term of the franchise agreement. Franchise fee revenue for the three months ended September 30, 2022 and 2021 was $1.5 and $1.6 million, respectively. Estimated revenue expected to be recognized in the future related to deferred franchise fees for open salons as of September 30, 2022 is as follows (in thousands):

Remainder of 2023	$ 4,255
2024	5,447
2025	5,064
2026	4,594
2027	4,132
Thereafter	7,573
Total	$ 31,065

3. DISCONTINUED OPERATIONS:

On June 30, 2022, the Company sold its Opensalon® Pro (OSP) solution to Soham Inc. for a purchase price of $20.0 million in cash plus up to an additional $19.0 million in cash contingent upon the number of salons that migrate to Soham's Zenoti product as their salon technology platform. The Company received $13.0 million in proceeds in June 2022 and an additional $4.0 million in the first quarter of fiscal year 2023. The remaining $3.0 million of the purchase price is subject to holdbacks including $1.0 million which is payable once the Company ends its arrangement with ProPoint in December 2022 and $2.0 million of proceeds held back until general indemnity provisions are satisfied within 18 months from closing. As a result of the sale, the Company classified the OSP business as discontinued operations in the financial statements for all periods presented. Discontinued operations is included in the Franchise segment in the Consolidated Statement of Operations for all periods presented. No income taxes have been allocated to discontinued operations based on the methodology required by accounting for income taxes guidance.

The following summarizes the results of discontinued operations for the periods presented:

	Three Months Ended September 30,	
	2022	2021
	(Dollars in thousands)	
Discontinued operations:		
Fees	$ (226)	$ 938
Cost of product sales to franchisees	—	(464)
General and administrative	(27)	(1,005)
Rent	(368)	(56)
Depreciation and amortization	—	(330)
Interest expense	—	(179)
Gain from sale of OSP	3,927	—
Gain (loss) from OSP discontinued operations	$ 3,306	$ (1,096)

4. SHAREHOLDERS' EQUITY:

Stock-Based Employee Compensation:

During the three months ended September 30, 2022, the Company granted various equity awards including stock options and stock appreciation rights as follows:

	Three Months Ended September 30, 2022
Stock options (SOs)	985,000
Stock appreciation rights (SARs)	600,000

The SOs and SARs granted during the three months ended September 30, 2022 vest in equal amounts over a three-year period subsequent to the grant date.

Total compensation cost for stock-based payment arrangements totaling $0.5 and $1.7 million for the three months ended September 30, 2022 and 2021, respectively, were recorded within general and administrative expense on the unaudited Condensed Consolidated Statement of Operations.

Share Issuance Program:

In fiscal year 2021, the Company filed a $150.0 million shelf registration statement and $50.0 million prospectus supplement with the Securities and Exchange Commission (SEC) under which it may offer and sell, from time to time, up to $50.0 million worth of its Class A common stock in "at-the-market" offerings. During the three months ended September 30, 2022, the Company did not issue any shares. During the three months ended September 30, 2021, the Company issued 8.1 million shares and received net proceeds of $32.2 million. On September 29, 2021, the Company sold 1.2 million shares for net proceeds of $5.0 million, which settled on October 1, 2021. As of September 30, 2022, $11.6 million remains under the prospectus supplement, which equates to 11.5 million shares based on the share price as of September 30, 2022.

5. INCOME TAXES:

A summary of income tax (expense) benefit and corresponding effective tax rates is as follows:

	Three Months Ended September 30,	
	2022	2021
	(Dollars in thousands)	
Income tax (expense) benefit	$ (28)	$ 48
Effective tax rate	(1.5 %)	0.5 %

The recorded tax provision and effective tax rates for the three months ended September 30, 2022 and 2021 were different than what would normally be expected, primarily due to the impact of the deferred tax valuation allowance.

On August 16, 2022, the Inflation Reduction Act (the "IRA") was signed into law. The IRA contains a number of tax related provisions, including a 15% minimum corporate income tax on certain large corporations, as well as an excise tax on stock repurchases. The Company has evaluated the IRA and does not expect it to have a material impact on the Company's consolidated financial statements.

With limited exceptions, due to net operating loss carryforwards, our federal, state and foreign tax returns are open to examination for all years since 2014, 2012 and 2016, respectively.

6. COMMITMENTS AND CONTINGENCIES:

The Company is a plaintiff or defendant in various lawsuits and claims arising out of the normal course of business. Like certain other franchisors, the Company has faced allegations of franchise regulation and agreement violations. Additionally, because the Company may be the tenant under a master lease for a location subleased to a franchisee, the Company has faced allegations of nonpayment of rent and associated charges. Further, similar to other large retail employers, the Company has been faced with and may continue to face allegations of purported class-wide consumer and wage and hour violations.

During the three months ended September 30, 2022, the Company recorded $0.5 million of expense related to litigation, and $0.5 million was paid during the period.

The Company's previous point-of-sale system supplier had challenged the development of certain parts of the Company's technology systems in litigation brought in the Northern District of California. The Company and the supplier entered into an agreement, effective June 25, 2021, that provided for the dismissal of the lawsuit and set forth a Transition Services Agreement pursuant to which the supplier will assist in the transfer of franchise salons from its point-of-sale system to the Company's salon management system, OSP. The Company and the supplier entered into an amendment to the Settlement Agreement, effective June 15, 2022, in which the Company agreed to pay $2.0 million to the supplier in installments commencing on June 15, 2022, and ending on December 10, 2022, in consideration of a release of claims arising out of or related to the Transition Services Agreement and for the supplier to continue to provide the services set forth in that agreement through December 31, 2022. As of September 30, 2022, the Company had $0.5 million remaining to pay.

Litigation is inherently unpredictable, and the outcome of these matters cannot presently be determined. Although the actions are being vigorously defended, the Company could incur judgments in the future or enter into settlements of claims that could have a material adverse effect on its results of operations in any particular period.

7. CASH, CASH EQUIVALENTS AND RESTRICTED CASH:

The table below reconciles the cash and cash equivalents balances and restricted cash balances, recorded within other current assets on the unaudited Condensed Consolidated Balance Sheet to the amount of cash, cash equivalents and restricted cash reported on the unaudited Condensed Consolidated Statement of Cash Flows:

	September 30, 2022	June 30, 2022
	(Dollars in thousands)	
Cash and cash equivalents	$ 9,505	$ 17,041
Restricted cash, included in other current assets (1)	12,254	10,423
Total cash, cash equivalents and restricted cash	$ 21,759	$ 27,464

(1) Restricted cash within other current assets primarily relates to consolidated advertising cooperatives funds, which can only be used to settle obligations of the respective cooperatives and contractual obligations to collateralize the Company's self-insurance programs.

8. LEASES:

At contract inception, the Company determines whether a contract is, or contains, a lease by determining whether it conveys the right to control the use of the identified asset for a period of time. If the contract provides the Company the right to substantially all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset, the Company considers it to be, or contain, a lease. The Company leases its company-owned salons and some of its corporate facilities under operating leases. The original terms of the salon leases range from one to 20 years with many leases renewable for an additional five to 10-year term at the option of the Company. In addition to the obligation to make fixed rental payments for the use of the salons, the Company also has variable lease payments that are based on sales levels. For most leases, the Company is required to pay real estate taxes and other occupancy expenses. Total rent includes the following:

	Three Months Ended September 30,	
	2022	2021
	(Dollars in thousands)	
Office and warehouse rent	$ 872	$ 1,613
Lease termination expense (1)	458	1,340
Lease liability benefit (2)	(602)	(2,431)
Franchise salon rent (3)	(53)	329
Company-owned salon rent	1,078	896
Total	$ 1,753	$ 1,747

(1) During the three months ended September 30, 2022, the Company incurred costs of $0.5 million to exit salons before the lease end date in order to relieve the Company of future lease obligations. For the three months ended September 30, 2021, the Company paid $0.9 million to exit its distribution centers before the lease end dates and incurred costs of $0.4 million to exit salons before the lease end dates in order to relieve the Company of future lease obligations.

(2) Upon termination of previously impaired leases, the Company derecognizes the corresponding ROU assets and lease liabilities which results in a net gain. In addition, the Company recognizes a benefit from lease liabilities decreasing in excess of previously impaired ROU assets for ongoing leases that were previously impaired.

(3) Franchise salon rent in fiscal year 2023 includes the benefit of incurring less cost to terminate a lease than estimated.

The Company leases salon premises in which the majority of its franchisees operate and has entered into corresponding sublease arrangements with franchisees. All lease-related costs are passed through to the franchisees. The Company records the rental payments due from franchisees as franchise rental income and the corresponding amounts owed to landlords as franchise rent expense on the unaudited Condensed Consolidated Statement of Operations. For the three months ended September 30, 2022 and 2021, franchise rental income and franchise rent expense were $30.3 and $33.8 million, respectively. These leases generally have lease terms of approximately five years. The Company expects to renew SmartStyle and some franchise leases upon expiration. Other leases are expected to be renewed by the franchisee upon expiration.

All the Company's leases are operating leases. The lease liability is initially and subsequently measured at the present value of the unpaid lease payments at the lease commencement date, including one lease term option when the lease is expected to be renewed. The ROU asset is initially and subsequently measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, less any accrued lease payments and unamortized lease incentives received, if any. Expense for lease payments is recognized on a straight-line basis over the lease term, including the lease renewal option when the lease is expected to be renewed. Generally, the non-lease components, such as real estate taxes and other occupancy expenses, are separate from rent expense within the lease and are not included in the measurement of the lease liability because these charges are variable.

The discount rate used to determine the present value of the lease payments is the Company's estimated collateralized incremental borrowing rate, based on the yield curve for the respective lease terms, as the interest rate implicit in the lease cannot generally be determined. The Company uses the portfolio approach in applying the discount rate based on the original lease term. The weighted average remaining lease term was 5.89 and 6.02 years and the weighted average discount rate was 4.29% and 4.25% for all salon operating leases as of September 30, 2022 and June 30, 2022, respectively.

A lessee's ROU asset is subject to the same asset impairment guidance in ASC 360, Property, Plant, and Equipment, applied to other elements of property, plant, and equipment. The Company has identified its asset groups at the individual salon level as this represents the lowest level that identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. Poor salon performance in fiscal years 2023 and 2022 resulted in ASC 360-10-35-21 triggering events. As a result, management assessed underperforming salon asset groups, which included the related ROU assets, for impairment in accordance with ASC 360.

The first step in the impairment test under ASC 360 is to determine whether the long-lived assets are recoverable, which is determined by comparing the net carrying value of the salon asset group to the undiscounted net cash flows to be generated from the use and eventual disposition of that asset group. Estimating cash flows for purposes of the recoverability test is subjective and requires significant judgment. Estimated future cash flows used for the purposes of the recoverability test were based upon historical cash flows for the salons, adjusted for expected changes in future market conditions related to the COVID-19 pandemic, and other factors. The period of time used to determine the estimates of the future cash flows for the recoverability test was based on the remaining useful life of the primary asset of the group, which was the ROU asset in all cases.

The second step of the long-lived asset impairment test requires that the fair value of the asset group be estimated when determining the amount of any impairment loss. For the salon asset groups that failed the recoverability test, an impairment loss was measured as the amount by which the carrying amount of the asset group exceeds its fair value. The Company applied the fair value guidance within ASC 820-10 to determine the fair value of the asset group from the perspective of a market-participant considering, among other things, appropriate discount rates, multiple valuation techniques, the most advantageous market, and assumptions about the highest and best use of the asset group. To determine the fair value of the salon asset groups, the Company utilized market-participant assumptions rather than the Company's own assumptions about how it intends to use the asset group. The significant judgments and assumptions utilized to determine the fair value of the salon asset groups include the market rent of comparable properties and a discount rate.

In the three months ended September 30, 2022, the Company did not recognize a long-lived asset impairment charge related to ROU assets in the unaudited Condensed Consolidated Statement of Operations. In the three months ended September 30, 2021, the Company recognized a long-lived asset impairment charge of $0.2 million, which included $0.1 million related to ROU assets in the unaudited Condensed Consolidated Statement of Operations. The impairment loss for each salon asset group that was recognized was allocated among the long-lived assets of the group on a pro-rata basis using their relative carrying amounts. Additionally, the impairment losses did not reduce the carrying amount of an individual asset below its fair value, including the ROU assets included in the salon asset groups. Assessing the long-lived assets for impairment requires management to make assumptions and to apply judgment, which can be affected by economic conditions and other factors that can be difficult to predict. The Company does not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions it uses to calculate impairment losses for its long-lived asset, including its ROU assets. If actual results are not consistent with the estimates and assumptions used in the calculations, the Company may be exposed to future impairment losses that could be material.

As of September 30, 2022, future operating lease commitments, including one renewal option for leases expected to be renewed, to be paid and received by the Company were as follows (in thousands):

Fiscal Year	Leases for Franchise Salons	Leases for Company-owned Salons	Corporate Leases	Total Operating Lease Payments	Sublease Income to be Received from Franchisees	Net Rent Commitments
Remainder of 2023	$ 84,843	$ 2,245	$ 1,641	$ 88,729	$ (84,843)	$ 3,886
2024	100,949	1,809	1,301	104,059	(100,949)	3,110
2025	84,593	636	1,334	86,563	(84,593)	1,970
2026	71,111	314	1,367	72,792	(71,111)	1,681
2027	60,718	79	1,401	62,198	(60,718)	1,480
Thereafter	122,790	106	4,417	127,313	(122,790)	4,523
Total future obligations	$ 525,004	$ 5,189	$ 11,461	$ 541,654	$ (525,004)	$ 16,650
Less amounts representing interest	61,640	230	1,599	63,469		
Present value of lease liabilities	$ 463,364	$ 4,959	$ 9,862	$ 478,185		
Less current lease liabilities	93,915	2,760	1,595	98,270		
Long-term lease liabilities	$ 369,449	$ 2,199	$ 8,267	$ 379,915		

9. FINANCING ARRANGEMENTS:

The Company's debt consists of the following:

	Maturity Date	September 30, 2022	September 30, 2022	June 30, 2022
	(Fiscal Year)	(Interest rate %)	(Dollars in thousands)	
Term loan	2026	6.74%	$ 175,550	$ —
Deferred financing fees			(8,671)	—
Term loan, net			$ 166,879	$ —
Revolving credit facility	2026	6.61%	5,000	179,994
Total long-term debt, net			$ 171,879	$ 179,994

In August of 2022, the Company amended its credit agreement. The amendment, among other things, converted $180.0 million of the previous $295.0 million revolving credit facility to a new term loan, reduced commitments under the revolving credit facility to $55.0 million, and extended the term of the credit facility from March 26, 2023 to August 31, 2025, with no scheduled amortization prior to maturity. The amendment is accounted for as a modification of debt and any unamortized financing fees that existed at the date of the amendment and new financing fees incurred are amortized through the extended term of the credit facility. At September 30, 2022, the Company had outstanding standby letters of credit under the revolving credit facility of $11.8 million, primarily related to the Company's self-insurance program. As of September 30, 2022, total liquidity and available credit under the revolving credit facility, as defined by the agreement, are $47.8 and $38.3 million, respectively. As of September 30, 2022, the Company had cash and cash equivalents of $9.5 million and current liabilities of $143.3 million. The agreement utilizes an interest rate margin that is subject to annual increases. The margin applicable to term SOFR loans is currently 3.875%. Effective March 27, 2023, the margin will increase to 6.25%, of which 4.25% will be paid currently in cash and 2.00% will be PIK interest (added to the principal balance and thereafter accruing interest). Effective March 27, 2024, the margin will increase to 7.25%, of which 4.25% will be paid currently in cash and 3.00% will be PIK interest. The margin applicable to base rate loans will be 100 basis points (1.00%) less than the margin applicable to term SOFR loans. The agreement contains typical provisions and financial covenants regarding minimum EBITDA, maximum leverage and minimum fixed-charge coverage and a minimum liquidity threshold of $10.0 million. The Company was in compliance with all covenants and other requirements of the financing arrangements as of September 30, 2022.

10. FAIR VALUE MEASUREMENTS:

Fair value measurements are categorized into one of three levels based on the lowest level of significant input used: Level 1 (unadjusted quoted prices in active markets); Level 2 (observable market inputs available at the measurement date, other than quoted prices included in Level 1); and Level 3 (unobservable inputs that cannot be corroborated by observable market data).

Assets and Liabilities Measured at Fair Value on a Recurring Basis

As of September 30, 2022 and June 30, 2022, the estimated fair value of the Company's cash, cash equivalents, restricted cash, receivables, inventory, deferred compensation assets, accounts payable and debt approximated their carrying values.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

We measure certain assets, including the Company's equity method investments, tangible fixed and other assets and goodwill, at fair value on a nonrecurring basis when they are deemed to be other than temporarily impaired. The fair values of these assets are determined, when applicable, based on valuation techniques using the best information available, and may include quoted market prices, market comparables and discounted cash flow projections.

11. EARNINGS PER SHARE:

The Company's basic earnings per share is calculated as net income (loss) divided by weighted average common shares outstanding, excluding unvested outstanding stock options (SOs), stock appreciation rights (SARs), restricted stock units (RSUs) and stock-settled performance units (PSUs). The Company's diluted earnings per share is calculated as net income (loss) divided by weighted average common shares and common share equivalents outstanding, which includes shares issued under the Company's stock-based compensation plans. Stock-based awards with exercise prices greater than the average market price of the Company's common stock are excluded from the computation of diluted earnings per share. The computation of weighted average shares outstanding, assuming dilution, excluded 3,211,485 and 2,769,743 of stock-based awards during the three months ended September 30, 2022 and 2021, respectively, as they were not dilutive under the treasury stock method.

12. SEGMENT INFORMATION:

Segment information is prepared on the same basis that the chief operating decision maker (CODM) reviews financial information for operational decision-making purposes. The Company's reportable operating segments consisted of the following salons:

	September 30, 2022	June 30, 2022
FRANCHISE SALONS:		
Supercuts	2,233	2,264
SmartStyle/Cost Cutters in Walmart Stores	1,625	1,646
Portfolio Brands	1,325	1,344
Total North American salons	5,183	5,254
Total International salons (1)	140	141
Total Franchise salons	5,323	5,395
as a percent of total Franchise and Company-owned salons	98.2 %	98.1 %
COMPANY-OWNED SALONS:		
Supercuts	15	18
SmartStyle/Cost Cutters in Walmart Stores	49	49
Portfolio Brands	31	38
Total Company-owned salons	95	105
as a percent of total Franchise and Company-owned salons	1.8 %	1.9 %
OWNERSHIP INTEREST LOCATIONS:		
Equity ownership interest locations	76	76
Grand Total, System-wide	5,494	5,576

(1) Canadian and Puerto Rican salons are included in the North American salon totals.

As of September 30, 2022, the Franchise operating segment is comprised primarily of Supercuts®, SmartStyle®, Cost Cutters®, First Choice Haircutters®, Magicuts®, and Roosters® concepts and the Company-owned operating segment is comprised primarily of Supercuts®, SmartStyle®, and other regional trade names.

Financial information concerning the Company's reportable operating segments is shown in the following tables:

	Three Months Ended September 30, 2022		
	Franchise	Company-owned	Consolidated
	(Dollars in thousands)		
Revenues:			
Royalties	$ 17,180	$ —	$ 17,180
Fees	2,553	—	2,553
Product sales to franchisees	443	—	443
Advertising fund contributions	8,251	—	8,251
Franchise rental income	30,330	—	30,330
Company-owned salon revenue	—	3,114	3,114
Total revenue	58,757	3,114	61,871
Operating expenses:			
Cost of product sales to franchisees	470	—	470
General and administrative	14,182	179	14,361
Rent	509	1,244	1,753
Advertising fund expense	8,251	—	8,251
Franchise rent expense	30,330	—	30,330
Company-owned salon expense	—	2,985	2,985
Depreciation and amortization	950	301	1,251
Total operating expenses	54,692	4,709	59,401
Operating income (loss)	$ 4,065	$ (1,595)	$ 2,470

	Three Months Ended September 30, 2021		
	Franchise	Company-owned	Consolidated
	(Dollars in thousands)		
Revenues:			
Royalties	$ 16,602	$ —	$ 16,602
Fees	2,327	—	2,327
Product sales to franchisees	8,008	—	8,008
Advertising fund contributions	8,114	—	8,114
Franchise rental income	33,762	—	33,762
Company-owned salon revenue	—	8,005	8,005
Total revenue	68,813	8,005	76,818
Operating expenses:			
Cost of product sales to franchisees	7,648	—	7,648
General and administrative	20,238	546	20,784
Rent	1,621	126	1,747
Advertising fund expense	8,114	—	8,114
Franchise rent expense	33,762	—	33,762
Company-owned salon expense	—	7,945	7,945
Depreciation and amortization	1,293	246	1,539
Long-lived asset impairment	—	163	163
Total operating expenses	72,676	9,026	81,702
Operating loss	$ (3,863)	$ (1,021)	$ (4,884)

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT D: FRANCHISE AGREEMENT

SMARTSTYLE®

FRANCHISE AGREEMENT

BETWEEN

THE BARBERS, HAIRSTYLING FOR MEN & WOMEN, INC.
3701 Wayzata Boulevard, Suite 500
Minneapolis, Minnesota 55416
(952) 947-7777
Fax: (952) 947-7900

AND

____

____

____

____

Name(s) of **FRANCHISEE**

____
Street

____
City State Zip Code

(________)_____________________________
Area Code Telephone

FRANCHISED LOCATION:

____
Street

____
City State Zip Code

(________)_____________________________
Area Code Telephone

DATE OF FRANCHISE AGREEMENT:

__________________________, ________

SMARTSTYLE®

FRANCHISE AGREEMENT

INDEX

EXHIBITS:

SMARTSTYLE®

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") made, entered into and effective this _____ day of _______________, _______, by and between The Barbers, Hairstyling for Men & Women, Inc., a Minnesota corporation ("SMARTSTYLE"), and ____ ____ (the "FRANCHISEE");

WITNESSETH:

WHEREAS, SMARTSTYLE has developed and owns a distinctive business system for operating hairstyling businesses of a distinctive character with the name "Smartstyle®" (the "Business System" or the "Smartstyle Business System") and has publicized the name "Smartstyle®", and other trademarks, trade names, service marks and commercial symbols to the public as an organization of hairstyling businesses operating under the Smartstyle Business System; and

WHEREAS, SMARTSTYLE represents that it has the right and authority to franchise the use of the name "Smartstyle®" and certain other trademarks, trade names, service marks, logos and commercial symbols (the "Marks") for use in connection with hairstyling businesses operated in conformity with the Business System to selected persons or entities who will comply with SMARTSTYLE'S uniformity requirements and quality standards; and

WHEREAS, the FRANCHISEE desires to operate a Smartstyle hairstyling business at the location designated in Article 1 of this Agreement which will conform to the uniformity requirements and quality standards established and promulgated from time to time by SMARTSTYLE; and

WHEREAS, SMARTSTYLE is willing to provide the FRANCHISEE with marketing, advertising, technology, operational and other business information, experience and "know how" about the Smartstyle business that has been developed over time by SMARTSTYLE at significant cost and expense; and

WHEREAS, the FRANCHISEE acknowledges that it would take substantial capital and human resources to develop a business similar to the Smartstyle business and, as a consequence, the FRANCHISEE desires to acquire the right to use the Marks and the Business System and to own and operate a Smartstyle business subject to and under the terms and conditions set forth in this Agreement; and

WHEREAS, the FRANCHISEE acknowledges that SMARTSTYLE would not provide the FRANCHISEE with any business information or "know how" about the Smartstyle Business System unless the FRANCHISEE agreed to comply with all of the terms and conditions of this Agreement and to pay the Initial Franchise Fee, the Continuing Fees specified in this Agreement; and

WHEREAS, the FRANCHISEE has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Agreement by legal counsel or another adviser, and has had sufficient time to evaluate and investigate the Smartstyle Business System, the financial investment requirements, and the business risks associated with owning and operating a Smartstyle business;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement and for other good and valuable consideration, the parties hereby contract as follows:

ARTICLE 1
FRANCHISED LOCATION; GRANT OF FRANCHISE

1.1 FRANCHISED LOCATION. SMARTSTYLE grants to the FRANCHISEE a nonexclusive personal right to operate one Smartstyle business in conformity with the Smartstyle Business System (the "Smartstyle Business" or the "Business") and further grants the FRANCHISEE a nonexclusive personal right to operate the Business using the name Smartstyle® at the following single location:

____

____

(the "Franchised Location"). This Agreement does not grant any exclusive territorial rights to the FRANCHISEE, and SMARTSTYLE and its affiliates will have the right to open and operate, and to grant to other franchisees the right to open and operate, Smartstyle businesses in conformity with the Business System using the Marks as well as any other business under any other names or marks at locations anywhere and over the internet.

1.2 FRANCHISED LOCATION NOT DETERMINED. In the event the Franchised Location has not yet been determined as of the date of this Agreement, then the geographical area in which the FRANCHISEE'S Smartstyle Business is to be located will be described or defined in an exhibit signed by the parties and attached to this Agreement. At such time as the address of the Franchised Location is determined, then the address will be inserted into Article 1.1 of this Agreement or into an amendment to this Agreement signed by the parties.

1.3 CONDITIONS TO FRANCHISE. The FRANCHISEE undertakes the obligation to operate a Smartstyle hairstyling Business at the Franchised Location under the Smartstyle Business System using the name Smartstyle® in strict compliance with the terms and conditions of this Agreement for the entire term of this Agreement. The rights and privileges granted to the FRANCHISEE by SMARTSTYLE under this Agreement are applicable only to the Franchised Location, are personal in nature, and may not be used elsewhere or at any other location by the FRANCHISEE.

1.4 PERSONAL LICENSE. The FRANCHISEE will not have the right to franchise, subfranchise, license or sublicense its rights under this Agreement. The FRANCHISEE will not assign or transfer its rights under this Agreement, except as specifically provided for in this Agreement.

ARTICLE 2
TERM; FRANCHISEE'S OPTION TO REACQUIRE FRANCHISE

2.1 TERM. The term of this Agreement will commence on the date Franchisee's Franchised Location opens as a Smartstyle Business and shall continue for the term of the master lease for the Franchised Location, including all extensions and renewals of such master lease.

2.2 RIGHTS UPON EXPIRATION. At the expiration of the term of this Agreement, the FRANCHISEE will have the option to reacquire the franchise for the Franchised Location pursuant to Article 2.3 of this Agreement.

2.3 CONDITIONS TO OPTION. At the end of the term of this Agreement, if FRANCHISEE has the right to continue occupying the Franchised Location under its sublease for a period of at least five (5) additional years, the FRANCHISEE will have the option to reacquire the franchise for the Franchised Location provided that the following conditions have been met: (A) the FRANCHISEE has given SMARTSTYLE written notice at least one hundred eighty (180) days prior to the end of the term of this Agreement of its commitment to reacquire the franchise for the Franchised Location; (B) during the term of this Agreement, the FRANCHISEE has complied with all of the material terms and conditions of this Agreement and has complied with SMARTSTYLE'S material operating and quality standards and procedures; (C) all monetary obligations owed by the FRANCHISEE to SMARTSTYLE have been paid or satisfied prior to the end of the term of this Agreement, and have been timely met throughout the term of this Agreement; (D) the FRANCHISEE has agreed, in writing, to make the reasonable capital expenditures necessary to remodel, modernize, upgrade and redecorate the Franchised Location and to replace and update the furniture, fixtures, supplies, equipment and techniques used in the FRANCHISEE'S Smartstyle Business so that the FRANCHISEE'S Business will reflect the image portrayed by SMARTSTYLE then-current decor and specifications; and (E) the FRANCHISEE agrees to execute and comply with the then-current standard Franchise Agreement then being offered to new Franchisees by SMARTSTYLE subject further to the provisions of Article 2.4 of this Agreement.); and (F) FRANCHISEE is in compliance with the master lease for the Franchised Location, which includes achieving gross sales of $150,000 per year or at the minimum required by the Landlord.

2.4 <u>TERMS OF OPTION</u>. The FRANCHISEE will have the option to reacquire the franchise for the Franchised Location under the same terms and conditions then being offered to other Franchisees by SMARTSTYLE under SMARTSTYLE'S then-current standard Franchise Agreement. If the FRANCHISEE exercises its right to reacquire the franchise for the Franchised Location and executes the then-current standard Franchise Agreement, the FRANCHISEE will not be required to pay the Initial Fee, if any, specified in the then-current standard Franchise Agreement. However, the FRANCHISEE will be required to pay the Continuing Fees, Advertising Fees and any other fees or charges at the rates specified in the then-current standard Franchise Agreement, and must comply with all other terms and conditions of SMARTSTYLE'S then-current standard Franchise Agreement. The FRANCHISEE acknowledges that the terms, conditions and economics of the then-current standard Franchise Agreement of SMARTSTYLE may, at that time, vary in substance and form from the terms, conditions and economics of this Agreement.

ARTICLE 3
<u>SMARTSTYLE'S RIGHT TO LICENSE MARKS</u>

3.1 <u>LICENSE OF MARKS</u>. SMARTSTYLE warrants that, except as provided for herein, it has the right to license the name Smartstyle® and the other Marks and the Business System to the FRANCHISEE. Any and all improvements made by the FRANCHISEE relating to the Marks or the Business System will become the sole and absolute property of SMARTSTYLE who will have the sole and exclusive right to register and protect all such improvements in its name in accordance with applicable law. The FRANCHISEE'S right to use and identify with the Marks and the Business System will exist concurrently with the term of this Agreement and such use by the FRANCHISEE will inure exclusively to the benefit of SMARTSTYLE.

3.2 <u>CONDITIONS TO LICENSE OF MARKS</u>. The FRANCHISEE agrees that its nonexclusive personal right to use the name Smartstyle® as the name of the FRANCHISEE'S Business, and its right to use the Marks and the Business System, apply only to the Smartstyle Business operated at the Franchised Location and only so long as the FRANCHISEE will fully perform and comply with all of the conditions, terms and covenants of this Agreement. The FRANCHISEE will not have or acquire any rights in any of the Marks or the Business System other than the right of use as provided herein. The FRANCHISEE will have the right to use the Marks and the Business System only in the manner prescribed, directed and approved by SMARTSTYLE in writing and will not have the right to use the Marks in connection with the sale of any products or services other than those prescribed or approved by SMARTSTYLE. If, in the judgment of SMARTSTYLE, the acts of the FRANCHISEE infringe upon or demean the goodwill, standards of uniformity or quality, or business image associated with the Marks or the Business System, then the FRANCHISEE will, upon written notice from SMARTSTYLE, immediately modify its use of the Marks and the Business System in the manner prescribed by SMARTSTYLE in writing. Any and all goodwill associated with the Marks and the Business System will inure exclusively to SMARTSTYLE'S benefit and, upon the expiration or termination of this Agreement, no monetary amount will be assigned as attributable to any goodwill associated with the FRANCHISEE'S use of the Marks or the Business System. The FRANCHISEE will at no time take any action whatsoever to contest the validity or ownership of the Marks and the goodwill associated therewith and will not allege any ownership in the Marks.

3.3 <u>ADVERSE CLAIMS</u>. If there is a claim by any party that its rights to the Marks are superior to those of SMARTSTYLE and if SMARTSTYLE'S legal counsel opines that such claim is legally meritorious, or if there is an adjudication by a Court of competent jurisdiction that any party's rights to the Marks are superior to those of SMARTSTYLE, then upon receiving written notice from SMARTSTYLE, the FRANCHISEE will, at its expense, immediately make all changes and amendments to the Marks as may be specified by SMARTSTYLE. If so specified, the FRANCHISEE will immediately cease using the Marks, and will, as soon as reasonably possible, commence using the new trademarks, trade names, service marks, logos and commercial symbols designated by SMARTSTYLE in writing. The FRANCHISEE will not make any changes or amendments whatsoever to the Marks or the Business System unless approved or specified in advance by SMARTSTYLE in writing.

3.4 <u>DEFENSE OR ENFORCEMENT OF RIGHTS TO MARKS</u>. The FRANCHISEE will have no right to and will not defend or enforce any rights associated with the licensed Marks or the Business System in any Court or other proceedings for or against imitation, infringement, prior use, or for any other claim or allegation. The FRANCHISEE will give SMARTSTYLE immediate written notice of any and all claims or complaints made against or associated with the licensed Marks or the Business System and will, without compensation for its time and at its expense, cooperate in all respects with SMARTSTYLE in any lawsuits or other proceedings involving the Marks or the Business System. SMARTSTYLE will have the sole and absolute right to determine whether it will commence or defend any litigation involving the Marks or the Business System, and the cost and expense of all litigation incurred by SMARTSTYLE, including attorneys' fees, specifically relating to the Marks or the Business System will be paid by SMARTSTYLE.

3.5 <u>FRANCHISEE'S RIGHT TO PARTICIPATE IN LITIGATION</u>. The FRANCHISEE may, at its expense, retain an attorney to represent it individually in all litigation and Court proceedings involving the Marks or the Business System, and will do so with respect to matters involving only the FRANCHISEE; however, SMARTSTYLE and its legal counsel will control and conduct all litigation involving the Marks, the Business System and the rights of SMARTSTYLE. Except as expressly provided for herein, SMARTSTYLE will have no liability to the FRANCHISEE for any costs that the FRANCHISEE may incur in any litigation, and the FRANCHISEE will pay for all costs, including attorneys' fees, that it may incur in any litigation or proceeding arising as a result of the matters referred to under this Article, unless it tenders the defense to SMARTSTYLE in a timely manner pursuant to and in accordance with Article 3.6.

3.6 <u>TENDER OF DEFENSE BY FRANCHISEE</u>. If the FRANCHISEE is named as a defendant or party in any action involving the Marks or the Business System and if the FRANCHISEE is named as a defendant or party solely because the plaintiff is alleging that the FRANCHISEE does not have the right to use the Marks or the Business System licensed by SMARTSTYLE to the FRANCHISEE at the Franchised Location pursuant to this Agreement, then the FRANCHISEE will have the right to tender the defense of the action to SMARTSTYLE and SMARTSTYLE will, at its expense, defend the FRANCHISEE in the action provided that the FRANCHISEE has tendered the defense of the action to SMARTSTYLE within seven (7) days after receiving service of the pleadings or Summons and Complaint relating to the action. SMARTSTYLE will indemnify and hold the FRANCHISEE harmless from any damages assessed against the FRANCHISEE in any actions resulting solely from the FRANCHISEE'S use of the Marks and the Business System at the Franchised Location if the FRANCHISEE has timely tendered the defense of the action to SMARTSTYLE.

ARTICLE 4
INITIAL FRANCHISE FEE; APPROVAL OF FRANCHISEE

4.1 AMOUNT OF INITIAL FRANCHISE FEE. The FRANCHISEE will pay SMARTSTYLE an Initial Franchise Fee of ____ Dollars ($__________), to be paid as indicated below (select one):

_______ A. ____ Dollars ($___________) of the Initial Fee will be due and payable on the date this Agreement is executed by the FRANCHISEE, and the remaining balance of the Initial Fee will be due and payable on the earlier of: (i) ten (10) days prior to the date the FRANCHISEE commences initial business operations at its Smartstyle Business; or (ii) on the date the FRANCHISEE'S furniture, fixtures and equipment are shipped to the FRANCHISEE.

_______ B. The entire amount of the Initial Fee will be due and payable on the date this Agreement is executed by the FRANCHISEE.

______ C. The Initial Fee has been pre-paid by the FRANCHISEE under a Development Agreement dated __________________. _____.

The Initial Franchise Fee payable by the FRANCHISEE is payment to SMARTSTYLE for costs incurred by SMARTSTYLE in operating its business, including general sales and administrative costs, business overhead costs, travel costs, long distance telephone calls, training, public relations, advertising, marketing and promotion, legal and accounting fees, compliance with federal and state franchising and other laws, and for the initial services and opening assistance rendered to the FRANCHISEE described in this Agreement. The Initial Fee is not refundable under any circumstances.

4.2 SMARTSTYLE'S RIGHT TO REJECT FRANCHISEE. SMARTSTYLE will have the absolute, sole and unilateral right to reject this Agreement or the FRANCHISEE if SMARTSTYLE determines that any financial, personal or other information provided by the FRANCHISEE to SMARTSTYLE is materially false, misleading, incomplete or inaccurate or the FRANCHISEE is not qualified or competent to properly operate the Smartstyle Business because such person has not successfully completed SMARTSTYLE'S training program or is deemed to be incapable of successfully completing SMARTSTYLE'S training program.

ARTICLE 5
CONTINUING FEES

5.1 CONTINUING FEES. In addition to the Initial Franchise Fee, the FRANCHISEE will, for the entire term of this Agreement, pay SMARTSTYLE weekly Continuing Fees equal to a percentage of the FRANCHISEE'S weekly Gross Revenues, as defined herein, which are received, billed or generated by, as a result of or from the FRANCHISEE'S Smartstyle Business. For the first (1^{st}) through the fifty-second (52^{nd}) weeks of the FRANCHISEE'S operation of its Smartstyle Business pursuant to this Agreement, the FRANCHISEE will pay SMARTSTYLE a weekly Continuing Fee equal to four percent (4%) of the FRANCHISEE'S Gross Revenues. For the fifty-third (53^{rd}) and each subsequent week of the FRANCHISEE'S operation of its Smartstyle Business for the balance of the remaining term of this Agreement, the FRANCHISEE will pay SMARTSTYLE a weekly Continuing Fee equal to the greater of five percent (5%) of the FRANCHISEE'S Gross Revenues or One Hundred Dollars ($100) per week. The Continuing Fees paid to SMARTSTYLE will not be refundable to the FRANCHISEE under any circumstances.

5.2 FRANCHISEE'S OBLIGATION TO PAY CONTINUING FEES. The Continuing Fees payable to SMARTSTYLE under this Article will be calculated and paid to SMARTSTYLE by the FRANCHISEE on a weekly basis during the entire term of this Agreement, and the FRANCHISEE'S failure to pay the weekly Continuing Fees to SMARTSTYLE will be a material breach of this Agreement. The FRANCHISEE'S obligation to pay SMARTSTYLE the weekly Continuing Fees under the terms of this Agreement will be absolute and unconditional and will remain in full force and effect until the term of this Agreement has expired. The FRANCHISEE will not have the right to "offset" and, as a consequence, the FRANCHISEE will timely pay all weekly Continuing Fees due SMARTSTYLE under this Agreement regardless of any claims or allegations of liability for damages or other payments that the FRANCHISEE may allege against SMARTSTYLE.

5.3 DATE PAYABLE. The weekly Continuing Fees payable by the FRANCHISEE must be paid to and received by SMARTSTYLE on or before the close of business on Wednesday of each week for the preceding week. The weekly Continuing Fees must be paid and submitted with the FRANCHISEE'S weekly report of Gross Revenues required under Article 19 of this Agreement.

5.4 INTEREST ON UNPAID CONTINUING FEES. If the FRANCHISEE fails to remit the weekly Continuing Fees due to SMARTSTYLE by Wednesday of each week for the previous week, as provided for in this Agreement, then the unpaid weekly Continuing Fees due to SMARTSTYLE will bear interest at the maximum legal rate allowable in the state in which the FRANCHISEE'S Smartstyle Business is located. In no event, however, will the rate of interest payable by the FRANCHISEE on the unpaid weekly Continuing Fees due SMARTSTYLE under this Article exceed eighteen percent (18%) per annum simple interest even if the laws of that state permit a higher annual interest rate plus an administrative fee of $100. If the FRANCHISEE does not submit a report of Gross Revenues pursuant to Article 19, then SMARTSTYLE will have the right to estimate the amount of the Continuing Fees payable by the FRANCHISEE, and the estimated unpaid weekly Continuing Fees will bear interest at the rate set forth above. The FRANCHISEE will pay SMARTSTYLE for any and all costs incurred by SMARTSTYLE in the collection of unpaid and past due Continuing Fee payments including, but not limited to, SMARTSTYLE'S actual attorneys' fees, deposition costs, expert witness fees, investigation costs, accounting fees, filing fees, and travel expenses.

ARTICLE 6
ADVERTISING

6.1 ADVERTISING FEES. The FRANCHISEE will, for the entire term of this Agreement, pay SMARTSTYLE weekly Advertising Fees equal to two percent (2.0%) of the FRANCHISEE'S weekly Gross Revenues for deposit in an advertising fund which will be administered and controlled exclusively by SMARTSTYLE. SMARTSTYLE shall have the right at any time to increase the weekly Advertising Fees payable by FRANCHISEE to up to 2.5% of FRANCHISEE's weekly Gross Revenues. Smartstyle businesses owned by SMARTSTYLE or its affiliates must spend the same percentage of their Gross Revenues on marketing, advertising, promotion, and related matters for the Smartstyle brand and/or Smartstyle businesses owned by SMARTSTYLE or its affiliates while such Smartstyle businesses are owned by SMARTSTYLE or its affiliates.. The FRANCHISEE'S failure to pay the Advertising Fees will be a material breach of this Agreement. SMARTSTYLE will have the right to use the advertising fund monies to purchase and pay for any services or products relating to advertising for Smartstyle Businesses, including the purchase of production materials, ad slicks, brochures, radio and television commercials, services provided by advertising agencies, market research and development costs, advertising and promotion, development and production (including all costs relating to media costs for television, radio, newspaper, direct mail and point-of-purchase advertising, and all costs of collateral materials required for such advertising), creative costs, product research costs, internet website costs, all costs and expenses incurred in administering the advertising fund (including, but not limited to, salaries, travel expenses, office supplies, and related general and administrative expenses), and all other costs relating to the advertising and promotion of Smartstyle Businesses. Without limiting the generality of the foregoing, in the event SMARTSTYLE determines to conduct a national promotion(s) for the Smartstyle brand, then SMARTSTYLE may use all Advertising Fees necessary to create and conduct such national promotion(s), including all associated media buys. In the event of such national promotion(s) by SMARTSTYLE, franchisees will incur additional costs for collateral and local advertising they conduct to the extent Advertising Fees are not available in the Advertising Fund due to their use for such national promotion(s). The use of the monies in the advertising fund and the administration of the advertising fund will be under the absolute direction and control of SMARTSTYLE. SMARTSTYLE will have the absolute right to determine the advertising agencies that will be retained, the type, content and frequency of the advertising, and all other matters pertaining to the expenditures made by SMARTSTYLE from the advertising fund. SMARTSTYLE will have no fiduciary duty to the FRANCHISEE with respect to collection or expenditure of the Advertising Fees, and any advertising fund will not be a trust or escrow account. SMARTSTYLE has no obligation to ensure expenditures are proportionate or equivalent to FRANCHISEE's contributions to the Advertising Fund, or are for the benefit of FRANCHISEE's market area or FRANCHISEE's Smartstyle Business(s), or that FRANCHISEE's (or any) Smartstyle Business will benefit directly or pro rata from SMARTSTYLE's expenditures from the Advertising Fund. Except as described above in this article 6.1, neither SMARTSTYLE, its affiliates, nor Smartstyle businesses owned by SMARTSTYLE or its affiliates have any obligation to contribute to the Advertising Fund or otherwise spend for advertising, marketing, promotion, or related matters. The Advertising Fees paid by the FRANCHISEE will not be refundable to the FRANCHISEE under any circumstances.

6.2 DATE PAYABLE; INTEREST ON UNPAID ADVERTISING FEES. The weekly Advertising Fees must be paid directly to and received by SMARTSTYLE on or before the close of business on Wednesday of each week for the preceding week. Any Advertising Fees not paid by the FRANCHISEE as required herein will bear interest at the maximum legal rate applicable in the state in which the FRANCHISEE'S Smartstyle Business is located. In no event, however, will the rate of interest payable by the FRANCHISEE on the unpaid balance due for Advertising Fees exceed eighteen percent (18%) per annum simple interest. If the FRANCHISEE does not submit a report of Gross Revenues pursuant to Article 19, then SMARTSTYLE will have the right to estimate the amount of the Advertising Fees payable by the FRANCHISEE, and the estimated unpaid weekly Advertising Fees will bear interest at the rate set forth above. The FRANCHISEE will pay SMARTSTYLE for any and all costs incurred by SMARTSTYLE in the collection of unpaid and past due Advertising Fee payments, including, but not limited to, SMARTSTYLE's actual attorneys' fees, deposition costs, expert witness fees, investigation costs, accounting fees, filing fees and travel expenses. SMARTSTYLE will have the right to collect unpaid Advertising Fees in its own name or on behalf of the advertising fund; however, all Advertising Fees collected will be deposited in the advertising fund.

6.3 YELLOW PAGES ADVERTISING. The FRANCHISEE may, at its expense, advertise continually in the Yellow Pages of the local telephone directories using trademark listings or display formats approved by SMARTSTYLE under an appropriate listing that is in compliance with the laws of the state in which the Franchised Location is located including, but not limited to, "Barbers" or "Beauty". However, there is no requirement for such advertising other than the free list provided by directory. Expenditures by the FRANCHISEE for Yellow Pages advertising may be applied to the advertising requirements set forth in Article 6.1 of this Agreement.

6.4 GRAND OPENING ADVERTISING. If the FRANCHISEE develops a new Smartstyle Business at the Franchised Location under this Agreement (rather than purchasing an existing company-owned Smartstyle store from SMARTSTYLE's affiliate), then the FRANCHISEE will be required to spend a minimum of Five Thousand Dollars ($5,000) to implement and conduct grand opening advertising, marketing, public relations and promotional programs for its Smartstyle Business which have been approved by SMARTSTYLE in writing.

ARTICLE 7
QUALITY CONTROL, UNIFORMITY AND STANDARDS REQUIRED OF THE FRANCHISEE

SMARTSTYLE will promulgate, from time to time, uniform standards of quality and service regarding the business operations of the FRANCHISEE'S Smartstyle Business so as to protect and maintain (for the benefit of all Smartstyle Franchisees and SMARTSTYLE) the distinction, valuable goodwill and uniformity represented and symbolized by the Marks and the Business System. Accordingly, to insure that all Smartstyle Franchisees will maintain the uniform requirements and quality standards for products and services associated with the Marks and the Business System, the FRANCHISEE agrees to maintain the uniformity and quality standards required by SMARTSTYLE for all products and services and agrees to comply with the provisions of this Article to assure the public that all Smartstyle businesses will be uniform in nature and will sell and dispense quality products and services:

7.1 IDENTIFICATION OF BUSINESS. The FRANCHISEE will operate its business so that it is clearly identified and advertised as a Smartstyle Business. However, the style and form of the words Smartstyle® in any advertising, marketing, public relations, telemarketing or promotional program must have the prior written approval of SMARTSTYLE and must conform to SMARTSTYLE'S standards and requirements for use of the Marks. The FRANCHISEE will use the name Smartstyle® and all graphics commonly associated with the Marks which now or hereafter may form a part of SMARTSTYLE'S Business System on all paper supplies, furnishings, advertising materials, signs, stationery, business cards and other articles in the identical combination and manner prescribed by SMARTSTYLE in writing. The FRANCHISEE will, at its expense, comply with all notices of registration required by SMARTSTYLE and will, at its expense, comply with any other trademark, trade name, service mark, copyright, patent or other notice marking requirements that are required by SMARTSTYLE or by applicable law.

7.2 IDENTIFICATION AS FRANCHISEE. The FRANCHISEE will not use the words Smartstyle® or any combination of these words in its corporate, partnership or sole proprietorship name. The FRANCHISEE will hold itself out to the public as an independent contractor operating its Smartstyle Business pursuant to a franchise from SMARTSTYLE. The FRANCHISEE will clearly indicate on its business checks, stationery, purchase orders, business cards, receipts, promotional materials and other written materials that the FRANCHISEE is a Smartstyle Franchisee. The FRANCHISEE will display a sign, to be provided by SMARTSTYLE, at the Franchised Location which is clearly visible to the general public indicating that the Business is independently owned and operated as a franchised business. The FRANCHISEE will file for a Certificate of Assumed Name in the manner required by law so as to notify the public that the FRANCHISEE is operating the franchised Smartstyle Business as an independent business pursuant to this Agreement.

7.3 SIGNS. The FRANCHISEE will display only the approved Smartstyle Sign (the "Sign") and will not use or display any other signs of any kind or nature without the express prior written approval of SMARTSTYLE.

7.4 ADVERTISING MATERIALS. The FRANCHISEE will use only approved advertising and promotional materials for the advertising and promotions conducted by the FRANCHISEE. The FRANCHISEE must obtain written approval from SMARTSTYLE prior to using any other advertising or promotional materials.

7.5 COMPLIANCE WITH STANDARD STORE LAYOUTS AND PLANS. The Franchised Location and the FRANCHISEE'S business premises must conform to SMARTSTYLE approved store layouts, floor plans, specifications, exterior and interior decorating designs and color schemes. The FRANCHISEE will not make any architectural, structural, design or decorating changes to the interior or exterior of the Franchised Location without SMARTSTYLE prior written approval. The FRANCHISEE will be solely responsible for ascertaining and ensuring that the Franchised Location and the business premises are constructed or remodeled according to SMARTSTYLE's then-current brand standards and all applicable local, state and federal laws, ordinances, statutes and building codes, including compliance with the Americans with Disabilities Act. The furniture, fixtures, supplies and equipment used in the Franchised Location must conform to the quality standards and uniform requirements established by SMARTSTYLE from time to time.

7.6 PERIODIC REMODELING. Every ten (10) years, the FRANCHISEE will be required to make the reasonable capital expenditures, not to exceed fifty thousand dollars ($50,000), necessary to remodel, modernize and redecorate the Franchised Location and the FRANCHISEE'S business premises, and to replace and modernize the FRANCHISEE'S furniture, fixtures, supplies and equipment so that the Franchised Location and the FRANCHISEE'S business premises will reflect the then-common image intended to be portrayed by SMARTSTYLE ("remodeling"), provided that during the initial term of this Agreement, the Franchisor may require Franchisee to spend $10,000 on remodeling by the end of the seventh year and the remaining $40,000 by the end of the tenth year. In addition, FRANCHISEE will be required to remodel as required by the master lease for the Franchised Location. All remodeling of the Franchised Location and the FRANCHISEE'S business premises must be done in accordance with the standards and specifications as prescribed by SMARTSTYLE from time to time and with the prior written approval of SMARTSTYLE. All replacements for the furniture, fixtures, supplies and equipment must conform to SMARTSTYLE'S then-current quality standards and must be approved by SMARTSTYLE in writing. The FRANCHISEE will begin remodeling the Franchised Location within three (3) months from the date that the FRANCHISEE must commence remodeling and will diligently complete such remodeling within a reasonable time after its commencement. Except as provided in Article 7.13 of this Agreement, and as may be required by the master lease for the Franchised Location hereunder, the FRANCHISEE will not be required to remodel the Franchised Location or to replace and modernize its furniture, fixtures, supplies and equipment more than once every ten (10) years during the term of this Agreement. In the event this Agreement is assigned by FRANCHISEE with SMARTSTYLE'S approval pursuant to Article 20.4, to a transferee FRANCHISEE, and at the date of such assignment, the Franchised Location is over seven (7) years old and has not been remodeled within the previous five (5) years, then SMARTSTYLE has the right and option to require the transferee FRANCHISEE to modernize the Franchised Location to meet SMARTSTYLE'S approval. The FRANCHISEE'S failure to comply with the requirements of this Article 7.6 will be a material breach of this Agreement. If the Franchised Location hereunder was an existing company-owned store purchased by FRANCHISEE from SMARTSTYLE or its affiliate, then within ninety (90) days of FRANCHISEE's acquisition of the Franchised Location, FRANCHISEE will be required to remodel to bring the Franchised Location up to SMARTSTYLE's current standards which costs will not exceed $50,000.

7.7 USE OF MARKS AND BUSINESS SYSTEM. The FRANCHISEE will use the Marks and the Business System in strict compliance with the quality standards, moral and ethical standards, operating procedures, specifications, requirements and instructions required by SMARTSTYLE, which may be amended and supplemented by SMARTSTYLE from time to time. The FRANCHISEE shall not maintain any website displaying the Smartstyle mark or any other Marks without the prior written consent of SMARTSTYLE, which SMARTSTYLE has the right to withhold.

7.8 PRODUCTS AND SERVICES. The FRANCHISEE will offer for sale all, but only those, products and services prescribed and approved by SMARTSTYLE in writing, at such minimum levels as may be established by SMARTSTYLE. The FRANCHISEE will conform to all customer service standards prescribed by SMARTSTYLE in writing. The FRANCHISEE will have the absolute right to sell all products and services at whatever prices and on whatever terms it deems appropriate. The FRANCHISEE will only sell the approved products and services to the FRANCHISEE'S retail customers at the Franchised Location and will not sell any products or services at retail or wholesale at or from any other location or through the Internet.

7.9 SMARTSTYLE IMAGE. The FRANCHISEE acknowledges that the image intended to be portrayed by SMARTSTYLE is that of a chain of hairstyling businesses that cater to cost conscious, value-minded customers who are seeking reasonably priced hair care services and products. Consequently, the FRANCHISEE will sell only those products that have been approved by SMARTSTYLE in advance in writing for use and/or resale in Smartstyle Businesses.

7.10 OPERATIONS MANUAL. SMARTSTYLE will provide the FRANCHISEE with one copy of SMARTSTYLE'S confidential Operations Manual (the "Manual") or make the Manual available to FRANCHISEE (e.g. via email or electronically by posting the Manual on the Internet) or by any other means. The FRANCHISEE will conform to the common image and identity created by the products and services associated with Smartstyle businesses which are portrayed and described by the Manual, and the FRANCHISEE will conform to all changes and modifications made to the Manual by SMARTSTYLE and provided to the FRANCHISEE that are deemed necessary by SMARTSTYLE to: (A) improve the standards of service and products offered for sale to the public under the Business System; (B) protect the goodwill associated with the Marks; (C) improve the operation of the FRANCHISEE'S Smartstyle Business; or (D) maintain the product and service consistency required by SMARTSTYLE. SMARTSTYLE reserves the right to revise the Manual at any time during the term of this Agreement. The Manual and all written supplements, changes and modifications to the Manual are confidential in all respects and are and will remain the sole and exclusive property of SMARTSTYLE. The FRANCHISEE will not use the Manual or any information contained therein in connection with the operation of any other business or for any purpose other than the operation of the FRANCHISEE'S Smartstyle Business.

7.11 POINT OF SALE AND BACK OFFICE SYSTEM AND DATA. FRANCHISEE must use the then current computerized point of sale cash register system and franchise back office system designated by SMARTSTYLE. The FRANCHISEE will purchase or rent the computerized point of sale cash register system and franchise back office hardware and software from SMARTSTYLE or its designee (which may include SMARTSTYLE's affiliates) in accordance with the then current rental and service agreements for such systems. SMARTSTYLE shall have the right from time to time to make changes, modifications, or additions to the standards, specifications and/or requirements for the computerized point of sale cash register system and/or the franchise back office software and other minimum point of sale and back office systems that may be used by existing franchisees. Any such changes, modifications or additions shall automatically be binding upon FRANCHISEE upon the giving of notice of same to FRANCHISEE by SMARTSTYLE. In addition, FRANCHISEE will provide SMARTSTYLE at all times with electronic access to any and all data information stored on its computerized point of sale system and back office system, including without limitation, individual customer data (e.g., names, addresses, emails, phone numbers), individual and collective sales transaction data, and all other financial, revenue, operational, expense, profit, and marketing data (but excluding all employee and employment related information) associated with the store ("Data"), which SMARTSTYLE, its parent and affiliates shall have the right to collect and use at any time, including on a daily and other basis without restriction. All Data is owned exclusively by SMARTSTYLE. There are no contractual limitations on SMARTSTYLE'S, its parents and affiliates rights to access and use Data.

7.12 APPROVED SUPPLIERS. The FRANCHISEE will purchase exclusively from SMARTSTYLE'S designated or approved suppliers (which may include SMARTSTYLE and its affiliates) all hair care products, goods, merchandise, and supplies, including, without limitation, all retail inventory, backbar and shop supplies (sometimes referred to in this Agreement as "goods and services") to be used or sold by the FRANCHISEE in conjunction with the operation of its Smartstyle Business. If the FRANCHISEE desires to purchase any goods and services from other suppliers, then, FRANCHISEE will submit samples, specifications, and information regarding the manufacturer, product, and/or service to SMARTSTYLE for review. SMARTSTYLE need not approve any other supplier, manufacturer, product, or service requested by FRANCHISEE. Any expenses incurred by SMARTSTYLE in evaluating unapproved products will be paid by the FRANCHISEE. The written approval of SMARTSTYLE must be obtained by the FRANCHISEE prior to the time that any previously unapproved goods and services are used or sold at the FRANCHISEE'S

Smartstyle Business, which SMARTSTYLE has the right to withhold. All such goods and services must be those classified as "professional" goods and services.

7.13 REPAIR AND MAINTENANCE. The FRANCHISEE will, at its expense, repair, paint and keep in a clean and sanitary condition the interior, the exterior and, where applicable, the grounds of the Franchised Location and the FRANCHISEE'S business premises, and will replace all floor coverings, wall coverings, light fixtures, curtains, blinds, shades, furniture, room furnishings, wall hangings, fixtures and other decor items as such items become worn-out, soiled or are in disrepair. All equipment will be kept in good working order by the FRANCHISEE at all times and will meet SMARTSTYLE'S quality standards. All replacement equipment must comply with SMARTSTYLE'S then-current standards and specifications.

7.14 COMPLIANCE WITH APPLICABLE LAWS. The FRANCHISEE will, at its expense, comply with all applicable federal, state, city, local and municipal laws, ordinances, rules and regulations pertaining to the operation of the FRANCHISEE'S Business, including all laws relating to employees and to the regulation of barbers and cosmetologists and all applicable federal and state environmental laws. The FRANCHISEE will, at its expense, be absolutely and exclusively responsible for determining the licenses and permits required by law for the FRANCHISEE'S Business, for qualifying for and obtaining all such licenses and permits, and for maintaining all such licenses and permits in full force and effect. The FRANCHISEE has had an opportunity to obtain legal advice regarding, and currently complies with, all applicable legal requirements that prohibit unfair, fraudulent or corrupt business practices, including U.S. and other legal requirements that are designed to combat terrorism and terrorist activities. In addition, neither the FRANCHISEE nor any holder of an ownership interest in the FRANCHISEE is named as a 'specially designated national" or "blocked person" as designated by the United States Department of the Treasury's Office of Foreign Assets control under the U.S. PATRIOT Act.

7.15 PAYMENT OF OBLIGATIONS. The FRANCHISEE must timely pay all of its noncontested and liquidated obligations and liabilities due and payable to SMARTSTYLE, and to suppliers, lessors and creditors of the FRANCHISEE. The FRANCHISEE'S failure to timely pay all such obligations will be a material breach of this Agreement.

7.16 PAYMENT OF TAXES. The FRANCHISEE will be absolutely and exclusively responsible and liable for filing all required tax returns and for the prompt payment of all federal, state, city and local taxes including, but not limited to, individual and corporate income taxes sales and use taxes, franchise taxes, gross receipts taxes, employee withholding taxes, F.I.C.A. taxes and personal property and real estate taxes payable in connection with the FRANCHISEE'S Business. SMARTSTYLE will have no liability for these or any other taxes and the FRANCHISEE will indemnify SMARTSTYLE for any such taxes that may be assessed or levied against SMARTSTYLE which arise or result from the FRANCHISEE'S Smartstyle Business. It is expressly understood and agreed by the Personal Guarantors to this Agreement that their personal guaranty applies to the prompt filing of all returns and the prompt payment of all taxes which arise or result from the FRANCHISEE'S Smartstyle Business.

7.17 REIMBURSEMENT OF SMARTSTYLE FOR TAXES. In the event any "franchise" or other tax (other than income taxes) which is based upon the Gross Revenues, receipts, sales, business activities or operation of the FRANCHISEE'S Business or any payments by the FRANCHISEE to SMARTSTYLE (including without limitation, Continuing Fees) is imposed upon SMARTSTYLE by any taxing authority, then the FRANCHISEE will reimburse SMARTSTYLE in an amount equal to the amount of such taxes and related costs imposed upon and paid by SMARTSTYLE. The FRANCHISEE will be notified in writing when SMARTSTYLE is entitled to reimbursement for the payment of such taxes and, in that event, the FRANCHISEE will pay SMARTSTYLE the amount specified in the written notice within ten (10) days of receipt of the written notice.

7.18 BUSINESS HOURS; PERSONNEL. The FRANCHISEE'S Smartstyle Business will be open for business on such days and for such hours as SMARTSTYLE may designate. The FRANCHISEE will, during business hours, have a salon manager on duty who is responsible for supervising the employees and the business operations of the FRANCHISEE'S Business. The FRANCHISEE will have a sufficient number of adequately trained and competent personnel on duty at all times to guarantee efficient service to the FRANCHISEE'S customers. The FRANCHISEE will require its employees to wear the standard attire or uniforms approved by SMARTSTYLE. All persons employed by the FRANCHISEE must practice good personal hygiene and must wear clean and neat attire or uniforms.

7.19 SMARTSTYLE'S INSPECTION RIGHTS. SMARTSTYLE will have the absolute right to inspect and take photographs and videotapes of the interior and exterior of the Franchised Location at all reasonable times during business hours, to interview the FRANCHISEE'S employees, to examine representative samples of all goods and equipment sold or used at the FRANCHISEE'S Smartstyle Business, and to evaluate the quality of the services provided by the FRANCHISEE to its customers. SMARTSTYLE will have the right to use all photographs and videotapes of the FRANCHISEE'S Smartstyle Business for such purposes as SMARTSTYLE deems appropriate including, but not limited to, use in advertising, marketing and promotional materials, and as evidence in any court or arbitration proceeding. The FRANCHISEE will not be entitled to, and hereby expressly waives, any right that it may have to be compensated by SMARTSTYLE, its advertising agencies or any other Smartstyle franchisees for the use of such photographs or videotapes for advertising, marketing, promotional or litigation purposes.

7.20 SECURITY INTEREST. This Agreement and the franchise granted to the FRANCHISEE hereunder may not be the subject of a security interest, lien, levy, attachment or execution by the FRANCHISEE'S creditors or any financial institution, except with the prior written approval of SMARTSTYLE.

7.21 CREDIT CARDS. The FRANCHISEE will honor all credit cards approved by SMARTSTYLE. The FRANCHISEE must obtain the written approval of SMARTSTYLE prior to honoring any previously unapproved credit cards or other credit devices.

7.22 DEFAULT NOTICES. The FRANCHISEE will immediately deliver to SMARTSTYLE a copy of any notice of default received from any landlord for the Franchised Location or from any mortgagee, trustee under any deed of trust or lessor with respect to the FRANCHISEE'S Smartstyle Business, and copies of all notifications of any lawsuits, contract breaches, consumer claims, federal or state administrative or agency proceedings or investigations, or other civil or governmental claims, actions or proceedings relating to the FRANCHISEE'S Smartstyle Business. Upon request from SMARTSTYLE, the FRANCHISEE will provide additional information as may be required by SMARTSTYLE regarding the alleged default, lawsuit, claim or proceeding or any subsequent action or proceeding in connection with the alleged default, lawsuit, claim or proceeding.

7.23 SALE OF CAPITAL STOCK TO PUBLIC. If the FRANCHISEE is a corporation and desires to sell any part of its authorized capital stock to the public, then the FRANCHISEE will provide SMARTSTYLE with a copy of the proposed offering circular or prospectus for its review prior to the time that the offering circular or prospectus is filed with any state securities commission or the Securities and Exchange Commission. The shareholders of the FRANCHISEE who owned the capital stock of the FRANCHISEE prior to the public offering will, at all times, retain at least a fifty-one percent (51%) ownership of the issued and outstanding shares of stock of the FRANCHISEE. SMARTSTYLE will have the right to attend all "due diligence" meetings held in preparation for the offer to sell the FRANCHISEE'S capital stock to the public, and the FRANCHISEE will give SMARTSTYLE at least five (5) business days prior written notice of such meetings. The FRANCHISEE will not offer its capital stock by use of the name Smartstyle® or any name deceptively similar thereto. The FRANCHISEE will not have the right to sell any of its capital stock to the public or to any other person or entity until the FRANCHISEE has complied in all respects with all applicable provisions of this Agreement, including the applicable provisions of Articles 13 and 20.

7.24 OPERATION OF SMARTSTYLE BUSINESS. The FRANCHISEE will be totally and solely responsible for the operation of its Smartstyle Business, and will control, supervise and manage all the employees, agents and independent contractors who work for or with the FRANCHISEE. The FRANCHISEE will be responsible for the acts of its employees, agents and independent contractors, and will take all reasonable business actions necessary to ensure that its employees, agents and independent contractors comply with all federal, state and local laws, rules and regulations including, but not limited to, all employment laws, discrimination laws, sexual harassment laws and laws relating to the disabled. SMARTSTYLE will not have any right, obligation or responsibility to control, supervise or manage the FRANCHISEE'S employees, agents or independent contractors. The FRANCHISEE shall not operate, directly or indirectly, nor allow the operation of, any other business within or in connection with the Franchised Location, including the rental of salon chairs or booths to anyone.

7.25 PARTICIPATION IN CERTAIN PROGRAMS AND PROMOTIONS. The FRANCHISEE must honor all terms and conditions of any customer relations, warranty, promotional, discount, gift certificate, gift card, complimentary pass or similar programs established by SMARTSTYLE for the Smartstyle franchise system and is responsible for buying any required equipment, software or materials and paying any fees and costs associated with its participation in such program. FRANCHISEE is also responsible for compliance with any laws applicable to abandoned property and escheat. In addition, the FRANCHISEE must participate in any system-wide program developed by SMARTSTYLE to build brand awareness and promote customer loyalty for the Smartstyle franchise system and pay any costs associated with its participation in such program.

7.26 USE OF INTERNET. The FRANCHISEE'S conduct on the Internet, including without limitation, its use of the Marks on the Internet and in domain names for the Internet, is subject to the provisions of this Agreement. SMARTSTYLE reserves the right to establish and modify, from time to time, rules which will govern the FRANCHISEE'S conduct and use of the Internet in connection with the FRANCHISEE'S Smartstyle Business, and the FRANCHISEE agrees to abide by such rules. The FRANCHISEE'S right to use the Marks and the Business System on the Internet will terminate when this Agreement terminates or expires.

ARTICLE 8
CONFIDENTIAL OPERATIONS MANUAL AND OTHER INFORMATION

8.1 COMPLIANCE WITH MANUAL. In order to protect the reputation and goodwill of SMARTSTYLE and to maintain uniform operating standards under the Marks and the Business System, the FRANCHISEE will at all times during the term of this Agreement conduct its Business in accordance with SMARTSTYLE'S confidential Operations Manual (the "Manual"). The FRANCHISEE shall receive as a loan or be given electronic access to one copy of the Manual from SMARTSTYLE.

8.2 CONFIDENTIALITY OF MANUAL. The FRANCHISEE must, at all times during the term of this Agreement and thereafter, treat the Manual, any other manuals created for or approved for use in the operation of the FRANCHISEE'S Smartstyle Business, and the information contained therein as secret and confidential, and the FRANCHISEE will use all reasonable means to keep such information secret and confidential. Neither the FRANCHISEE nor its employees will make any copy, duplication, record or reproduction of the Manual, or any portion thereof, available to any unauthorized person.

8.3 REVISIONS TO MANUAL. The Manual will, at all times during the term of this Agreement and thereafter, remain the sole and absolute property of SMARTSTYLE. SMARTSTYLE may from time to time revise the Manual and the FRANCHISEE expressly agrees to operate its Smartstyle Business in accordance with all such revisions. The FRANCHISEE will at all times keep its copy of the Manual current and up-to-date, and in the event of any dispute, the terms of the master copy of the Manual maintained by SMARTSTYLE will be controlling in all respects.

8.4 OTHER CONFIDENTIAL INFORMATION. The FRANCHISEE expressly acknowledges and agrees that SMARTSTYLE will be disclosing and providing to the FRANCHISEE certain confidential and proprietary information concerning the Business System and the procedures, technology, operations and data used in connection with the Business System. Accordingly, the FRANCHISEE will not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how concerning the methods of operation of a Smartstyle business which may be communicated to the FRANCHISEE, or of which the FRANCHISEE may be apprised, by virtue of this Agreement. The FRANCHISEE will divulge such confidential information only to its employees who must have access to it in order to operate the FRANCHISEE'S Smartstyle Business. Any and all information, knowledge and know-how including, without limitation, vendor and supplier lists, customer lists, drawings, materials, equipment, technology, methods, procedures, specifications, techniques, computer programs, systems and other data which SMARTSTYLE designates as confidential or proprietary will be deemed confidential and proprietary for the purposes of this Agreement. If FRANCHISEE is also a franchisee of any other brand of SMARTSTYLE or its subsidiaries or affiliates, FRANCHISEE shall not use or disclose information of one brand in connection with the operation of any other brand.

8.6 REMEDIES. The FRANCHISEE recognizes that the provisions contained in this Article are necessary for the protection of SMARTSTYLE and all of the franchisees who own Smartstyle businesses. If the FRANCHISEE (including its employees and agents) violates any provisions of this Article, then SMARTSTYLE will have the right to: (A) terminate this Agreement (as provided for herein); (B) seek injunctive relief from a Court of competent jurisdiction; (C) commence an action or lawsuit against the FRANCHISEE for damages; and (D) enforce all other remedies against the FRANCHISEE that are available to SMARTSTYLE under common law, in equity, and pursuant to any federal and state statutes in an action or lawsuit against the FRANCHISEE.

ARTICLE 9
SMARTSTYLE'S TERMINATION RIGHTS

9.1 GROUNDS FOR TERMINATION. In addition to the other rights of termination contained in this Agreement, including Articles 9.5 and 9.6 below, SMARTSTYLE will have the right and privilege to terminate this Agreement if: (A)the FRANCHISEE violates any material provision, term or condition of this Agreement including, but not limited to, failure to timely pay the Initial Fee or any Continuing Fees, Advertising Fees, monetary obligations or other fees to SMARTSTYLE; (B) the FRANCHISEE fails to conform to the Business System, the standards of uniformity and quality for the goods and services or the policies and procedures promulgated by SMARTSTYLE in connection with the Business System, or is involved in any act or conduct which materially impairs the goodwill associated with the Marks or the Business System; (C) the FRANCHISEE fails to timely pay any of its uncontested obligations or liabilities due and owing to SMARTSTYLE, suppliers, banks, purveyors, other creditors or any federal, state or municipal government (including, if applicable, federal and state taxes); (D) the FRANCHISEE is determined to be insolvent within the meaning of any state or federal law, files for bankruptcy or is adjudicated a bankrupt under any state or federal law; (E) the FRANCHISEE makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors; (F) any check issued by the FRANCHISEE is dishonored because of insufficient funds (except where the check is dishonored because of a bookkeeping or accounting error) or closed accounts; (G) the FRANCHISEE fails to finance or purchase and pay for the leasehold improvements, furniture, fixtures, supplies and equipment required for its Smartstyle Business prior to the opening of the FRANCHISEE'S Business; or (H) diverts, at any time, any business, or any of the products from the Franchise, including the sale of any hair care product to a non end user consumer from the Franchised location or the sale of hair care products through other distribution channels (including the Internet).

9.2 NOTICE OF BREACH. Except as provided for in Article 9.5 and Article 9.6 of this Agreement, SMARTSTYLE will not have the right to terminate this Agreement unless and until written notice setting forth the alleged breach in detail has been given to the FRANCHISEE by SMARTSTYLE and, after having been given such written notice of breach, the FRANCHISEE fails to correct the alleged breach within the period of time specified by applicable law. If applicable law does not specify a time period to correct an alleged breach, then the FRANCHISEE will have thirty (30) days after having been given such written notice to correct the alleged breach. If the FRANCHISEE fails to correct the alleged breach set forth in the written notice within the applicable period of time, then this Agreement may be terminated by SMARTSTYLE as provided for in this Agreement. For the purposes of this Agreement, an alleged breach of this Agreement by the FRANCHISEE will be deemed to be "corrected" if both SMARTSTYLE and the FRANCHISEE agree in writing that the alleged breach has been corrected.

9.3 ARBITRATION. If the FRANCHISEE gives notice of Arbitration, as provided for in this Agreement, within the time period established in Article 9.2 for correcting the alleged breach, then SMARTSTYLE will not have the right to terminate this Agreement until the facts of the alleged breach have been submitted to arbitration as provided for herein, the Arbitrator determines that the FRANCHISEE has breached this Agreement and the FRANCHISEE fails to correct the breach within the applicable time period. If the Arbitrator determines that the FRANCHISEE has breached this Agreement as alleged by SMARTSTYLE in the written notice given to the FRANCHISEE, then the FRANCHISEE will have thirty (30) days from the date the Arbitrator issues a written determination on the matter to correct the specified breach or violation of this Agreement, except where applicable law requires a longer cure period in which event the cure period specified by applicable law will apply. If the FRANCHISEE timely corrects the specified breach of this Agreement, then this Agreement will remain in full force and effect. For the purposes of this Agreement, any controversy or dispute on the issue of whether the FRANCHISEE has timely corrected the specified breach of this Agreement will also be subject to arbitration as provided for herein. The time limitations set forth in this Article within which the FRANCHISEE may demand arbitration of a dispute or controversy relating to the right of SMARTSTYLE to terminate this Agreement for an alleged breach will be mandatory. If the FRANCHISEE fails to comply with the time limitations set forth in this Article, SMARTSTYLE may terminate this Agreement as provided for herein.

9.4 NOTICE OF TERMINATION. If SMARTSTYLE has complied with the notice provisions of this Article and the FRANCHISEE has not corrected the alleged breach set forth in the written notice within the time period specified in this Article, then SMARTSTYLE will have the absolute right to terminate this Agreement by giving the FRANCHISEE written notice stating to the FRANCHISEE that this Agreement is terminated, and in that event, unless applicable law provides to the contrary, the effective date of termination of this Agreement will be the day such written notice is given.

9.5 GROUNDS FOR IMMEDIATE TERMINATION. SMARTSTYLE will have the absolute right and privilege, unless prohibited by applicable law, to immediately terminate this Agreement if: (A) the FRANCHISEE fails to open and commence operations of its Smartstyle Business within the time period required by the master lease; (B) the FRANCHISEE breaches any material term of FRANCHISEE's sublease or the sublease or master lease for the Franchised Location is terminated or canceled or expires; (C) the FRANCHISEE loses possession or is evicted from the Franchised Location; (D) the FRANCHISEE or any of its partners, directors, officers or majority stockholders is convicted of, or pleads guilty or no contest to, a charge of violating any law relating to the FRANCHISEE'S Smartstyle Business, or any felony; (E) the FRANCHISEE or its owners make any material misrepresentations or omissions to SMARTSTYLE in connection with the franchise; (F) the FRANCHISEE voluntarily or otherwise abandons, as defined herein, the FRANCHISEE'S Smartstyle Business; (G) the FRANCHISEE is involved in any act or conduct which materially impairs the goodwill associated with SMARTSTYLE'S Marks or Business System, and the FRANCHISEE fails to correct such act or conduct within twenty-four (24) hours of receipt of written notice from SMARTSTYLE; (H) the FRANCHISEE fails or refuses to produce its books and financial records for audit by SMARTSTYLE in accordance with Article 19.4; or (I) SMARTSTYLE has sent a notice of termination under another franchise agreement (for a Smartstyle store or any other brand store) between FRANCHISEE (or any of its affiliates) and SMARTSTYLE, regardless of the reason for such termination, or FRANCHISEE (or any of its affiliates) has terminated another franchise agreement with SMARTSTYLE without cause.

9.6 NOTICE OF IMMEDIATE TERMINATION. If this Agreement is terminated by SMARTSTYLE pursuant to Article 9.5 above, SMARTSTYLE will give the FRANCHISEE written notice that this Agreement is terminated, and in that event, unless applicable law provides to the contrary, the effective date of termination of this Agreement will be the day such written notice is given.

9.7 DAMAGES. In the event this Agreement is terminated by SMARTSTYLE pursuant to Article 9, or if the FRANCHISEE breaches this Agreement by a wrongful termination or a termination that is not in accordance with the terms and conditions of Article 10 of this Agreement, then SMARTSTYLE will be entitled to seek recovery from the FRANCHISEE for all of the damages that SMARTSTYLE has sustained and will sustain in the future as a result of the FRANCHISEE'S breach of this Agreement, which will include damages based upon the Continuing Fees, and other fees that would have been payable by the FRANCHISEE for the remaining term of this Agreement.

9.8 OTHER REMEDIES. Nothing in this Article or this Agreement will preclude SMARTSTYLE from seeking other damages or remedies under common law, state or federal laws or this Agreement against the FRANCHISEE including, but not limited to, attorneys' fees, punitive damages and injunctive relief. A breach by FRANCHISEE of this Agreement shall be deemed a breach of any sublease between FRANCHISEE and SMARTSTYLE or any of its subsidiaries or affiliates. A breach of any sublease between FRANCHISEE and SMARTSTYLE or any of its subsidiaries or affiliates shall be deemed a breach of this Agreement.

ARTICLE 10
FRANCHISEE'S TERMINATION RIGHTS

10.1 GROUNDS FOR TERMINATION. The FRANCHISEE will have the right and privilege to terminate this Agreement, as provided for herein, if: (A) SMARTSTYLE violates any material provision, term or condition of this Agreement; (B) SMARTSTYLE fails to timely pay any material obligations due and owing to the FRANCHISEE; or (C) SMARTSTYLE makes an assignment of its assets for the benefit of creditors.

10.2 NOTICE OF BREACH. The FRANCHISEE will not have the right to terminate this Agreement or to commence any arbitration proceeding, action or lawsuit against SMARTSTYLE for breach of this Agreement, injunctive relief, violation of any federal, state or local law, violation of common law (including allegations of fraud and misrepresentation), rescission, general or punitive damages, or termination, unless and until written notice setting forth the alleged breach or violation in detail has been given to SMARTSTYLE by the FRANCHISEE and SMARTSTYLE fails to commence the actions necessary to correct the alleged breach or violation within thirty (30) days after having been given such written notice, or to correct the alleged breach within one hundred twenty (120) days after having been given such written notice. If SMARTSTYLE fails to commence the actions necessary to correct the alleged breach or violation as provided herein within thirty (30) days after having been given such written notice, or to correct the alleged breach within one hundred twenty (120) days after having been given such written notice, then this Agreement may be terminated by the FRANCHISEE as provided for in this Agreement. For the purposes of this Agreement, an alleged breach of this Agreement by SMARTSTYLE will be deemed to be "corrected" if both SMARTSTYLE and the FRANCHISEE agree in writing that the alleged breach or violation has been corrected.

10.3 ARBITRATION. If SMARTSTYLE gives notice of arbitration, as provided for in this Agreement, within thirty (30) days from the date SMARTSTYLE was given written notice of the alleged breach from the FRANCHISEE, then the FRANCHISEE will not have the right to terminate this Agreement until the facts of the alleged breach have been submitted to arbitration, the Arbitrator determines that SMARTSTYLE has breached this Agreement and SMARTSTYLE fails to correct the breach within the time limitation set forth herein. If the Arbitrator determines that SMARTSTYLE breached this Agreement as alleged by the

FRANCHISEE in the written notice given to SMARTSTYLE, then SMARTSTYLE will have thirty (30) days from the date the Arbitrator issues a written determination on the matter to correct the specified breach of this Agreement. If SMARTSTYLE timely corrects the specified breach of this Agreement, then this Agreement will remain in full force and effect. If SMARTSTYLE does not correct the specified breach of this Agreement, then the FRANCHISEE will have the right to terminate this Agreement by giving SMARTSTYLE written notice that this Agreement is terminated and, in that event, the effective date of termination of this Agreement will be the day the written notice of termination is given to SMARTSTYLE. For the purposes of this Agreement, any controversy or dispute on the issue of whether SMARTSTYLE has timely corrected the specified breach of this Agreement will also be subject to arbitration as provided for herein. The time limitation set forth in this Article within which SMARTSTYLE may demand arbitration of a dispute or controversy relating to the right of the FRANCHISEE to terminate this Agreement for an alleged breach will be mandatory. If SMARTSTYLE fails to comply with the time limitation set forth in this Article, then the FRANCHISEE may terminate this Agreement as provided for herein.

10.4 WAIVER. The FRANCHISEE must give SMARTSTYLE immediate written notice of an alleged breach or violation of this Agreement after the FRANCHISEE has knowledge of, determines or is of the opinion that there has been an alleged breach or violation of this Agreement by SMARTSTYLE. If the FRANCHISEE fails to give written notice to SMARTSTYLE as provided for herein of an alleged breach or violation of this Agreement within one (1) year from the date that the FRANCHISEE has knowledge of, determines, is of the opinion that, or becomes aware of facts and circumstances reasonably indicating that the FRANCHISEE may have a claim under any state law, federal law or common law because there has been an alleged breach by SMARTSTYLE, then the alleged breach or violation will be deemed to be condoned, approved and waived by the FRANCHISEE, the alleged breach or violation will not be deemed to be a breach or violation of this Agreement by SMARTSTYLE, and the FRANCHISEE will be barred from commencing any legal or other action against SMARTSTYLE for that alleged breach or violation.

10.5 INJUNCTIVE RELIEF AVAILABLE TO SMARTSTYLE. Notwithstanding any of the foregoing provisions, if the FRANCHISEE gives SMARTSTYLE written notice of an alleged breach or violation of this Agreement, or of any laws that give rise to a claim that the FRANCHISEE has the right to terminate this Agreement, then SMARTSTYLE will have the absolute right to immediately commence legal action against the FRANCHISEE to enjoin and prevent the termination of this Agreement without giving the FRANCHISEE any notice and without regard to any waiting period that may be contained in this Agreement. If SMARTSTYLE commences such legal action against the FRANCHISEE, then the FRANCHISEE will not have the right to terminate this Agreement as provided for herein unless and until it has been determined that SMARTSTYLE has breached this Agreement in the manner alleged by the FRANCHISEE, and then only if SMARTSTYLE fails to commence the actions necessary to correct the breach or violation within thirty (30) days after a final decision has been entered against SMARTSTYLE and all time for appeals by SMARTSTYLE has expired. If SMARTSTYLE commences any legal action against the FRANCHISEE as contemplated by this provision, which will include actions for injunctive relief against the FRANCHISEE to enjoin termination of this Agreement, then unless applicable law provides to the contrary, SMARTSTYLE will not be required to post any bond or security whatever in such legal action.

ARTICLE 11
FRANCHISEE'S OBLIGATIONS UPON TERMINATION OR EXPIRATION

11.1 OBLIGATIONS UPON TERMINATION. In the event this Agreement expires or is terminated for any reason, then the FRANCHISEE will: (A) within five (5) days after termination, pay all Continuing Fees and other amounts due and owing to SMARTSTYLE under this Agreement or any other contract, promissory note or other obligation payable by the FRANCHISEE to SMARTSTYLE; (B) return to SMARTSTYLE by first class prepaid United States mail all Manuals, advertising materials and all other printed materials pertaining to the FRANCHISEE'S Smartstyle Business; and (C) comply with all other applicable provisions of this Agreement.

11.2 TERMINATION OF RIGHT TO USE MARKS. Upon expiration or termination of this Agreement for any reason, the FRANCHISEE'S right to use the name Smartstyle®, the other Marks and the Business System will terminate immediately.

11.3 ALTERATION OF FRANCHISED LOCATION. If this Agreement expires or is terminated for any reason or if the Franchised Location ever ceases to be used as a Smartstyle Business, then the FRANCHISEE will, at its expense, alter, modify and change both the exterior and interior appearance of the Franchised Location so that it will be easily distinguished from the standard appearance of a Smartstyle business. At a minimum, such changes and modifications to the Franchised Location will include: (A) repainting and, where applicable, recovering both the exterior and interior of the Franchised Location with totally different colors, including removing any distinctive colors and designs from the walls; (B) removing all fixtures and other decor items and replacing them with other decor items not of the general type and appearance customarily used only in Smartstyle businesses; (C) removing all exterior and interior Smartstyle signs; (D) immediately discontinuing use of the approved wall decor items and window decals; and (E) refraining from using any names, slogans, designs, decor items, colors or other items which may be confusingly similar to those customarily used only in Smartstyle businesses.

11.4 TRANSFER OF TELEPHONE DIRECTORY LISTINGS. Upon termination or expiration of this Agreement, FRANCHISEE shall immediately notify the telephone company and/or any other applicable local carrier and all listing agencies of the termination or expiration of its right to use all telephone numbers and all classified and other directory listings for the FRANCHISEE'S Smartstyle Business or otherwise placed under the name Smartstyle®, and shall direct the telephone company and/or any other applicable local carrier and all listing agencies to transfer to SMARTSTYLE or its assignee all telephone numbers and directory listings for the FRANCHISEE'S Smartstyle Business. The FRANCHISEE acknowledges that SMARTSTYLE has the absolute right and interest in and to all telephone numbers and directory listings associated with the Marks, and the FRANCHISEE shall immediately direct the telephone company and/or any other applicable local carrier and all listing agencies to transfer all of the FRANCHISEE'S telephone numbers and directory listings to SMARTSTYLE or its assignee and to perform all acts necessary to accomplish such transfers and provide SMARTSTYLE with written evidence that such transfers have been required and accomplished if this Agreement expires or is terminated for any reason whatever. The telephone company and/or any other applicable local carrier and all listing agencies will accept this Agreement as evidence of the exclusive rights of SMARTSTYLE to such telephone numbers and directory listings. This Agreement will constitute the FRANCHISEE'S authorization for the telephone company and/or applicable local carrier and listing agencies to transfer the telephone numbers and directory listings for the FRANCHISEE'S Smartstyle Business to SMARTSTYLE, and will constitute a release of the telephone company, local carrier and listing agencies by the FRANCHISEE from any and all claims, actions and damages that the FRANCHISEE may at any time have the right to allege against them in connection with this Article 11.

ARTICLE 12
FRANCHISEE'S COVENANTS NOT TO COMPETE

12.1 CONSIDERATION. The FRANCHISEE, the FRANCHISEE'S shareholders and the Personal Guarantors acknowledge that the FRANCHISEE, its partners or officers, and its employees will receive specialized training, current and future marketing and advertising plans, business plans and strategies, business information and procedures, research and development information, operations information, and trade and business secrets from SMARTSTYLE pertaining to the Business System of a Smartstyle business. In consideration for the use and license of such valuable and confidential information, the FRANCHISEE, the FRANCHISEE'S shareholders and the Personal Guarantors will comply in all respects with the provisions of this Article. SMARTSTYLE has advised the FRANCHISEE that this provision is a material provision of this Agreement.

12.2 IN-TERM COVENANT NOT TO COMPETE. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors will not, during the term of this Agreement, on their own account or as an employee, agent, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership, limited liability company or corporation own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any hairstyling, barber or other business that is in any way competitive with (including, but not limited to, over the Internet) or similar to the Smartstyle businesses operated by SMARTSTYLE (or its affiliates) or SMARTSTYLE'S franchisees, except other salons franchised to FRANCHISEE by SMARTSTYLE or its subsidiaries or affiliates.

12.3 POST-TERM COVENANT NOT TO COMPETE. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors will not, for a period of two (2) years after the termination or expiration of this Agreement, on their own account or as an employee, agent, consultant, partner, member, officer, director or shareholder of any other person, firm, entity, partnership, limited liability company, or corporation own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any hairstyling, barber or other business that is in any way competitive with (including, but not limited to, over the Internet) or similar to the Smartstyle businesses conducted by SMARTSTYLE or SMARTSTYLE'S franchisees, which is located within six (6) miles of either the Franchised Location or any other Smartstyle businesses operated by SMARTSTYLE or any of SMARTSTYLE'S franchisees, which is conducted on the Internet or which is located within any development area granted by SMARTSTYLE or any affiliate or area developer of SMARTSTYLE pursuant to any franchise, development, license or other territorial agreement. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors expressly agree that the two (2) year period, the Internet and the six (6) mile limit are the reasonable and necessary time and distances required to protect SMARTSTYLE and SMARTSTYLE'S franchisees if this Agreement expires or is terminated for any reason, and that this covenant not to compete is necessary to permit SMARTSTYLE the opportunity to resell and/or develop a new Smartstyle business at or in the area near the Franchised Location. This post-term non-compete shall not apply to other salons franchised to FRANCHISEE by SMARTSTYLE, its subsidiaries or affiliates.

12.4 INJUNCTIVE RELIEF. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors agree that the provisions of this Article are necessary to protect the legitimate business interests of SMARTSTYLE and SMARTSTYLE'S franchisees, including, without limitation, preventing damage to and/or loss of goodwill associated with the Marks, preventing the unauthorized dissemination of marketing, promotional and other confidential information to competitors of SMARTSTYLE and SMARTSTYLE'S franchisees, protection of SMARTSTYLE'S trade secrets and the integrity of SMARTSTYLE'S Business System and preventing duplication of the Business System. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors acknowledge that damages alone cannot adequately compensate SMARTSTYLE if there is a violation of this Article by the FRANCHISEE and that injunctive relief against the FRANCHISEE is essential for the protection of SMARTSTYLE and SMARTSTYLE franchisees. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors agree therefore, that if SMARTSTYLE alleges that the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members or the Personal Guarantors have breached or violated this Article, then SMARTSTYLE will have the right to petition a Court of competent jurisdiction for injunctive relief against the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members or the Personal Guarantors, in addition to all other remedies that may be available to SMARTSTYLE at law or in equity. Unless provided to the contrary by applicable law, SMARTSTYLE will not be required to post a bond or other security prior to obtaining injunctive relief pursuant to this Agreement in any action where SMARTSTYLE is seeking to enjoin the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members or the Personal Guarantors from violating the provisions of this Article. In cases where SMARTSTYLE is granted ex parte injunctive relief against the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members or the Personal Guarantors, then the

FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors will have the right to petition the Court for a hearing on the merits at the earliest time convenient to the Court.

12.5 SEVERABILITY. It is the desire and intent of the parties to this Agreement, including the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors, that the provisions of this Article be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Article is adjudicated to be invalid or unenforceable, then this Article will be deemed to modify or delete that portion thus adjudicated to be invalid or unenforceable, such modification or deletion to apply only with respect to the operation of this Article and the particular jurisdiction in which the adjudication is made. Further, to the extent any provision of this Article is deemed unenforceable by virtue of its scope or limitation, the parties to this Agreement including the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors, agree that the scope and limitation provisions will, nevertheless, be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought.

ARTICLE 13
SMARTSTYLE'S RIGHT OF FIRST REFUSAL TO PURCHASE

13.1 NOTICE OF PROPOSED SALE. The FRANCHISEE will not sell, pledge, assign, trade, transfer, lease, sublease, or otherwise dispose of any interest in or any part of the FRANCHISEE'S Smartstyle Business or the Business Assets, as defined in this provision, without first offering the same to SMARTSTYLE by written notice that contains all material terms and conditions of the proposed sale or transfer, including price and payment terms. "Business Assets" shall mean (A) the FRANCHISEE'S Smartstyle Business, (B) the Franchised Location, (C) the building or premises lease for the Franchised Location, (D) the furniture, fixtures, equipment, inventory or other assets used in the FRANCHISEE'S Smartstyle Business (except for the sale of any of such items in the normal course of business), (E) this Agreement, or (F) the land and building (if any) for the FRANCHISEE'S Smartstyle Business. Within ten (10) business days after receipt by SMARTSTYLE of the FRANCHISEE'S written offer specifying the proposed price and terms of the proposed sale, SMARTSTYLE will give the FRANCHISEE written notice which will either waive its right of first refusal to purchase or will state an interest in negotiating to purchase according to the proposed terms. If SMARTSTYLE commences negotiations to purchase the FRANCHISEE'S Business as set forth herein, then the FRANCHISEE may not sell the Business Assets to a third party for at least sixty (60) days or until SMARTSTYLE and the FRANCHISEE agree in writing that the negotiations have terminated, whichever comes earlier. If SMARTSTYLE waives its right to purchase, then the FRANCHISEE will have the right to complete the sale or transfer of the Business Assets according to the terms set forth in the written notice to SMARTSTYLE; however, any such sale, transfer or assignment to a third party is expressly subject to the terms and conditions set forth in Article 20 of this Agreement. If the FRANCHISEE does not consummate the sale to a third party upon the terms and conditions previously presented to SMARTSYTLE in writing, but negotiates a sale price with a third party that is lower or on different terms than the stated price or terms presented to SMARTSTYLE, then the modified offer must be recommunicated or made to SMARTSTYLE by the FRANCHISEE. SMARTSTYLE will give the FRANCHISEE written notice within fifteen (15) business days thereafter which will state whether or not it is interested in purchasing the Business Assets according to the proposed new terms. This provision will not apply to the assignment or pledge of any of the Business Assets (with the exception of this Agreement) by the FRANCHISEE to a bank, financial institution or other lender in connection with providing financing for the leasehold improvements, furniture, fixtures, supplies, inventory and equipment used in, or operating funds for, the FRANCHISEE'S Smartstyle Business.

13.2 COMPLIANCE WITH AGREEMENT. The FRANCHISEE'S obligations under this Agreement including, but not limited to, its obligations to pay the Continuing Fees and to operate as a Smartstyle Business, will in no way be affected or changed because of SMARTSTYLE'S nonacceptance of the FRANCHISEE'S written offer to purchase the FRANCHISEE'S Business or assets, and, as a consequence, the terms and conditions of this Agreement will remain in full force and effect. SMARTSTYLE'S decision not to exercise the rights granted to it pursuant to this Article will not, in any way, be deemed to grant the FRANCHISEE the right to terminate this Agreement and will not affect the term of this Agreement. Moreover, if SMARTSTYLE does not exercise the rights granted to it pursuant to this Article and if the FRANCHISEE complies with Article 20 and sells or otherwise disposes of its Business or assets to a third party, then both the FRANCHISEE and the third party purchaser will be required to comply in all respects with the terms and conditions of this Agreement, and the sale of the Business or assets will not relieve the FRANCHISEE of its obligations under this Agreement. Any sale, transfer or assignment of the Business or assets of the FRANCHISEE'S Smartstyle Business that does not include assignment of this Agreement to the transferee will constitute a wrongful termination of this Agreement.

13.3 TRANSFER OF AGREEMENT TO CONTROLLED ENTITY. If the FRANCHISEE is an individual or partnership, then the FRANCHISEE will have the right to assign and transfer this Agreement to a corporation, limited liability company, partnership or other entity in which the FRANCHISEE owns and controls at least fifty-one percent (51%) of the entity's issued and outstanding capital shares, membership interests, partnership interests or ownership interests ("Ownership Interests") pursuant to Article 20.2 of this Agreement. If the FRANCHISEE transfers this Agreement to an entity owned or controlled by the FRANCHISEE pursuant to Article 20.2, which will not excuse or release the FRANCHISEE from any obligations under this Agreement, then the Ownership Interests of the FRANCHISEE'S entity may not be sold, pledged, assigned, traded, transferred or otherwise disposed of by the FRANCHISEE until the Ownership Interests have been first offered to SMARTSTYLE in writing under the same terms and conditions offered to any third party as provided for in Article 13.1.

13.4 SALE OF OWNERSHIP INTEREST IN FRANCHISEE. If the FRANCHISEE is a corporation, limited liability company, partnership or other entity, then the Ownership Interests in the FRANCHISEE may not be sold, pledged, assigned, traded, transferred or otherwise disposed of by the holders thereof until the Ownership Interests have been first offered to SMARTSTYLE in writing under the same terms and conditions applicable as if Business Assets were proposed to be sold under Article 13.1 above. Notwithstanding the terms of this Article, a holder of Ownership Interests may bequeath, sell, assign, trade or transfer Ownership Interests, without first offering them to SMARTSTYLE, (a) to the other holders of the Ownership Interests because of the death or permanent disability of such holder or (b) to a spouse or child of the holder; provided, however, that each proposed transferee of an Ownership Interest who will be involved in the operations or management of the Smartstyle Business has successfully completed SMARTSTYLE'S training program and has been certified by SMARTSTYLE and is, in SMARTSTYLE'S reasonable judgment, qualified from a managerial and financial standpoint to operate the Smartstyle Business in an economic and businesslike manner. The FRANCHISEE and the holders of an Ownership Interest must provide SMARTSTYLE with written notice of all such transactions, and the proposed transferee holder of an Ownership Interest must agree to be personally liable under this Agreement and enter into a written agreement where they agree to perform all the terms and conditions contained in this Agreement. All certificates representing Ownership Interests issued by the FRANCHISEE to its owners must bear the following legend:

> The ownership interests represented by this certificate are subject to a written Franchise Agreement which grants The Barbers, Hairstyling for Men & Women, Inc., the right of first refusal to purchase these interests from the holder. Any person acquiring the ownership interests represented by this certificate will be subject to the terms and conditions of the Franchise Agreement between the company named on the face of this certificate and The Barbers, Hairstyling for Men & Women, Inc., which includes provisions containing covenants not to compete that apply to all holders of ownership interests in the company.

13.5 ACKNOWLEDGMENT OF RESTRICTIONS. The FRANCHISEE acknowledges and agrees that the restrictions on transfer imposed herein are reasonable and are necessary to protect the Smartstyle Business System and the Marks, as well as SMARTSTYLE'S reputation and image, and are for the protection of SMARTSTYLE, the FRANCHISEE and all other Franchisees who own and operate Smartstyle businesses. Any assignment or transfer permitted by Article 13 will not be effective until SMARTSTYLE receives a completely executed copy of all transfer documents and SMARTSTYLE consents to the transfer in writing.

13.6 SELLING HOLDERS SUBJECT TO COVENANT NOT TO COMPETE. Any holder of Ownership Interests in the FRANCHISEE that sells or assigns any Ownership Interests in the FRANCHISEE will continue to be subject to provisions of Article 12 of this Agreement after the sale or assignment.

13.7 RIGHT OF SMARTSTYLE TO PURCHASE FRANCHISE ASSETS. If this Agreement expires or is terminated by either SMARTSTYLE or the FRANCHISEE for any reason whatsoever, or if the FRANCHISEE wrongfully terminates this Agreement by failing to comply with Article 10 or otherwise, or if the FRANCHISEE at any time ceases to do business at the Franchised Location as a Smartstyle Business, then SMARTSTYLE will have the right, but not the obligation, to purchase the then-usable furniture, supplies, inventory, fixtures and equipment, and all other assets that are required by SMARTSTYLE for a standard Smartstyle business and owned by the FRANCHISEE in its Smartstyle Business (the "Franchise Assets"). SMARTSTYLE will not purchase any assets from the FRANCHISEE that are not part of the standard Smartstyle business. The FRANCHISEE must give SMARTSTYLE written notice listing the cost of each one of the Franchise Assets in detail and the FRANCHISEE'S asking price for the Franchise Assets within twenty-four (24) hours after the FRANCHISEE ceases to do business as a Smartstyle Business, or after this Agreement expires or is terminated by either party, or is wrongfully terminated by the FRANCHISEE.

13.8 DETERMINATION OF FAIR MARKET VALUE. If the FRANCHISEE fails to give SMARTSTYLE written notice of the asking price of the Franchise Assets, or if SMARTSTYLE and the FRANCHISEE cannot agree on the price of the Franchise Assets, then either party will have the right to demand that the price of the Franchise Assets be determined by arbitration in accordance with the Rules and Regulations of the American Arbitration Association. The arbitration hearing will be held as soon as possible, but in no event later than seven (7) business days from the date arbitration is demanded by either party. The Arbitrator will determine the fair market value of the Franchise Assets. The Arbitrator will not consider any value for goodwill associated with the name Smartstyle® or for going concern value in determining the fair market value of the Franchise Assets since the right of purchase granted to SMARTSTYLE pursuant to this provision applies only after this Agreement has expired or has been terminated, or the FRANCHISEE has ceased doing business. Furthermore, the Arbitrator will not consider any value for the Lease for the Franchised Location if SMARTSTYLE agrees to assume the Lease and pay the rental and operating costs. If the Arbitrator is unable to determine the fair market value of any of the Franchise Assets, then they will be valued at book value (cost less depreciation). SMARTSTYLE will have the right, but not the obligation, to purchase any or all of the Franchise Assets from the FRANCHISEE for cash within fifteen (15) business days after the fair market value of the Franchise Assets has been established by the Arbitrator in writing. Nothing in this Article will prohibit SMARTSTYLE from enforcing the terms and conditions of this Agreement, including the covenants not to compete contained in Article 12.

ARTICLE 14
TRAINING; PRE-OPENING ASSISTANCE; OPENING ASSISTANCE; TRAINING FEES

14.1 TRAINING PROGRAM. SMARTSTYLE will provide a training program for the FRANCHISEE in Minneapolis, Minnesota (or such other location designated by SMARTSTYLE or online) to educate, familiarize and acquaint them with the operations of a Smartstyle Business. The training program will include instruction on orientation to the Business System with topics selected by SMARTSTYLE. The FRANCHISEE must successfully complete the training program either (a) prior to commencing any business operations or (b) at the first scheduling of the training program by SMARTSTYLE after the execution of this Agreement. The training program will be scheduled by SMARTSTYLE. In the event the FRANCHISEE fails to successfully complete SMARTSTYLE'S training program within the time period expressed in the third sentence of this Article 14.1, he or she will not be permitted or authorized to manage or operate the

FRANCHISEE'S Smartstyle Business and SMARTSTYLE will have the right to reject the FRANCHISEE pursuant to Article 4.2 of this Agreement.

14.2 <u>PAYMENT OF SALARIES AND EXPENSES DURING TRAINING</u>. The FRANCHISEE will pay the salaries, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, lodging, food, automobile rental, travel costs, and all other expenses for the FRANCHISEE and all other persons sent to the training program by the FRANCHISEE, and the FRANCHISEE will comply with all applicable state and federal laws pertaining to all employees who attend SMARTSTYLE'S training program.

ARTICLE 15
SMARTSTYLE'S OTHER OBLIGATIONS

15.1 <u>ADDITIONAL ASSISTANCE</u>. Consistent with SMARTSTYLE'S uniform requirements and quality standards, SMARTSTYLE will, at its expense: (A) provide the FRANCHISEE with a written schedule of all furniture, fixtures, supplies and equipment necessary and required for the operation of the FRANCHISEE'S Smartstyle Business; (B) furnish a list of approved sources from whom the FRANCHISEE can purchase furniture, fixtures, equipment, supplies, toiletries, grooming aids, products, printed materials, items, goods and services; (C) review and evaluate the FRANCHISEE'S Business as often as SMARTSTYLE deems necessary and render written reports to the FRANCHISEE as deemed appropriate by SMARTSTYLE; (D) protect, police and, when appropriate, enforce the Marks and the Business System for the benefit of all Smartstyle franchisees; (E) render advisory services pertaining to customer service and the operation of the FRANCHISEE'S Smartstyle Business as frequently as SMARTSTYLE deems appropriate; (F) provide the FRANCHISEE with one (1) copy of SMARTSTYLE'S standard Operations Manual and all supplements and modifications to the Manual which may be provided via the internet or some other means; and (G) provide the FRANCHISEE with SMARTSTYLE'S approved standard store layouts and plans for the Franchised Location. Franchisee acknowledges and agrees that SMARTSTYLE or its affiliate will provide construction management services and furniture, fixture, and equipment ("FF&E") coordination services for an additional fee pursuant to a separate agreement provided by SMARTSTYLE or its affiliate.

15.2 <u>ANNUAL CONVENTION</u>. SMARTSTYLE will, during the term of this Agreement, conduct an annual convention for all Smartstyle franchisees at such times and at such locations as SMARTSTYLE deems appropriate. The FRANCHISEE will attend the annual convention conducted by SMARTSTYLE for Smartstyle franchisees during each year of this Agreement. All expenses incurred by the FRANCHISEE or any employees of the FRANCHISEE in traveling to and attending the annual convention conducted by SMARTSTYLE will be paid for by the FRANCHISEE. SMARTSTYLE will charge, and the FRANCHISEE will pay, a registration fee for the annual convention, regardless of whether the FRANCHISEE, or any representative of the FRANCHISEE, attends the convention, and an additional registration fee will be charged for each person in addition to the first person attending the annual convention on behalf of the FRANCHISEE.

15.3 <u>OPTIONAL ADDITIONAL TRAINING</u>. SMARTSTYLE may, during the term of this Agreement, provide optional additional training and instruction to the FRANCHISEE on topics determined by SMARTSTYLE. SMARTSTYLE reserves the right to add or delete additional training topics at any time without notice to the FRANCHISEE. The FRANCHISEE will be required to pay SMARTSTYLE the then-current training fee charged by SMARTSTYLE for any additional training attended by the FRANCHISEE or its employees. All expenses incurred by the FRANCHISEE or any employees of the FRANCHISEE in traveling to and attending optional additional training will be paid for by the FRANCHISEE.

ARTICLE 16
SMARTSTYLE SIGN

16.1 INSTALLATION OF SIGN. The FRANCHISEE will, at its expense, purchase the standard Smartstyle Sign (the "Sign") which must be displayed at the Franchised Location. The FRANCHISEE will pay for all costs incurred in connection with the erection and installation of the Sign. The Sign must conform exactly to SMARTSTYLE standard Sign plans and specifications and must be installed at the Franchised Location precisely in the place, location and manner specified by SMARTSTYLE in writing. SMARTSTYLE will have the absolute right to inspect, examine, videotape and photograph the Sign at any time during the term of this Agreement.

16.2 ADDITIONAL EXPENSES. The FRANCHISEE will, at its expense, be responsible for any and all permits, licenses, repairs, maintenance, utilities, insurance, taxes, assessments and levies in connection with the installation or use of the Sign.

16.3 MODIFICATION AND REPLACEMENT. The FRANCHISEE may not alter, remove, change, modify or redesign the Sign unless approved by SMARTSTYLE in writing. SMARTSTYLE will have the unequivocal and unilateral right to redesign the Sign plans and specifications during the term of this Agreement without the approval or consent of the FRANCHISEE. Upon written notice from SMARTSTYLE, the FRANCHISEE will, at its expense, either modify or replace the Sign within thirty (30) days so that the Sign displayed at the Franchised Location will comply with SMARTSTYLE'S redesigned Sign plans and specifications. The FRANCHISEE will not be required to modify or replace the Sign more than once every five (5) years during the term of this Agreement.

16.4 INJUNCTIVE RELIEF. The FRANCHISEE agrees that SMARTSTYLE will be entitled to seek injunctive relief against the FRANCHISEE to require the FRANCHISEE, at the FRANCHISEE'S expense, to: (A) exhibit the approved Smartstyle Sign at the Franchised Location during the term of this Agreement; (B) remove the Sign upon the termination or expiration of this Agreement; or (C) remove the Sign from the former franchised location upon the relocation of the Franchised Location. Unless required by applicable law, SMARTSTYLE will not be required to post a bond or other security prior to obtaining injunctive relief pursuant to this Article.

ARTICLE 17
INSURANCE

17.1 GENERAL LIABILITY. The FRANCHISEE must acquire and maintain in full force and effect, at its sole cost and expense, a general liability insurance policy insuring the FRANCHISEE, SMARTSTYLE, its parent, subsidiaries and affiliates and their respective officers, directors and employees from and against any loss, liability, damage, claim or expense of any kind whatsoever including claims for bodily injury, personal injury, death, property damage, products liability and malpractice resulting from the condition, operation, use, business or occupancy of the FRANCHISEE'S Smartstyle Business, including the surrounding premises, the parking area and the sidewalks of the Franchised Location.

17.2 AUTOMOBILE. The FRANCHISEE must acquire and maintain in full force and effect, at its sole cost and expense, automobile liability coverage insuring the FRANCHISEE, SMARTSTYLE, its parent, subsidiaries and affiliates and their respective officers, directors and employees from any and all loss, liability, damage, claim or expense of any kind whatsoever resulting from the use, operation or maintenance of any owned, leased, hired and non-owned automobile or vehicle used by the FRANCHISEE or any of its employees in connection with the FRANCHISEE'S Smartstyle Business.

17.3 COVERAGE LIMITS. Liability coverages for both the general liability insurance coverage and automobile coverage must have limits of at least One Million Dollars ($1,000,000) for each person and Two Million Dollars ($2,000,000) for each occurrence, or such other limits as SMARTSTYLE may require.

Umbrella and/or excess liability policies used to comply with general liability and/or automobile liability limits shown above shall be warranted to be in excess of limits provided by primary general liability, automobile and employers liability.

17.4 PROPERTY INSURANCE. The FRANCHISEE will maintain in full force and effect, at its sole cost and expense, "all risks" property insurance coverage for the equipment, furnishings, fixtures, inventory and signs owned or leased by the FRANCHISEE and used at the Franchised Location (including fire and extended coverage) with limits equal to at least "replacement" cost. There shall be no co-insurance penalty imposed by such coverage. SMARTSTYLE shall be named as a loss payee on such policy.

17.5 PROFESSIONAL LIABILITY INSURANCE. The FRANCHISEE will maintain in full force and effect, at its sole cost and expense, professional liability coverage with coverage limits of a reasonable amount insuring the FRANCHISEE, SMARTSTYLE, and their respective officers, directors and employees from any and all loss, liability, damage, claim or expense of any kind whatsoever resulting from actions or omissions of the FRANCHISEE'S officers, directors or any of its employees in connection with the FRANCHISEE'S Smartstyle Business.

17.6 OTHER INSURANCE. The FRANCHISEE will, at its sole cost and expense, procure and pay for all other insurance required by state or federal law, including workers' compensation insurance or its equivalent for its employees, employer's liability insurance, together with all insurance required under any sublease, lease, mortgage, deed of trust or other legal contract in connection with the Franchised Location or the operation of the FRANCHISEE'S Smartstyle Business.

17.7 INSURANCE COMPANIES; EVIDENCE OF COVERAGE. All insurance companies providing coverage to the FRANCHISEE must have an A.M. Best Rating of at least "A" and be licensed and/or authorized to do business in the state where coverage is provided. Before construction or remodeling of the Franchised Location begins, and annually after the Franchised Location is open for business, the FRANCHISEE will provide SMARTSTYLE with certificates of insurance evidencing the required insurance coverage and will provide, immediately upon expiration, change or cancellation, new certificates of insurance to SMARTSTYLE. No policy shall contain a self insured retention. No policy shall contain a deductible in excess of $25,000. Satisfaction of any and all deductibles shall be the sole responsibility of FRANCHISEE.

17.8 SMARTSTYLE'S RIGHTS. All insurance policies procured and maintained by the FRANCHISEE pursuant to this Article will name SMARTSTYLE, its parent, subsidiaries and affiliates as additional insureds, will contain endorsements by the insurance companies waiving all rights of subrogation against SMARTSTYLE, its parent, subsidiaries and affiliates and will stipulate that SMARTSTYLE will receive copies of all notices of cancellation, nonrenewal, or coverage reduction or elimination at least thirty (30) days prior to the effective date of such cancellation, nonrenewal or coverage change. FRANCHISEE agrees to immediately provide SMARTSTYLE with any such notification received from the insurance carrier. In the event of a breach of the insurance procurement obligations by the FRANCHISEE, FRANCHISEE must pay for SMARTSTYLE attorneys' fees, expenses and liability as a result of any claim or lawsuit.

17.9 DEFENSE OF CLAIMS. All liability insurance policies procured and maintained by the FRANCHISEE will require the insurance companies to provide and pay for legal counsel to defend any legal actions, lawsuits or claims brought against the FRANCHISEE, SMARTSTYLE, its parent, subsidiaries and affiliates and their respective officers, directors and employees.

17.10 NO REPRESENTATIONS; RIGHT TO ADDITIONAL COVERAGE. SMARTSTYLE makes no representations with respect to the adequacy of the types of insurance coverage or coverage amounts set forth herein, and the FRANCHISEE will have the absolute right to maintain additional types of coverage and higher coverage amounts than those specified herein as minimum requirements.

ARTICLE 18
INDEPENDENT CONTRACTORS; INDEMNIFICATION

18.1 INDEPENDENT CONTRACTORS. SMARTSTYLE and the FRANCHISEE are each independent contractors and, as a consequence, there is no employer-employee or principal-agent relationship between SMARTSTYLE and the FRANCHISEE. The FRANCHISEE will not have the right to and will not make any agreements, representations or warranties in the name of or on behalf of SMARTSTYLE or represent that their relationship is other than that of Franchisor and Franchisee. Neither SMARTSTYLE nor the FRANCHISEE will be obligated by or have any liability to the other under any agreements or representations made by the other to any third parties. The parties acknowledge and agree that neither SMARTSTYLE nor any of its affiliates are the employer or joint employer of FRANCHISEE's employees. Franchisor will not exercise direct or indirect control over the working conditions of store personnel except to the extent that such indirect control is related to Franchisor's legitimate interest in protecting the quality of the Smartstyle brand. SMARTSTYLE does not share or codetermine the terms and conditions of employment of FRANCHISEE's employees nor does SMARTSTYLE affect matters relating to the employment relationship between FRANCHISEE and FRANCHISEE's employees, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions. To that end FRANCHISEE agrees to identify itself conspicuously in all dealings with store personnel as the employer of such personnel and that SMARTSTYLE is not their employer and does not engage in any employer-type activities for which only FRANCHISEE is responsible, such as employee selection, promotion, termination, hours worked, rates of pay, other benefits, work assigned, discipline, adjustment of grievances and complaints, and working conditions.

18.2 INDEMNIFICATION. Neither SMARTSTYLE nor its parent, subsidiaries and/or affiliates will be obligated to any person or entity for damages arising out of, from, in connection with, or as a result of the FRANCHISEE'S negligence or the operation of the FRANCHISEE'S Smartstyle Business. The FRANCHISEE will defend, indemnify and hold SMARTSTYLE, its parent, affiliates and subsidiaries and their respective officers, directors, employees and agents harmless against all claims, lawsuits, damages, obligations, liability, actions and judgments alleged or obtained by any person or entity against SMARTSTYLE, its parent, affiliates or subsidiaries and their respective officers, directors, employees and agents arising out of, from, as a result of, or in connection with the FRANCHISEE'S negligence, the operation of the FRANCHISEE'S Smartstyle Business, the Franchised Location, or any business conducted by the FRANCHISEE pursuant to this Agreement, including, without limitation, any claims arising from or relating to: (A) any personal injury, property damage, commercial loss or environmental contamination resulting from any act or omission of the FRANCHISEE or its employees, agents or representatives; (B) any failure on the part of the FRANCHISEE to comply with any requirement of any governmental authority; (C) any failure of the FRANCHISEE to pay any of its obligations; or (D) any failure of the FRANCHISEE to comply with any requirement or condition of this Agreement or any other agreement with SMARTSTYLE or any parent, affiliate or subsidiary of SMARTSTYLE. Further, the FRANCHISEE will indemnify and reimburse SMARTSTYLE, its parent, subsidiaries and affiliates and their respective officers, directors, employees and agents for all such obligations and damages for which SMARTSTYLE is held liable and for all costs reasonably incurred by SMARTSTYLE in the defense or settlement of any such claims brought against it or in any action in which it is named as a party including, without limitation, costs for attorneys' fees actually incurred, investigation expenses, court costs, deposition expenses and travel and living expenses. SMARTSTYLE, its parent, subsidiaries and affiliates will have the absolute right to defend or settle any claim made against any one of them, as the case may be, that results from or arises out of the FRANCHISEE'S Smartstyle Business and FRANCHISEE shall indemnify and reimburse SMARTSTYLE pursuant to this paragraph 18.2.

18.3 PAYMENT OF COSTS AND EXPENSES. The FRANCHISEE will pay all costs and expenses, including attorneys' fees, actually incurred by SMARTSTYLE in enforcing any term, condition or provision of this Agreement or in seeking to enjoin any violation of this Agreement by the FRANCHISEE.

18.4 CONTINUATION OF OBLIGATIONS. The indemnification and other obligations contained in this Article will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

ARTICLE 19
FINANCIAL STATEMENTS; GROSS REVENUE REPORTS; FORMS AND ACCOUNTING

19.1 QUARTERLY AND ANNUAL FINANCIAL STATEMENTS. The FRANCHISEE will, at its expense, provide SMARTSTYLE with a quarterly balance sheet and income statement, and annual financial statements for the FRANCHISEE'S Smartstyle Business which will consist of a balance sheet, income statement, statement of cash flows and explanatory footnotes. All financial statements provided to SMARTSTYLE for the FRANCHISEE'S Smartstyle Business will be presented in the exact form and format prescribed by SMARTSTYLE in writing and will be categorized according to the chart of accounts prescribed by SMARTSTYLE. The FRANCHISEE'S financial statements will be prepared in accordance with generally accepted accounting principles applied on a consistent basis. If the FRANCHISEE'S annual financial statements are not audited by an independent certified public accountant, then the FRANCHISEE'S annual financial statements must be certified in writing as accurate by the FRANCHISEE'S President or Chief Financial Officer, or if the FRANCHISEE is not a corporation, then by the FRANCHISEE'S Managing Partner, Chief Operating Officer or Chief Financial Officer. The FRANCHISEE'S quarterly financial statements will be delivered to SMARTSTYLE by the FRANCHISEE within thirty (30) days after the end of the quarter and the annual financial statements will be delivered within ninety (90) days of the FRANCHISEE'S fiscal year end.

19.2 TAX RETURNS. Within ninety (90) days after the FRANCHISEE'S fiscal year end, the FRANCHISEE will furnish SMARTSTYLE with signed copies of the FRANCHISEE'S annual federal, and if applicable, state income tax returns, and copies of any other federal, state or local tax returns filed by the FRANCHISEE including, but not limited to, any amended tax returns filed by the FRANCHISEE, together with proof that the FRANCHISEE has paid all federal and state income and sales taxes due.

19.3 WEEKLY STATEMENT OF GROSS REVENUES. The FRANCHISEE will maintain an accurate electronic and written record of daily Gross Revenues for the FRANCHISEE'S Smartstyle Business and the FRANCHISEE will remit an electronic (or written if approved by SMARTSTYLE) statement of the weekly Gross Revenues generated by, at, as a result of, or from the FRANCHISEE'S Smartstyle Business using such forms and methods of transmittal, including electronic transmittal, as SMARTSTYLE may prescribe in writing. The statement must be signed and certified as accurate by the FRANCHISEE. The weekly statement of Gross Revenues will accompany the FRANCHISEE'S weekly Continuing Fees and will be provided to SMARTSTYLE on or before Wednesday of each week for the preceding week. If FRANCHISEE fails to deliver its weekly statement of Gross Revenues to SMARTSTYLE when due, then SMARTSTYLE may charge FRANCHISEE a $100 late fee for each such failure.

19.4 SMARTSTYLE'S AUDIT RIGHTS. Within three (3) days after having been given written notice from SMARTSTYLE, the FRANCHISEE and its accountants will make all of their books, ledgers, work papers, accounts, bank statements, tax returns, sales tax returns, daily cash register tapes and financial records pertaining to the FRANCHISEE'S Business ("books and financial records") available to SMARTSTYLE during all business hours for review and audit by SMARTSTYLE or its designee. The books and financial records for each fiscal year will be kept in a secure place by the FRANCHISEE and will be available for audit by SMARTSTYLE for at least the preceding five (5) years. The FRANCHISEE will provide SMARTSTYLE with adequate facilities to conduct the audit, including a working area with a desk and chair at either the Franchised Location or at the FRANCHISEE'S accountants' offices. If an audit by

SMARTSTYLE reveals any deficiencies, then the FRANCHISEE will, within five (5) days after receipt of an invoice from SMARTSTYLE indicating the amounts owed, pay SMARTSTYLE any deficiency in Continuing Fees or other amounts owed to SMARTSTYLE, together with interest as provided for herein. If an audit by SMARTSTYLE results in a determination that the FRANCHISEE'S Gross Revenues were understated by more than two percent (2%), or that the FRANCHISEE has underpaid the weekly Continuing Fees by more than Five Hundred Dollars ($500) in any twelve (12) month period, then the FRANCHISEE will, in addition to paying any deficiency in Continuing Fees, costs of products purchased from SMARTSTYLE or other amounts due to SMARTSTYLE, reimburse SMARTSTYLE for all costs and expenses (including salaries of SMARTSTYLE'S employees, travel costs, room and board, and audit fees) that SMARTSTYLE has incurred as a result of the audit, including any fees paid to its accountants to conduct the audit. The FRANCHISEE will reimburse SMARTSTYLE for such costs and expenses within ten (10) days of receipt of an invoice from SMARTSTYLE indicating the amount owed as a result of the audit. The FRANCHISEE'S failure or refusal to produce the books and financial records for audit by SMARTSTYLE in accordance with this Article 19.4 will constitute a material breach of this Agreement and will be grounds for the immediate termination of this Agreement by SMARTSTYLE.

19.5 WAIVER BY FRANCHISEE. SMARTSTYLE will have the right, without notice to, or further approval of or authorization by the FRANCHISEE, to obtain credit reports maintained by credit reporting agencies regarding the FRANCHISEE and the right to review the books and records maintained by the vendors or suppliers that supply products, goods or services to the FRANCHISEE regarding the purchase made by the FRANCHISEE. This Agreement will serve as evidence of SMARTSTYLE'S right to review such information and will constitute the authority from the FRANCHISEE for credit reporting agencies, vendors and suppliers to provide such information to SMARTSTYLE.

19.6 PAYMENT BY PRE-AUTHORIZED BANK TRANSFER. The FRANCHISEE will execute an authorization for direct payment in the form attached hereto as Exhibit "A" and will, from time to time during the term of this Agreement, execute such other documents as SMARTSTYLE may request to provide the FRANCHISEE'S unconditional and irrevocable authority and direction to its bank or financial institution authorizing and directing the FRANCHISEE'S bank or financial institution to pay and deposit directly to the account of SMARTSTYLE, and to charge to the account of the FRANCHISEE, on Wednesday of each week, the amount of the Continuing Fees and other sums due and payable by the FRANCHISEE pursuant to this Agreement in accordance with Article 5 and Article 6 of this Agreement. The FRANCHISEE'S authorizations will permit SMARTSTYLE to designate the amount to be debited or drafted from the FRANCHISEE'S account and to adjust such amount from time to time, to the amount of the Continuing Fees and other sums then payable to SMARTSTYLE from the FRANCHISEE. If the FRANCHISEE fails at any time to provide reports of Gross Revenues as required under Article 19.3 of this Agreement, then SMARTSTYLE will have the right to estimate the amount of the Continuing Fees and other sums due and payable to SMARTSTYLE, and to designate such estimated amount as the amount to be debited or drafted from the FRANCHISEE'S account. The FRANCHISEE will, at all times during the term of this Agreement, maintain a balance in its account at its bank or financial institution sufficient to allow the appropriate amount to be debited from the FRANCHISEE'S account for payment of the Continuing Fees and other sums payable by the FRANCHISEE for deposit in the account of SMARTSTYLE.

ARTICLE 20
ASSIGNMENT

20.1 ASSIGNMENT BY SMARTSTYLE. This Agreement may be unilaterally assigned and transferred by SMARTSTYLE without the FRANCHISEE'S approval or consent, and will inure to the benefit of SMARTSTYLE'S successors and assigns. SMARTSTYLE will provide the FRANCHISEE with written notice of any such assignment or transfer, and the assignee will be required to fulfill SMARTSTYLE'S obligations under this Agreement.

20.2 ASSIGNMENT BY FRANCHISEE TO CONTROLLED ENTITY. If FRANCHISEE is an entity, then all owners must sign the personal guaranty in the form attached to this Agreement. In the event the FRANCHISEE is an individual or a partnership, this Agreement may be transferred or assigned by the FRANCHISEE, without first offering it to SMARTSTYLE pursuant to Article 13, to a corporation, limited liability company, partnership or other entity which is owned or controlled (ownership of at least fifty-one percent (51%) of the outstanding ownership interests) by the FRANCHISEE, provided that: (A) the FRANCHISEE and all the holders of the ownership interests of the assignee entity sign or have signed a personal guaranty in the form attached to this Agreement; (B) the FRANCHISEE furnishes prior written proof to SMARTSTYLE substantiating that the assignee entity will be financially able to perform all of the terms and conditions of this Agreement; and (C) none of the holders of ownership interests in the entity owns, operates, franchises, develops, manages or controls any hairstyling, barber or other business that is in any way competitive with or similar to a Smartstyle business. The FRANCHISEE will give SMARTSTYLE fifteen (15) days written notice prior to the proposed date of assignment or transfer of this Agreement to an entity owned or controlled by the FRANCHISEE; however, the transfer or assignment of this Agreement will not be valid or effective until SMARTSTYLE has received the legal documents which its legal counsel deems necessary to properly and legally document the transfer or assignment of this Agreement to the entity as provided herein.

20.3 ASSIGNMENT UPON DEATH OR DISABILITY OF INDIVIDUAL FRANCHISEE. If the FRANCHISEE is an individual, then this Agreement may be assigned, transferred or bequeathed by the FRANCHISEE to any designated person or beneficiary without first being offered to SMARTSTYLE pursuant to Article 13 upon his or her death or permanent disability. However, the assignment of this Agreement to the transferee, assignee or beneficiary of the FRANCHISEE will not be valid or effective until SMARTSTYLE has received the properly executed legal documents which its legal counsel deems necessary to properly and legally document the transfer, assignment or bequest of this Agreement, and until the transferee, assignee or beneficiary agrees to be unconditionally bound by the terms and conditions of this Agreement and to personally guarantee the performance of the FRANCHISEE'S obligations under this Agreement.

20.4 APPROVAL OF TRANSFER; CONDITIONS FOR APPROVAL. The rights granted to the FRANCHISEE pursuant to this Agreement may be assigned or transferred by the FRANCHISEE only with the prior written approval of SMARTSTYLE. SMARTSTYLE will not unreasonably withhold its consent to any transfer of this Agreement provided that the FRANCHISEE and the transferee Franchisee comply with the following conditions: (A) the FRANCHISEE has complied in all respects with Article 13 of this Agreement; (B) all of the FRANCHISEE'S monetary obligations due to SMARTSTYLE have been paid in full, and the FRANCHISEE is not otherwise in default under this Agreement; (C) the FRANCHISEE has executed a written agreement in a form satisfactory to SMARTSTYLE in which the FRANCHISEE agrees to observe all applicable obligations and covenants contained in this Agreement; (D) the transferee Franchisee and the holders of its ownership interests agree to be personally liable to discharge all of the FRANCHISEE'S obligations under this Agreement, and will enter into a written agreement in a form satisfactory to SMARTSTYLE assuming and agreeing to discharge all of the FRANCHISEE'S obligations and covenants under this Agreement; (E) the transferee Franchisee will have demonstrated to SMARTSTYLE'S satisfaction that he, she or it meets SMARTSTYLE'S managerial, financial and business standards for new Franchisees, possesses a good business reputation and credit rating, and possesses the aptitude and ability to conduct the franchised business (as may be evidenced by prior related business experience or otherwise); (F) the transferee Franchisee and all parties having a legal or beneficial interest in the transferee Franchisee including, if applicable, the holders of all ownership interests in the transferee Franchisee and the Personal Guarantors of the transferee Franchisee will execute SMARTSTYLE then-current standard Franchise Agreement for a term ending on the expiration date of this Agreement and such other ancillary agreements as SMARTSTYLE may require for the transfer of the FRANCHISEE'S Business; (G) the transferee Franchisee will not be required to pay the Initial Fee, however, the transferee Franchisee will be required to pay the Continuing Fees to SMARTSTYLE at the rate specified in this Agreement; (H) the transferee Franchisee has purchased the Franchised Location or has acquired a lease for the Franchised

Location for a reasonable term consistent with the remaining term of this Agreement; (I) if the Franchised Location is over seven (7) years old and has not been remodeled within the last five (5) years, and if required by SMARTSTYLE, the transferee Franchisee agrees to modernize the Franchised Location to meet SMARTSTYLE'S approval within six (6) months of the transfer date; (J) the transferee Franchisee must successfully complete the training program(s) prescribed by SMARTSTYLE; (K) the transferee Franchisee will pay the salaries, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, hotel costs, travel costs and other expenses for all persons sent to the training program(s), and will pay to SMARTSTYLE SMARTSTYLE'S then-current training fee for each person attending SMARTSTYLE'S training program(s); (L) the FRANCHISEE has paid the transfer fee required under Article 20.6; (M) the transferee Franchisee has paid the Training Program Deposit required under Article 20.7; (N) the transferee Franchisee does not own, operate, franchise, develop, manage or control any hairstyling, barber or other business that is in any way competitive with or similar to a Smartstyle business; (O) FRANCHISEE and each of its owners, if Franchisee is a corporation or partnership, shall have executed a general release in form satisfactory to Franchisor of any and all claims against the Franchisor and its parent, affiliates, officers, directors, employees and agents (except to the extent limited or prohibited by applicable law); and (P) if the transferee Franchisee does not meet SMARTSTYLE'S net worth requirements for operation of the Smartstyle Business, then the FRANCHISEE and/or the holders of all ownership interests in the transferee Franchisee and the Personal Guarantors will execute a written agreement in a form satisfactory to SMARTSTYLE agreeing to remain liable to SMARTSTYLE for the obligations of the Smartstyle Business.

20.5 ACKNOWLEDGMENT OF RESTRICTIONS. The FRANCHISEE acknowledges and agrees that the restrictions on transfer imposed herein are reasonable and are necessary to protect the Smartstyle Business System and the Marks, as well as SMARTSTYLE'S reputation and image, and are for the protection of SMARTSTYLE, the FRANCHISEE and all other franchisees who own and operate Smartstyle businesses. Any assignment or transfer permitted by this Article 20 will not be effective until SMARTSTYLE receives a completely executed copy of all transfer documents and SMARTSTYLE consents to the transfer in writing, and any attempted assignment or transfer made without complying with the requirements of this Article 20 will be void.

20.6 TRANSFER FEE. If, pursuant to the terms of this Article 20, the rights granted to the FRANCHISEE in this Agreement are assigned, transferred or bequeathed to another person or entity, or if the holders of Ownership Interests in the FRANCHISEE representing more than fifty percent (50%) of the voting power in the FRANCHISEE transfer their interests in the FRANCHISEE to another person or entity, then the FRANCHISEE will pay SMARTSTYLE a transfer fee. The amount of the transfer fee is based on the number of Smartstyle Businesses that the FRANCHISEE simultaneously transfers to another person or entity. The FRANCHISEE will pay SMARTSTYLE a transfer fee of Two Thousand Five Hundred Dollars ($2,500) to assign the FRANCHISEE'S rights in this Agreement between the FRANCHISEE and SMARTSTYLE, or the holders of Ownership Interests in the FRANCHISEE representing more than fifty percent (50%) of the voting power in the FRANCHISEE transfer their interests in the FRANCHISEE to another person or entity. If the FRANCHISEE simultaneously transfers its rights in this Agreement and the FRANCHISEE'S rights in any additional franchise agreements between the FRANCHISEE and SMARTSTYLE for the operation of a Smartstyle Business, then the amount of the transfer fee will be reduced for each additional transfer by Five Hundred Dollars ($500) until a minimum of Five Hundred Dollars ($500) per transfer as follows:

1 store	$2,500
2 stores	$4,500
3 stores	$6,000
4 stores	$7,000
5 stores	$7,500

Each store thereafter is $500

This fee is to cover the costs incurred by SMARTSTYLE for attorneys' fees, accountants' fees, compliance with applicable laws, out-of-pocket expenses, long distance telephone calls, and the time of its employees and officers.

20.7 TRAINING PROGRAM DEPOSIT. If, pursuant to the terms of this Article 20, the rights granted in this Agreement are assigned, transferred or bequeathed to another person or entity, or if the holders of Ownership Interests in the FRANCHISEE representing fifty percent (50%) of the voting power in the FRANCHISEE transfer their interests in the FRANCHISEE to another person or entity, then, as a condition (in addition to the other conditions expressed in this Article 20) to the approval by SMARTSTYLE of such assignment, transfer or bequest, the transferee Franchisee will pay SMARTSTYLE a training program deposit which will be refunded to the transferee Franchisee in its entirety upon the transferee Franchisee's successful completion of SMARTSTYLE'S training program. The amount of the training program deposit to be paid to SMARTSTYLE is Two Thousand Five Hundred Dollars ($2,500).

ARTICLE 21
SITE SELECTION; STANDARD STORE LAYOUTS AND PLANS

21.1 SITE SELECTION. The FRANCHISEE will be solely responsible for selecting a site that meets SMARTSTYLE's prior approval for the Franchised Location and for subleasing the site from SMARTSTYLE or its affiliate for the Franchised Location. Accordingly, no provision of this Agreement may be construed to impose any obligation or responsibility on SMARTSTYLE to locate or select a site for the Franchised Location. The proposed site must be reviewed and approved in writing by SMARTSTYLE for FRANCHISEE'S Franchised Location, considering all factors SMARTSTYLE deems material in considering whether to approve such site for FRANCHISEE'S Franchised Location including accessibility, visibility, potential traffic flows, competition, other commercial, market, and demographic information and other factors SMARTSTYLE deems relevant. The review of the site conducted by SMARTSTYLE will not be deemed to be a warranty, representation or guaranty by SMARTSTYLE that the site will be approved for FRANCHISEE'S Franchised Location or if the SMARTSTYLE approves the site for FRANCHISEE'S Franchised Location and FRANCHISEE opens and operates its Smartstyle Business at that site, that it will be a financial success.

21.2 STANDARD STORE LAYOUTS AND PLANS. After the Franchised Location has been subleased by FRANCHISEE in accordance with this Agreement, SMARTSTYLE will provide approved store layouts and plans for the Franchised Location. The FRANCHISEE will construct or remodel the Franchised Location in strict compliance with the store layouts and plans provided by SMARTSTYLE. Any unauthorized variance from the store layouts and plans prepared by SMARTSTYLE will be a material breach of this Agreement. Providing store layouts and plans does not constitute a representation, warranty or guaranty by SMARTSTYLE that the site will be a financially successful location for the FRANCHISEE'S Smartstyle Business, and the FRANCHISEE assumes all business and economic risks associated with the operation of the Smartstyle Business at this site.

21.3 INCORRECT INFORMATION. In the event any of the information provided to SMARTSTYLE by the FRANCHISEE pursuant to this Article is incorrect, inaccurate or incomplete, then the FRANCHISEE will pay for all costs and expenses incurred by SMARTSTYLE in revising the store layouts and plans prepared by SMARTSTYLE for the Franchised Location.

21.4 FRANCHISEE RESPONSIBLE FOR CONSTRUCTION OR REMODELING. The FRANCHISEE will be solely responsible for ascertaining and insuring that the Franchised Location is constructed or remodeled (if initial remodel required for company store purchased by FRANCHISEE for the Franchised Location) according to the store layouts and plans provided by SMARTSTYLE and is in compliance SMARTSTYLE's then-current brand standards and with all applicable local, state and federal laws, ordinances, statutes and building codes, including compliance with the Americans with Disabilities Act. Accordingly, the FRANCHISEE or its agent will be responsible for inspecting the premises during construction or remodeling to insure that the Franchised Location complies with the store layouts and plans and with applicable laws and ordinances.

21.5 SMARTSTYLE'S OPTION TO VIEW FRANCHISED LOCATION. SMARTSTYLE may, at its expense, view the Franchised Location during construction or remodeling at such times as it deems necessary for the purpose of determining the progress of the construction or remodeling and to ascertain that the interior and exterior of the Franchised Location are generally being constructed or remodeled according to the store layouts and plans. SMARTSTYLE'S viewing of the Franchised Location during construction or remodeling will not be for the purpose of determining that the Franchised Location is being constructed or remodeled in a workmanlike manner or in compliance with any applicable laws or ordinances. Accordingly, SMARTSTYLE will have no responsibility or liability to the FRANCHISEE or any other person or entity if the Franchised Location is not constructed or remodeled according to the store layouts and plans, in a workmanlike manner or in compliance with any applicable laws or ordinances.

21.6 LEASEHOLD IMPROVEMENTS. FRANCHISEE, at FRANCHISEE'S sole expense, shall add such leasehold improvements to the subject location as may be required by SMARTSTYLE. Said leasehold improvements shall be constructed in strict conformity with designs, plans and specifications approved in writing by SMARTSTYLE prior to the commencement of any construction. FRANCHISEE, at FRANCHISEE'S sole expense, shall equip and furnish the subject location with such equipment, furniture, fixtures and signs as SMARTSTYLE may reasonably require in order to ensure a uniform appearance of all "SMARTSTYLE" locations.

21.7 MAINTENANCE OF FURNITURE AND FIXTURES. FRANCHISEE agrees at FRANCHISEE'S expense to maintain all improvements, furniture, fixtures, and equipment located in the subject location in good and safe working order and to replace all worn, damaged or unsafe improvements, furniture, fixtures and equipment with new replacement items of equal or better quality which shall conform in appearance and design to the then current approved designs and plans and specifications of SMARTSTYLE. Subject to Section 21.6 above, in addition, SMARTSTYLE may from time to time require FRANCHISEE to modify the appearance of the subject location to conform to the current approved design and appearance standards adopted by SMARTSTYLE. FRANCHISEE shall, within a reasonable time after notice from SMARTSTYLE of such standards, take all steps, including remodeling or other substantial changes, necessary to comply with said standards at FRANCHISEE'S cost. In all events, FRANCHISEE shall install and use only such furnishings, fixtures and equipment as shall conform to specifications of design, color, quality, performance and utility designated or approved in writing by SMARTSTYLE.

21.8 MAINTENANCE OF INTERIOR AND EXTERIOR. FRANCHISEE shall, at FRANCHISEE'S expense, maintain the interior and exterior of the subject location in a clean, orderly, safe, and sanitary condition satisfactory to SMARTSTYLE and shall make such repairs or modifications as are necessary to maintain an aesthetically pleasing appearance. All repairs, modifications, and remodeling of the subject location shall be made only after FRANCHISEE has received the prior written consent of SMARTSTYLE.

21.9 FRANCHISEE'S INDEMNIFICATION OF SMARTSTYLE REGARDING IMPROVEMENTS. FRANCHISEE agrees to indemnify, defend, and hold SMARTSTYLE, its parent, subsidiaries and affiliates and their respective officers, directors, employees and agents harmless from any claim, action, proceeding or demand arising from or pertaining to FRANCHISEE'S improvements to, or modifications of, the subject location.

21.10 APPROVAL OF SIGNS. FRANCHISEE shall not install or use any sign, whether on the exterior or in the interior of the subject location, which has not received the prior written approval of SMARTSTYLE. As used herein the term "sign" shall be interpreted in its broadest sense and shall include all displays, cards, window advertising and promotional material.

21.11 SMARTSTYLE'S RIGHT TO PLACE INQUIRY SIGNS. SMARTSTYLE shall have the right to place in a conspicuous location in the subject location a sign of reasonable proportions which shall advise the public that FRANCHISEE'S business is a franchise and request prospective franchisees to contact SMARTSTYLE.

21.12 APPROVED VENDOR. FRANCHISEE may use SMARTSTYLE's then-current approved vendor to coordinate the development, buildout, and fixturing (including remodels) of the Franchised Location. If FRANCHISEE desires to use SMARTSTYLE's approved vendor's coordination services, FRANCHISEE must sign such vendor's current agreement and pay their applicable fee as well as the cost of the development, buildout, and fixturing (or remodeling) of the Franchised Location. If FRANCHISEE does not use SMARTSTYLE's currently approved vendor to coordinate all of the development, buildout, and fixturing (or remodeling) of the Franchised Location, then to ensure the development, build-out, and fixturing (or remodeling) meets SMARTSTYLE's standards, FRANCHISEE must pay SMARTSTYLE its then-current fees for its review and approval of FRANCHISEE's construction and design plans and review and approval of Franchised Location as built (or remodeled). These payments are not refundable.

ARTICLE 22
SUBLEASE

22.1 SUBLEASE. Once a site for the Franchised Location has been approved by SMARTSTYLE, FRANCHISEE shall sublease the Franchised Location under the terms and conditions of SMARTSTYLE's (or its affiliate's) then-current form of sublease. The sublease will be governed by the terms of the applicable master lease between the landlord and SMARTSTYLE or one of its affiliates.

22.2 FRANCHISEE TO COMPLY WITH LEASE. FRANCHISEE agrees to comply with all terms and conditions of the lease and sublease referred to in Section 22.1 hereof. Upon receipt of any notice of default or breach of the terms of said lease, FRANCHISEE agrees to promptly take all reasonable steps necessary to cure said default or breach. In the event FRANCHISEE does not promptly act to cure said default or breach, SMARTSTYLE, or its agents or employees, have the right, in addition to any other remedy available to SMARTSTYLE under the terms and conditions of this Agreement, to take all reasonable steps necessary to cure said default or breach. FRANCHISEE shall immediately reimburse SMARTSTYLE for any costs incurred by SMARTSTYLE incidental to SMARTSTYLE'S cure of said default or breach, including, but not limited to, entering the subject location for the purpose of operating the Franchise.

22.3 SMARTSTYLE'S REMEDY OF FRANCHISEE'S FAILURE UNDER ARTICLE 22. If FRANCHISEE should fail to comply with any of the terms and conditions of this Article 22, in addition to any other relief available to SMARTSTYLE, SMARTSTYLE or any persons authorized by SMARTSTYLE, without liability to FRANCHISEE, shall have the right, in addition to any rights SMARTSTYLE may have under the lease or sublease, to enter at any time upon the subject location and perform any act deemed necessary by SMARTSTYLE to remedy such failure and FRANCHISEE shall immediately reimburse SMARTSTYLE for any costs incurred by SMARTSTYLE incidental thereto.

22.4 SMARTSTYLE DOES NOT SERVE AS FRANCHISEE'S LEGAL COUNSEL. At FRANCHISEE'S request, SMARTSTYLE shall offer assistance to FRANCHISEE in selecting a site for the store and advising FRANCHISEE in negotiating an acceptable lease agreement for the site. SMARTSTYLE shall not represent FRANCHISEE in a legal capacity and advises FRANCHISEE to seek independent legal counsel in the review and negotiation of its lease agreement. **FRANCHISEE EXPRESSLY ACKNOWLEDGES AND AGREES THAT SMARTSTYLE'S APPROVAL OF A SITE FOR FRANCHISEE'S STORE IS NOT AND SHALL NOT BE CONSTRUED AS A GUARANTEE OR ASSURANCE THAT THE STORE'S BUSINESS WILL BE PROFITABLE AND FRANCHISEE ASSUMES ALL RISKS.**

ARTICLE 23
ARTICLE 23 ARBITRATION

23.1 DISPUTES SUBJECT TO ARBITRATION. Except as expressly provided to the contrary in this Agreement, all disputes and controversies between the parties, including allegations of fraud, misrepresentation or violation of any state or federal laws or regulations, arising under, as a result of, or in connection with this Agreement, the Franchised Location or the FRANCHISEE'S Smartstyle Business will be resolved and determined exclusively by arbitration in accordance with the Commercial Rules and Regulations of the American Arbitration Association.

23.2 NOTICE OF DISPUTE. The party alleging the breach, claim, dispute or controversy ("dispute") must give the other party written notice setting forth the alleged dispute in detail. The party who is given such written notice alleging the dispute will have thirty (30) days after having been given such written notice from the complaining party to correct or resolve the dispute specified in the written notice.

23.3 DEMAND FOR ARBITRATION. If the dispute alleged by either party has not been corrected, settled or compromised within the time period provided for in this Agreement, then either party may notice arbitration by giving the other party written notice demanding arbitration. Any arbitration, or any claim in arbitration (including any defense and any claim of setoff or recoupment), must be brought or asserted before the expiration of the earlier of (1) the time period for bringing an action under any applicable state or federal statute of limitation; (2) one year after the date upon which a party discovered, or should have discovered, the facts giving rise to an alleged claim; or (3) two years after the first act or omission giving rise to an alleged claim. Claims of the franchisor attributable to the underreporting of sales and claims of the parties for indemnification shall be subject only to the applicable state or federal statute of limitation. Within ten (10) days after a written demand for arbitration has been given by the party demanding arbitration, either party will have the right to request the appropriate office of the American Arbitration Association to initiate the procedures necessary to appoint an Arbitrator. The Arbitrator will be appointed within sixty (60) days after a written demand for Arbitration has been made in accordance with the Rules and Regulation of the American Arbitration Association.

23.4 VENUE AND JURISDICTION. All Arbitration hearings will take place exclusively in Minneapolis, Minnesota. SMARTSTYLE and the FRANCHISEE and their officers, directors and shareholders or partners and the Personal Guarantors acknowledge that the FRANCHISEE and its officers, directors and employees have had substantial business and personal contacts with SMARTSTYLE in Minnesota, do hereby agree and submit to personal jurisdiction in Minnesota in connection with any arbitration hearings hereunder and any suits or actions brought to enforce the decision of the Arbitrator, and do hereby waive any rights they may have to contest venue and jurisdiction in Minnesota and any claims that venue and jurisdiction in Minnesota are invalid.

23.5 POWERS OF ARBITRATOR. The authority of the Arbitrator will include making a finding, judgment, decision and award relating to the interpretation of or adherence to the written provisions of this Agreement and include any questions regarding its formation, existence, validity, breach or termination. The Federal Rules of Evidence (the "Rules") will apply to all arbitration hearings and the introduction of all evidence, testimony, records, affidavits, documents and memoranda in any arbitration hearing must comply in all respects with the Rules and legal precedents interpreting the Rules. Both parties will have the absolute right to cross-examine any person who testified against them or in favor of the other party. The Arbitrator will not have the authority or right to add to, delete, amend or modify in any manner the terms, conditions and provisions of this Agreement. All findings, judgments, decisions and awards of the Arbitrator will be limited to the dispute set forth in the written demand for arbitration, and the Arbitrator will not have the authority to decide any other issues. The Arbitrator will not have the right or authority to award punitive damages to SMARTSTYLE or the FRANCHISEE or their officers, directors, shareholders or partners and Personal Guarantors, and SMARTSTYLE and FRANCHISEE and their officers, directors, shareholders or partners, and Personal Guarantors expressly waive their rights to plead or seek punitive damages. All findings, judgments, decisions and awards by the Arbitrator will be in writing, will be made within sixty (60) days after the arbitration hearings have been completed, and will be final and binding on SMARTSTYLE and the FRANCHISEE, except as provided for in Article 23.8. The written decision of the Arbitrator will be deemed to be an order, judgment and decree and may be entered as such in any Court of competent jurisdiction by either party.

23.6 NO COLLATERAL ESTOPPEL OR CLASS ACTIONS. Except as provided herein, all arbitration findings, conclusions, orders and awards made by the Arbitrator will be final and binding on SMARTSTYLE and the FRANCHISEE and their officers, directors, shareholders or partners, and Personal Guarantors; however, such Arbitration findings, conclusions, orders and awards may not be used to collaterally estop either party from raising any like or similar issues, claims or defenses in any other or subsequent arbitration, litigation, court hearing or other proceeding involving third parties or other franchisees. No party except SMARTSTYLE, the FRANCHISEE, and their officers, directors, shareholders or partners, and Personal Guarantors will have the right to join in any arbitration proceeding arising under this Agreement, and, therefore, the Arbitrator will not be authorized to permit or approve class actions or to permit any person or entity that is not a party to this Agreement to be involved in or to participate in any arbitration hearings conducted pursuant to this Agreement. SMARTSTYLE and FRANCHISEE agree that arbitration shall be conducted on an individual, not a class-wide, basis and that an arbitration proceeding between SMARTSTYLE and FRANCHISEE shall not be consolidated with any other arbitration proceeding involving SMARTSTYLE its parent, subsidiaries and/or affiliates and any other person, corporation, partnership or limited liability company.

23.7 DISPUTES NOT SUBJECT TO ARBITRATION. The disputes and controversies between SMARTSTYLE and the FRANCHISEE which are set forth in Article 24.1 and the following disputes and controversies between SMARTSTYLE and the FRANCHISEE will not be subject to arbitration: (A) any dispute involving the Marks or which arises under or as a result of Article 3 of this Agreement; (B) any dispute involving enforcement of the confidentiality provisions set forth in Article 8 of this Agreement; and (C) any dispute involving enforcement of the covenants not to compete set forth in Article 12 of this Agreement.

23.8 DE NOVO HEARING ON MERITS. If the Arbitrator awards either SMARTSTYLE or the FRANCHISEE damages (including actual damages, costs and attorneys' fees) in excess of One Hundred Thousand Dollars ($100,000) in any arbitration proceeding commenced pursuant to this Agreement, then the party who has been held liable by the Arbitrator will have the right to a de novo hearing on the merits by commencing an action in a court of competent jurisdiction in accordance with the provisions of this Agreement. If the party held liable by the Arbitrator commences a court action as provided for herein, then neither party will have the right to introduce the Arbitrator's decision or findings in any such court action and the Arbitrator's decision and findings will be of no force and effect and will not be final or binding on either SMARTSTYLE or the FRANCHISEE. If the party who has been held liable by the Arbitrator for over One Hundred Thousand Dollars ($100,000) in damages fails to commence a court action within thirty (30) days after the Arbitrator issues his or her award in writing, then the Arbitrator's findings, judgments, decisions and awards will be final and binding on SMARTSTYLE and the FRANCHISEE.

23.9 CONFIDENTIALITY. All evidence, testimony, records, documents, findings, decisions, judgments and awards pertaining to any arbitration hearing between SMARTSTYLE and the FRANCHISEE will be secret and confidential in all respects. SMARTSTYLE and the FRANCHISEE will not disclose the decision or award of the Arbitrator and will not disclose any evidence, testimony, records, documents, findings, orders, or other matters from the arbitration hearing to any person or entity except as required by law.

23.10 SEVERABILITY. 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 the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Article is adjudicated to be invalid or unenforceable, then this Article will be deemed amended to delete that portion thus adjudicated to be invalid or unenforceable to the extent required to make this Article valid and enforceable. Any such deletion will be effective only in the jurisdiction in which the adjudication is made. Further, to the extent any provision of this Article is deemed unenforceable by virtue of its scope, the parties to this Agreement agree that the same will, nevertheless, be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought, and the scope in such a case will be determined by arbitration as provided herein.

ARTICLE 24
ENFORCEMENT

24.1 INJUNCTIVE RELIEF. In addition to the provisions of Article 23.7, SMARTSTYLE will have the right to petition a Court of competent jurisdiction for the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to: (A) the FRANCHISEE'S improper or unauthorized use of the Marks and the Business System; (B) the obligations of the FRANCHISEE upon termination or expiration of this Agreement; (C) the transfer or assignment of this Agreement, the franchised Business or substantially all of the assets employed in the franchised Business, or the ownership interests of the FRANCHISEE; (D) the FRANCHISEE'S violation of the provisions of this Agreement relating to confidentiality and covenants not to compete; and (E) any act or omission by the FRANCHISEE or the FRANCHISEE'S employees that, (1) constitutes a violation of any applicable law, ordinance or regulation, (2) is dishonest or misleading to customers of the FRANCHISEE'S Smartstyle Business or other Smartstyle businesses, (3) constitutes a danger to the employees, public or customers of the FRANCHISEE'S Smartstyle Business, or (4) may impair the goodwill associated with the Marks and the Business System. In any action brought under this provision where SMARTSTYLE prevails against the FRANCHISEE, the FRANCHISEE will indemnify SMARTSTYLE for all costs that it incurs in any such proceedings including, without limitation, attorneys' fees actually incurred, expert witness fees, costs of investigation, court costs, travel and living expenses, and all other costs incurred by SMARTSTYLE. Unless provided to the contrary by applicable law, SMARTSTYLE will be entitled to obtain injunctive relief without the posting of any bond or security.

24.2 SEVERABILITY. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to renew this Agreement than is required hereunder or the taking of some other action not required hereunder, or if under any applicable and binding law of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by SMARTSTYLE is invalid or unenforceable, the prior notice or other action required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision, specification, standard or operating procedure will be modified to the extent required to be valid and enforceable. Such modifications to this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

24.3 WAIVER. SMARTSTYLE and the FRANCHISEE may, by written instrument signed by SMARTSTYLE and the FRANCHISEE, waive any obligation of or restriction upon the other under this Agreement. Acceptance by SMARTSTYLE of any payment by the FRANCHISEE and the failure, refusal or neglect of SMARTSTYLE to exercise any right under this Agreement or to insist upon full compliance by the FRANCHISEE of its obligations hereunder including, without limitation, any mandatory specification, standard or operating procedure, will not constitute a waiver by SMARTSTYLE of any provision of this Agreement. SMARTSTYLE will have the right to waive obligations or restrictions for other franchisees under their Franchise Agreements without waiving those obligations or restrictions for the FRANCHISEE and, except to the extent provided by law, SMARTSTYLE will have the right to negotiate terms and conditions, grant concessions and waive obligations for other franchisees of SMARTSTYLE without granting those same rights to the FRANCHISEE and without incurring any liability to the FRANCHISEE whatsoever.

24.4 NO RIGHT TO OFFSET. The FRANCHISEE will not, on grounds of the alleged nonperformance by SMARTSTYLE of any of its obligations under this Agreement, any other contract between SMARTSTYLE and the FRANCHISEE, or for any other reason, withhold payment of any Continuing Fees or any other fees or payments due SMARTSTYLE under this Agreement or any other contract, promissory note or other obligation payable by the FRANCHISEE to SMARTSTYLE. The FRANCHISEE will not have the right to "offset" or withhold any liquidated or unliquidated amounts allegedly due to the FRANCHISEE from SMARTSTYLE against the Continuing Fees or any other payments due to SMARTSTYLE under this Agreement or any other contract, promissory note or other obligation payable by the FRANCHISEE to SMARTSTYLE.

24.5 SMARTSTYLE'S RIGHTS CUMULATIVE. The rights of SMARTSTYLE hereunder are cumulative and no exercise or enforcement by SMARTSTYLE of any right or remedy hereunder will preclude the exercise or enforcement by SMARTSTYLE of any other right or remedy hereunder or which SMARTSTYLE is entitled by law to enforce.

24.6 VENUE AND JURISDICTION. Unless otherwise required under applicable law, all Arbitration hearings, litigation, court hearings or other hearings initiated by either party against the other party must and will be venued exclusively in Hennepin County, Minnesota. The FRANCHISEE, each of its officers, directors and shareholders, and the Personal Guarantors: (A) acknowledge that Minneapolis, Minnesota is a mutually convenient location for the venue and conduct of any legal or enforcement proceedings; (B) do hereby agree and submit to personal jurisdiction in the State of Minnesota for the purposes of any arbitration hearings, litigation, court hearings or other hearings brought to enforce or construe the terms of this Agreement or to resolve any dispute or controversy arising under, as a result of, or in connection with this Agreement, the Franchised Location or the FRANCHISEE'S Smartstyle Business; and (C) do hereby agree and stipulate that any arbitration hearings, litigation, court hearings and other hearings will be venued and held exclusively in Hennepin County, Minnesota, and waive any rights to contest such venue and jurisdiction and any claims that such venue and jurisdiction are invalid.

24.7 AGREEMENT BINDING ON HEIRS AND ASSIGNS. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest.

24.8 JOINT AND SEVERAL LIABILITY. If the FRANCHISEE consists of more than one person, their liability under this Agreement will be deemed to be joint and several.

24.9 ENTIRE AGREEMENT. This FRANCHISE AGREEMENT supersedes and terminates all prior agreements relating to the operation of a Smartstyle Business by the FRANCHISEE at the Franchised Location, either oral or in writing, between the parties and therefore, any representations, inducements, promises or agreements between the parties not contained in this Agreement or not in writing signed by the President or a Vice President of SMARTSTYLE and the FRANCHISEE will not be enforceable. This Agreement will not supersede or terminate any written Development Agreement, Development Agreement or Franchise Agreement(s) executed prior to the date of this Agreement relating to other Smartstyle franchises that are or will be owned and operated by the FRANCHISEE. The preambles are a part of this Agreement, which constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between SMARTSTYLE and the FRANCHISEE relating to the subject matter of this Agreement. Nothing in the Agreement waives the FRANCHISEE'S reliance on the representations made in the Franchise Disclosure Document.

24.10 HEADINGS; TERMS. The headings of the Articles and the provisions thereof are for convenience only and do not define, limit or construe the contents of such Articles. The term "FRANCHISEE" as used herein is applicable to one or more individuals, a corporation or a partnership, as the case may be, and the singular usage includes the plural, and the masculine usage includes the neuter and the feminine, and the neuter usage includes the masculine and the feminine. References to "FRANCHISEE," "assignee" and "transferee" which are applicable to an individual or individuals will mean the principal owner or owners of the equity or operating control of the FRANCHISEE or any such assignee or transferee if the FRANCHISEE or such assignee or transferee is a corporation or partnership. If the FRANCHISEE consists of more than one individual, then all individuals will be bound jointly and severally by the terms and conditions of this Agreement.

24.11 NO ORAL MODIFICATION. No modification, change, addition, rescission, release, amendment or waiver of this Agreement and no approval, consent or authorization required by any provision of this Agreement may be made except by a written agreement subscribed to by duly authorized officers or partners of the FRANCHISEE and the President or a Vice President of SMARTSTYLE. SMARTSTYLE and the FRANCHISEE will not have the right to amend or modify this Agreement orally or verbally, and any attempt to do so will be void in all respects.

24.12 EFFECT OF WRONGFUL TERMINATION. If either SMARTSTYLE or the FRANCHISEE takes any action to terminate this Agreement or to convert the FRANCHISEE'S Smartstyle Business to another business, and if such action was taken without first complying with the applicable terms and conditions (including the notice and opportunity to cure provisions) of this Agreement, then such action will not relieve either party of, or release either party from, any of its obligations under this Agreement, and the terms and conditions of this Agreement will remain in full force and effect and the parties will be obligated to perform all terms until such time as this Agreement expires or is terminated in accordance with the provisions of this Agreement and applicable law, as determined by an Arbitrator or a Court of competent jurisdiction.

ARTICLE 25
NOTICES AND EMAIL

25.1 NOTICES. All notices to SMARTSTYLE will be in writing and will be made by personal service upon an officer or Director of SMARTSTYLE or sent by prepaid registered or certified United States mail or by reputable express delivery service (e.g., UPS, FedEx) and addressed to SMARTSTYLE, Attn: Franchise Compliance at 3701 Wayzata Boulevard, Suite 500, Minneapolis, Minnesota 55416. All notices to the FRANCHISEE will be by personal service upon the FRANCHISEE or a salon manager or assistant manager, (or, if applicable, an officer or Director of the FRANCHISEE), or sent by prepaid registered or certified United States mail or by reputable express delivery service (e.g., UPS, FedEx) and addressed to the FRANCHISEE at the Franchised Location or such other address as the FRANCHISEE may designate in writing. Notice by mail or express delivery service is effective upon depositing the same in the mail or with such express delivery service in the manner provided above, notice by personal service is effective upon obtaining service and notice by express delivery service is effective upon delivery by such delivery service.

25.2 ELECTRONIC COMMUNICATIONS AND EMAIL. In addition to using customary means of communications (e.g. telephone, facsimile, U.S. mail), Franchisee shall establish, maintain and use at its expense electronic communications required by SMARTSTYLE such as an active email account or web-based services for routine communications with Franchisor. Franchisee shall provide Franchisor with prompt notice of such active email account and any changes to such email account. SMARTSTYLE may require FRANCHISEE to obtain such electronic or internet web-based communications services or applications through SMARTSTYLE and FRANCHISEE shall reimburse SMARTSTYLE for the cost thereof.

ARTICLE 26
ACKNOWLEDGMENTS

26.1 BUSINESS RISKS; NO FINANCIAL PROJECTIONS. The FRANCHISEE acknowledges that it has conducted an independent investigation of the Smartstyle Business franchised hereunder, and recognizes that the business venture contemplated by this Agreement involves business and economic risks and that the financial and business success of the Business will be primarily dependent upon the personal efforts of the FRANCHISEE, its management and employees. SMARTSTYLE expressly disclaims the making of, and the FRANCHISEE acknowledges that it has not received, any estimates, projections, warranties or guaranties, express or implied, regarding potential Gross Revenues, profits, earnings or the financial success of the FRANCHISEE'S Smartstyle Business, except as expressly set forth in writing in SMARTSTYLE'S Franchise Disclosure Document, receipt of which is acknowledged by the FRANCHISEE.

26.2 NO INCOME OR REFUND WARRANTIES. The FRANCHISEE acknowledges that SMARTSTYLE does not warrant or guarantee to the FRANCHISEE that the FRANCHISEE will derive income or profit from the FRANCHISEE'S Smartstyle Business or that SMARTSTYLE will refund all or part of the Initial Fee or the price paid for the FRANCHISEE'S Smartstyle Business or repurchase any of the products, merchandise, furniture, fixtures, equipment, supplies or chattels supplied by SMARTSTYLE or an approved supplier if the FRANCHISEE is unsatisfied with its Smartstyle Business.

26.3 TERMS OF OTHER FRANCHISES MAY DIFFER. The FRANCHISEE acknowledges that other Franchisees of SMARTSTYLE have or will be granted franchises at different times and in different situations, and further acknowledges that the terms and conditions of such franchises and the resulting Franchise Agreements may vary substantially in economics, form and in substance from those contained in this Agreement.

26.4 RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT. The FRANCHISEE acknowledges that it received a Smartstyle Franchise Disclosure Document at least fourteen (14) calendar days prior to the date on which this Agreement was executed.

26.5 OTHER FRANCHISES AND COMPANY-OWNED STORES. FRANCHISEE acknowledges and agrees that SMARTSTYLE and its affiliates have established other franchises and company-owned stores selling or leasing similar products and services under the Smartstyle brand and under other trade names and trademarks and reserves the right to continue do so in the future. SMARTSTYLE and its affiliates own, operate, and/or franchise numerous brands, including Smartstyle, Cost Cutters, TGF, City Looks, Cool Cuts 4 Kids, BSO Beauty Supply Outlet, The Barbers, Regis Salons, MasterCuts, Pro-Cuts, Roosters, Holiday Hair, HairMasters, Haircrafters®, and Great Expectations®. There may be new franchise programs by SMARTSTYLE and its affiliates in the future. FRANCHISEE acknowledges that it will compete with the stores and salons operated by SMARTSTYLE and its affiliates and their franchisees that are located near FRANCHISEE's Franchised Location. FRANCHISEE acknowledges and agrees that SMARTSTYLE, its parent, subsidiaries and affiliates have the absolute right to acquire, merge with, develop, own, operate, manage, license or franchise hair care or product businesses under any trademark, service mark or trade name at any location or through any channel of distribution anywhere in the world and over the internet, and FRANCHISEE hereby waives any and all rights that it may have or allege against SMARTSTYLE, its parent, subsidiaries, and affiliates resulting from the opening and/or operating of any such hair care or product businesses, including those hair care or product businesses that may be near, adjacent or contiguous to the FRANCHISEE'S Smartstyle Business

ARTICLE 27
DISCLAIMER; FRANCHISEE'S LEGAL COUNSEL

27.1 DISCLAIMER BY SMARTSTYLE. SMARTSTYLE expressly disclaims the making of any express or implied representations or warranties regarding the sales, earnings, income, profits, Gross Revenues, business or financial success, or value of the FRANCHISEE'S Business, except those expressly set forth in Item 19 of the Smartstyle Franchise Disclosure Document received by the FRANCHISEE.

27.2 ACKNOWLEDGMENTS BY FRANCHISEE. The FRANCHISEE acknowledges that it has not received any express or implied representations or warranties regarding the sales, earnings, income, profits, Gross Revenues, business or financial success, value of the Business or any other matters pertaining to the Smartstyle Business from SMARTSTYLE or any of SMARTSTYLE'S officers, employees or agents that were not contained in writing in the Franchise Disclosure Document (including this Agreement) received by the FRANCHISEE ("representations or warranties"). The FRANCHISEE further acknowledges that if it had received any representations or warranties not contained in SMARTSTYLE'S Franchise Disclosure Document, it would not have executed this Agreement, and the FRANCHISEE would have: (A) promptly notified the President of SMARTSTYLE in writing of the person or persons making such representations or warranties; and (B) provided to SMARTSTYLE a specific written statement detailing the representations or warranties made that were not contained in the Franchise Disclosure Document received by the FRANCHISEE.

27.3 LEGAL REPRESENTATION. The FRANCHISEE acknowledges that this Agreement constitutes a legal document which grants certain rights to and imposes certain obligations upon the FRANCHISEE. The FRANCHISEE was advised by SMARTSTYLE to consult an attorney or other advisor prior to the execution of this Agreement to review SMARTSTYLE'S Franchise Disclosure Document and this Agreement in detail, to review the economics, operations and other business aspects of the Smartstyle Business, to determine compliance with franchising and other applicable laws, to advise the FRANCHISEE about all federal, state and local laws, rules, ordinances, special regulations and statutes that apply to the FRANCHISEE'S Smartstyle Business and to advise the FRANCHISEE about the economic risks, liabilities, obligations and rights under this Agreement. The name of the FRANCHISEE'S attorney or other advisor is:

Name: ____

Name of Firm: ____

Address: ____

City, State, Zip Code: __________________________________

Telephone Number: (   ) _______________________________

Fax Number: (   ) ____________________________________

ARTICLE 28
GOVERNING LAW; STATE MODIFICATIONS

28.1 GOVERNING LAW. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.), this Agreement and the relationship between SMARTSTYLE and the FRANCHISEE will be governed by the laws of the state in which the Franchised Location is located. The provisions of this Agreement which conflict with or are inconsistent with applicable governing law will be superseded and/or modified by such applicable law only to the extent such provisions are inconsistent. All other provisions of this Agreement will be enforceable as originally made and entered into upon the execution of this Agreement by the FRANCHISEE and SMARTSTYLE.

28.2 STATE MODIFICATIONS. Some states may have statutes, regulations and court decisions which may supersede the provisions of this Agreement in the FRANCHISEE'S relationship with SMARTSTYLE including the areas of termination and renewal of the Franchise.

28.3 SEVERABILITY. The severability provisions of this Agreement contained in Article 12.5, Article 23.10 and Article 24.2 of this Agreement will pertain to all of the applicable laws which conflict with or modify the provisions of this Agreement including, but not limited to, the provisions of this Agreement specifically addressed in Article 28.2 above.

ARTICLE 29
DEFINITIONS

For purposes of this Agreement, the following words will have the following definitions:

29.1 ABANDON. "Abandon" will mean the conduct of the FRANCHISEE, including acts of omission as well as commission, indicating the willingness, desire or intent of the FRANCHISEE to discontinue operating the franchised Business in accordance with the quality standards, uniform requirements and the Business System set forth in this Agreement and the Manual.

29.2 DESIGNATED MARKETING AREA. "Designated Marketing Area" or "DMA" will mean each television market exclusive of another based upon a preponderance of television viewing hours as defined by the ratings service currently being utilized by SMARTSTYLE or its designated advertising agency.

29.3 BUSINESS SYSTEM. "Business System" will mean the distinctive services and products which are associated with SMARTSTYLE'S trademarks, trade names, service marks, copyrights, interior and exterior building designs, slogans, signs, logos, commercial symbols and color combinations. "Business System" will include all of the uniform requirements, standards of quality and consistency, procedures, specifications, training, advertising and instructions promulgated by SMARTSTYLE.

29.4 FINANCIAL STATEMENTS. "Financial statements" will mean a balance sheet, income statement, statement of cash flows and footnotes prepared in accordance with generally accepted accounting principles applied on a consistent basis and any other schedules or forms that may be required by SMARTSTYLE.

29.5 GROSS REVENUES. "Gross Revenues" will mean the gross total dollar income of the FRANCHISEE'S Smartstyle Business from all cash, credit or charge sales of all merchandise, products and services sold or rendered in, upon, about or resulting from, in connection with or as a result of the FRANCHISEE'S Smartstyle Business, and will include all sales, receipts and revenues, in any form and from any and all sources whatsoever, including the redemption of gift certificates and gift cards and sales made to employees of the FRANCHISEE. This definition will be applicable regardless of whether such sales, receipts or revenues are produced or received by the FRANCHISEE, by any permitted sublicensee, tenant, agent, employee, concessionaire, vending machine, coin-operated machine or vendor of the FRANCHISEE, or by any other business associate of the FRANCHISEE who or which is associated with the FRANCHISEE in order to receive the benefits of the rights granted hereunder to the FRANCHISEE. "Gross Revenues" will include all sales made by the FRANCHISEE whether made for cash or on credit or by the redemption of gift certificates or gift cards including, but not limited to, those sales charged or made for orders placed or deliveries from the Business franchised hereunder, including orders placed or filled, or services provided at a location other than the Franchised Location, including mail order. No deductions shall be made from Gross Revenues for charitable or other donations. "Gross Revenues" will not include any sales, use or gross receipts tax imposed by any federal, state, municipal or governmental authority directly upon sales, if: (A) the amount of the tax is added to the selling price and is expressly charged to the customer; (B) a specific record is made at the time of each sale of the amount of such tax; and (C) the amount thereof is paid over to the appropriate taxing authority by the FRANCHISEE.

29.6 QUARTERLY. "Quarterly" or "Quarter" will mean three (3) consecutive calendar months commencing on the first day of the FRANCHISEE'S fiscal or calendar year.

IN WITNESS WHEREOF, SMARTSTYLE, the FRANCHISEE and the shareholders of the FRANCHISEE have respectively signed this Agreement effective as of the day and year first above written.

"SMARTSTYLE"

The Barbers, Hairstyling for Men & Women, Inc.

By ______________________________________
Title ____________________________________

"FRANCHISEE"

By ______________________________________

Title ____________________________________

____

____

The undersigned individual shareholders/members of the FRANCHISEE hereby agree to be bound by the terms and conditions of this Agreement.

Shareholders/Members	Percentage of Ownership
______________________________	______________ %
______________________________	______________ %
______________________________	______________ %
______________________________	______________ %

The undersigned spouse(s) of the individual FRANCHISEE(S) hereby agree to be bound by the terms and conditions of this Agreement regarding confidentiality of information and covenants not to compete.

______________________________	______________________________
______________________________	______________________________
Print Name	Print Name

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THIS FRANCHISE AGREEMENT

In consideration of the execution of this Agreement by SMARTSTYLE, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guaranty for the payment of all amounts and the performance of the covenants, terms and conditions in this Agreement, to be paid, kept and performed by the FRANCHISEE.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in this Agreement and agree that this PERSONAL GUARANTY will be construed as though the undersigned and each of them executed an Agreement containing the identical terms and conditions of this Agreement.

If the FRANCHISEE breaches the terms and conditions of this Agreement, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay SMARTSTYLE all monies due and payable to SMARTSTYLE under the terms and conditions of this Agreement.

In addition, if the FRANCHISEE fails to comply with any other terms and conditions of this Agreement, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to comply with the terms and conditions of this Agreement for and on behalf of the FRANCHISEE.

In addition, should the FRANCHISEE at any time be in default on any obligation to pay monies to SMARTSTYLE or any subsidiary or affiliate of SMARTSTYLE, whether for merchandise, products, supplies, furniture, fixtures, equipment, rent or other goods purchased by the FRANCHISEE from SMARTSTYLE or any subsidiary or affiliate of SMARTSTYLE or for any other indebtedness of the FRANCHISEE to SMARTSTYLE or any subsidiary or affiliate of SMARTSTYLE, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay all such monies due and payable from the FRANCHISEE to SMARTSTYLE or any subsidiary or affiliate of SMARTSTYLE.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this GUARANTY will inure to the benefit of the successors and assigns of SMARTSTYLE. Each of the undersigned hereby submits to personal jurisdiction in the state and federal courts of Minnesota with respect to any litigation pertaining to this GUARANTY, and agrees that all litigation pertaining to this GUARANTY will and must be venued exclusively in Hennepin County, Minnesota.

PERSONAL GUARANTORS

Individually	**Individually**
Address	Address
City State Zip Code	City State Zip Code
Telephone	Telephone
Individually	**Individually**
Address	Address
City State Zip Code	City State Zip Code
Telephone	Telephone
Individually	**Individually**
Address	Address
City State Zip Code	City State Zip Code
Telephone	Telephone

EXHIBIT A
AUTHORIZATION FOR DIRECT PAYMENT

REGIS CORPORATION
3701 Wayzata Blvd., Suite 500
Minneapolis, MN 55416

Phone: (952) 947-7777 FAX: (952) 995-3080

AUTHORIZATION FOR DIRECT PAYMENT

I hereby authorize Regis Corporation to initiate Electronic Funds Transfer (EFT) or Automated Clearing House (ACH) transactions against my checking/savings account and I instruct the financial institution named below to honor said transactions. This authorization shall remain in force until revocation in writing.

	Salon Number	Salon Location
______________________	__________	______________________
Name of Franchisee (Please print)	__________	______________________
	__________	______________________
______________ ___________	__________	______________________
Signature of Franchisee Date		

____
State Date (for internal use only)

____
Name of Financial Institution

____
Street Address of Financial Institution

____
City/State/Zip of Financial Institution

ACH for:
Royalty/AD fund _______
Training _______
Product _______
Miscellaneous _______

Account Number:______________________________ Checking__________ Savings_________

Bank Routing Number (ABA):____

STAPLE VOIDED CHECK HERE:

Note: Please submit one form per bank account. Make additional copies of this form if necessary.

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT E: DEVELOPMENT AGREEMENT

SMARTSTYLE®

DEVELOPMENT AGREEMENT

BETWEEN

THE BARBERS, HAIRSTYLING FOR MEN & WOMEN, INC.
3701 Wayzata Boulevard, Suite 500
Minneapolis, Minnesota 55416
(952) 947-7777
Fax: (952) 947-7900

AND

____

____

____

____
Name(s) of **FRANCHISEE**

____
Street

____
City State Zip Code

(____________)______________________________
Area Code Telephone

DEVELOPMENT AREA:

____

____

____

____

DATE OF DEVELOPMENT AGREEMENT:

____________________, _____

SMARTSTYLE®

DEVELOPMENT AGREEMENT

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SMARTSTYLE®

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement"), made, entered into and effective this _____ day of _______________, _____, by and between The Barbers, Hairstyling for Men & Women, Inc., a Minnesota corporation ("SMARTSTYLE"), and ____ (the "FRANCHISEE");

WITNESSETH:

WHEREAS, SMARTSTYLE has developed and owns a distinctive business system for operating hairstyling businesses of a distinctive character with the name "Smartstyle®" (the "Business System" or the "Smartstyle Business System") and has publicized the name "Smartstyle®" and other trademarks, trade names, service marks and commercial symbols to the public as an organization of hairstyling businesses operating under the Smartstyle Business System; and

WHEREAS, SMARTSTYLE represents that it has the right and authority to license the use of the name "Smartstyle®" and certain other trademarks, trade names, service marks, logos and commercial symbols (the "Marks") for use in connection with hairstyling businesses operated in conformity with the Business System to selected persons or entities who will comply with SMARTSTYLE'S uniformity requirements and quality standards; and

WHEREAS, the FRANCHISEE desires to operate Smartstyle hairstyling businesses pursuant to Franchise Agreements granted pursuant to this agreement at locations in the area designated in Article 1 of this Agreement which will conform to the uniformity requirements and quality standards established and promulgated from time to time by SMARTSTYLE; and

WHEREAS, SMARTSTYLE is willing to provide the FRANCHISEE with marketing, advertising, technology, operational and other business information, experience and "know how" about the Smartstyle business that has been developed over time by SMARTSTYLE at significant cost and expense; and

WHEREAS, the FRANCHISEE acknowledges that it would take substantial capital and human resources to develop a business similar to the Smartstyle business and, as a consequence, the FRANCHISEE desires to acquire the right to use the Marks and the Business System and to own and operate Smartstyle businesses subject to and under the terms and conditions set forth in this Agreement; and

WHEREAS, the FRANCHISEE acknowledges that SMARTSTYLE would not provide the FRANCHISEE with any business information or "know how" about the Smartstyle Business System unless the FRANCHISEE agreed to comply with all of the terms and conditions of this Agreement and to pay the Development Fee and the other fees specified in this Agreement; and

WHEREAS, the FRANCHISEE has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this Agreement by its legal counsel or other advisor, and has had sufficient time to evaluate and investigate the Smartstyle Business System, the financial investment requirements, and the business risks associated with owning and operating Smartstyle businesses;

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement and for other good and valuable consideration, the parties hereby contract as follows:

ARTICLE 1
DEVELOPMENT AREA

1.1 DEVELOPMENT AREA. SMARTSTYLE hereby grants to the FRANCHISEE, for the term of this Agreement, the nonexclusive right to enter into Franchise Agreements with SMARTSTYLE for the operation of Smartstyle hairstyling businesses (the "Smartstyle Businesses" or the "Businesses") using the Marks, to be located only at locations approved by SMARTSTYLE inside certain Wal-Mart Stores within the following geographic area:

____
____
____
____

(the "Development Area"). The Development Area may be further described and delineated in Exhibit A, if any, attached hereto and signed by both the FRANCHISEE and SMARTSTYLE. The FRANCHISEE acknowledges and agrees that the Development Area includes only locations approved by SMARTSTYLE inside certain Wal-Mart stores within the above-described Development Area, and FRANCHISEE has no rights to develop outside Wal-Mart stores in the Development Area without SMARTSTYLE'S prior express written consent.

1.2 NON-EXCLUSIVE. The rights and privileges granted to the FRANCHISEE in this Agreement are non-exclusive, limited to the Development Area, and are subject to the terms and conditions of this Agreement. FRANCHISEE acknowledges the rights of SMARTSTYLE and its parent, affiliates, and subsidiaries to acquire, merge with, develop, own, operate, license or franchise anywhere including within the Development Area (a) other Smartstyle Businesses; and (b) any other hair care or hair product businesses under any other name or mark, including as described in Article 15.6 of this Agreement.

1.3 PERSONAL RIGHTS. The FRANCHISEE will not be entitled to franchise, subfranchise, license or sublicense other persons or entities under this Agreement and the FRANCHISEE may open, own and operate Smartstyle Businesses only in the Development Area. The rights, privileges and franchise granted and conveyed to the FRANCHISEE in this Agreement will be strictly for the Development Area only and may not be assigned, sold or transferred by the FRANCHISEE, except as specifically provided for in this Agreement.

ARTICLE 2
TERM OF DEVELOPMENT AGREEMENT; RIGHT OF FIRST REFUSAL

2.1 TERM. The term of this Agreement will commence on the date set forth on Page D-1 of this Agreement (the "Commencement Date") and will continue, unless earlier terminated in accordance with Article 6 below or other provisions of this Agreement, until the first to occur of (A) the expiration of the final date set forth in Section 3.4 herein and (B) that date upon which ____________ (___) Smartstyle Businesses owned by the FRANCHISEE are open and operating for business in the Development Area under the terms of this Agreement. This Agreement will not be considered executed and will not be enforceable until: (i) it has been signed by SMARTSTYLE and the FRANCHISEE, and, if the FRANCHISEE is a corporation or partnership, the Personal Guarantors; and (ii) the signed Agreement has been delivered to the FRANCHISEE.

2.2 RIGHT OF FIRST REFUSAL. At the end of the term of this Agreement, the FRANCHISEE'S development rights with respect to the Development Area will automatically terminate, and the FRANCHISEE will not have the right to renew or extend the term of this Agreement. If the

FRANCHISEE wishes to acquire the development rights with respect to the Development Area following the end of the term of this Agreement, then the FRANCHISEE must so notify SMARTSTYLE at least one hundred twenty (120) days prior to the end of the term of this Agreement. Upon being given such notice from the FRANCHISEE, SMARTSTYLE will have the right to reevaluate the prospects for the establishment of Smartstyle businesses in the Development Area, and SMARTSTYLE may determine that the Development Area may, at this time, be further developed by opening additional Smartstyle businesses in the Development Area. In the event SMARTSTYLE determines that the Development Area may not, at this time, be further developed, or that the FRANCHISEE does not comply with the then-current requirements of SMARTSTYLE for area developers, then SMARTSTYLE will so notify the FRANCHISEE and all rights of the FRANCHISEE under this Article 2.2 shall terminate. In the event SMARTSTYLE determines that the Development Area may, at this time, be further developed, and if the FRANCHISEE meets all of the then-current requirements of SMARTSTYLE for area developers, then SMARTSTYLE will give the FRANCHISEE written notice of its proposal to develop additional Smartstyle businesses in the Development Area and the FRANCHISEE will have thirty (30) days to (A) accept in writing SMARTSTYLE'S proposal to own and operate further Smartstyle Businesses in the Development Area and (B) sign the then-current form of SMARTSTYLE development agreement incorporating the terms of such proposal. If so accepted, the FRANCHISEE will have the right to own and operate Smartstyle Businesses in the Development Area according to the terms and conditions set forth in the development agreement, which may vary in form and substance from the terms, conditions and economics set forth in this Agreement. If the FRANCHISEE fails to accept in writing SMARTSTYLE'S written proposal and to sign such development agreement within thirty (30) days from the date the written notice of SMARTSTYLE'S proposal is given to the FRANCHISEE, then all rights of the FRANCHISEE under this Article 2.2 shall automatically terminate. The FRANCHISEE acknowledges that circumstances and judgments may change and that if the FRANCHISEE'S rights under this Article 2.2 have terminated as provided above, then such rights will not be revived in the event SMARTSTYLE later determines that the Development Area may be further developed.

ARTICLE 3
DEVELOPMENT FEE; INITIAL FEES; DEVELOPMENT SCHEDULE

3.1 DEVELOPMENT FEE. On the date this Agreement is executed by the FRANCHISEE, the FRANCHISEE will pay SMARTSTYLE a nonrefundable development fee equal to ____ Dollars ($_______________) (the "Development Fee").

3.2 INITIAL FEES. In addition to the Development Fee, the FRANCHISEE will pay SMARTSTYLE an Initial Fee, as defined in SMARTSTYLE'S then-current standard Franchise Agreement, of ____ Dollars ($_______________) in connection with each Franchise Agreement entered into pursuant to this Agreement. The amount of each Initial Fee payable to SMARTSTYLE for each Smartstyle Business opened in the Development Area in accordance with the development schedule will be the amount as set forth in this Article 3.2, if any, even if the then-current standard Franchise Agreement signed by the FRANCHISEE specifies an Initial Fee that is greater than or different from the Initial Fee specified herein.

3.3 PAYMENT OF INITIAL FEES. The FRANCHISEE must pay SMARTSTYLE the Initial Fee set forth in Article 3.2 of this Agreement on or before the date the FRANCHISEE executes the then-current standard Franchise Agreement for each Smartstyle Business required to be owned and operated in the Development Area pursuant to this Agreement. A then-current standard Smartstyle Franchise Agreement must be executed by the FRANCHISEE for each Smartstyle Business owned and operated by the FRANCHISEE in the Development Area at least ten (10) days prior to the date the FRANCHISEE commences initial business operations at each of its Smartstyle Businesses in the Development Area.

3.4 <u>DEVELOPMENT SCHEDULE</u>. The FRANCHISEE acknowledges and agrees that a material provision of this Agreement is that the following number of Smartstyle Businesses must be opened and continuously operating in the Development Area during the term of this Agreement in accordance with the following development schedule:

Period	**Number of Smartstyle Businesses Required to be Opened and Continuously Operating for Business in the Development Area During the Period**	**Cumulative Number of Smartstyle Businesses Required to be Open and Continuously Operating for Business in the Development Area at the end of the Period**
By _______		
By _______		
By _______ **By** _______		
By _______		
By _______		

For purposes of determining compliance with the development schedule set forth in this Article 3.4, only the FRANCHISEE'S Smartstyle Businesses actually open and continuously operating for business in the Development Area as of the end of a given period will be counted toward the number of Smartstyle Businesses required to be open and continuously operating for business. FRANCHISEE'S first Smartstyle Business under this Development Agreement must be open and operating within eighteen (18) months after the Smartstyle Business under the Franchise Agreement executed contemporaneously with this Agreement is required to be open. FRANCHISEE'S second Smartstyle Business under this Development Agreement must be open and operating within eighteen (18) months after the date the first required Smartstyle Business under this Development Agreement is required to be open.

3.5 <u>REASONABLENESS OF DEVELOPMENT SCHEDULE</u>. The FRANCHISEE represents that it has conducted its own independent investigation and analysis of the prospects for the establishment of Smartstyle Businesses within the Development Area, approves of the foregoing development schedule as being reasonable and viable, and recognizes that failure to achieve the results described in the foregoing development schedule will constitute a material breach of this Agreement.

3.6 FAILURE TO COMPLY WITH DEVELOPMENT SCHEDULE. The FRANCHISEE'S failure to comply with the above development schedule will constitute a material breach of this Agreement by the FRANCHISEE and, in that event, SMARTSTYLE will have the right to terminate this Agreement as provided herein. Termination of this Agreement as a result of the FRANCHISEE'S failure to meet the development schedule set forth above will not affect the individual Franchise Agreements signed by the FRANCHISEE for the Smartstyle Businesses opened and operated in the Development Area pursuant to this Agreement prior to termination; however, upon termination of this Agreement, all rights to open and operate additional Smartstyle Businesses in the Development Area and all other rights granted to the FRANCHISEE under this Agreement will immediately terminate, without affecting those obligations of the FRANCHISEE that continue beyond the termination of this Agreement.

3.7 TERMINATION FOR FAILURE TO COMPLY WITH DEVELOPMENT SCHEDULE. If this Agreement is terminated by SMARTSTYLE because of the FRANCHISEE'S failure to meet the development schedule set forth above, the rights and duties of SMARTSTYLE and the FRANCHISEE will be as follows: (A) the FRANCHISEE will have no further rights to open and operate additional Smartstyle Businesses within the Development Area; and (B) the FRANCHISEE will continue to pay all required fees and to operate its Smartstyle Businesses opened and operated in the Development Area pursuant to the terms of the applicable Franchise Agreements signed by the FRANCHISEE prior to the date of the termination of this Agreement.

3.8 SMARTSTYLE'S RIGHT TO SUSPEND DEVELOPMENT. SMARTSTYLE has no obligation to grant FRANCHISEE any additional franchises under this or any other Development Agreement or otherwise if Developer: a) has any accounts receivable with SMARTSTYLE that are over 60 days past due; b) has failed to report Gross Revenues for over four consecutive (4) weeks; c) has received three (3) or more default notices or warning of default notices within the most recent twelve (12) month period; d) has not built an existing Smartstyle salon to the specifications of SMARTSTYLE; or e) is not using the SMARTSTYLE marketing materials. FRANCHISEE'S failure to timely cure any of the foregoing shall be a material breach of this Development Agreement.

ARTICLE 4
OTHER OBLIGATIONS OF FRANCHISEE

4.1 COMPLIANCE WITH APPLICABLE LAWS. The FRANCHISEE agrees to and will, at its expense, comply with all federal, state, city, municipal and local laws, ordinances, rules and regulations in the Development Area pertaining to the operation of its Smartstyle Businesses, including all laws relating to employees and to the regulation of barbers and cosmetologists and all applicable federal and state environmental laws. The FRANCHISEE will, at its expense, be absolutely and exclusively responsible for determining all licenses and permits required by law for the FRANCHISEE'S Smartstyle Businesses, for qualifying for and obtaining all such licenses and permits, and for maintaining all such licenses and permits in full force and effect.

4.2 DISTRICT MANAGER. SMARTSTYLE encourages the FRANCHISEE to employ at least one (1) full-time person (a "District Manager") for each six (6) Smartstyle Businesses opened and operated in the Development Area pursuant to this Agreement to supervise the FRANCHISEE'S Smartstyle Businesses in the Development Area. Each District Manager will be responsible for the operation and administration of up to six (6) Smartstyle Businesses under his or her supervision and control in the Development Area, including supervision of the managers and assistant managers. The FRANCHISEE'S District Managers must devote their full time and attention to administering and overseeing the operations of the FRANCHISEE'S Smartstyle Businesses in the Development Area. All District Managers of the FRANCHISEE'S Smartstyle Businesses must attend and successfully complete the training program required by SMARTSTYLE, and be certified and approved by SMARTSTYLE in writing.

4.3 EXECUTION OF FRANCHISE AGREEMENTS. For each Smartstyle Business opened, owned, and operated for business by the FRANCHISEE in the Development Area, the FRANCHISEE (and, if applicable, the FRANCHISEE'S shareholders, partners or members and Personal Guarantors) must execute SMARTSTYLE'S then-current standard Franchise Agreement (the "Franchise Agreement"). If the FRANCHISEE fails to provide SMARTSTYLE with an executed Franchise Agreement at least ten (10) days prior to the date the FRANCHISEE commences business at each of its Smartstyle Businesses in the Development Areas required by the terms of this Agreement, it will be deemed a material breach of this Agreement and SMARTSTYLE will have the right to terminate this Agreement as provided herein.

4.4 MODIFICATIONS TO FRANCHISE AGREEMENT. The FRANCHISEE acknowledges that the Franchise Agreement may be modified from time to time by SMARTSTYLE and that modifications and amendments to the Franchise Agreement will not alter the FRANCHISEE'S obligations under this Agreement.

ARTICLE 5
CONFIDENTIAL OPERATIONS MANUAL AND OTHER INFORMATION

5.1 COMPLIANCE WITH MANUAL. In order to protect the reputation and goodwill of SMARTSTYLE and to maintain uniform operating standards under the Marks and the Business System, the FRANCHISEE will, at all times during the term of this Agreement and the terms of the Smartstyle Franchise Agreements signed by the FRANCHISEE, conduct its Smartstyle Businesses in accordance with SMARTSTYLE'S confidential Operations Manual (the "Manual").

5.2 CONFIDENTIALITY OF MANUAL. The FRANCHISEE must, at all times during the term of this Agreement and thereafter, treat the Manual, any other manuals created for or approved for use in the operation of the FRANCHISEE'S Smartstyle Businesses, and the information contained therein as secret and confidential, and the FRANCHISEE will use all reasonable means to keep such information secret and confidential. Neither the FRANCHISEE nor its employees will make any copy, duplication, record or reproduction of the Manual (or any portion thereof) available to any unauthorized person.

5.3 REVISIONS TO MANUAL. The Manual will, at all times during the term of this Agreement and thereafter, remain the sole and absolute property of SMARTSTYLE. SMARTSTYLE may from time to time revise the Manual and the FRANCHISEE expressly agrees to operate its Smartstyle Businesses in accordance with all such revisions. The FRANCHISEE will at all times keep its copy of the Manual current and up-to-date, and in the event of any dispute, the terms of the master copy of the Manual maintained by SMARTSTYLE will be controlling in all respects.

5.4 OTHER CONFIDENTIAL INFORMATION. The FRANCHISEE expressly acknowledges and agrees that SMARTSTYLE will be disclosing and providing to the FRANCHISEE certain confidential and proprietary information concerning the Business System and the procedures, technology, operations and data used in connection with the Business System. Accordingly, the FRANCHISEE will not, during the term of this Agreement or thereafter, communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how concerning the methods of operation of the Smartstyle Businesses which may be communicated to the FRANCHISEE, or of which the FRANCHISEE may be apprised, by virtue of this Agreement. The FRANCHISEE will divulge such confidential information only to its employees that must have access to it in order to operate the FRANCHISEE'S Smartstyle Businesses. Any and all information, knowledge and know-how including, without limitation, vendor and supplier lists, customer lists, drawings, materials, equipment, technology, methods, procedures, specifications, techniques, computer programs, systems and other data which SMARTSTYLE designates as confidential or proprietary will be deemed confidential and proprietary for the purposes of this Agreement.

5.5 REMEDIES. The FRANCHISEE recognizes that the provisions contained in this Article are necessary for the protection of SMARTSTYLE and all of the franchisees who own Smartstyle businesses. If the FRANCHISEE (including its employees and agents) violates any provisions of this Article, then SMARTSTYLE will have the right to: (A) terminate this Agreement (as provided for herein); (B) seek injunctive relief from a Court of competent jurisdiction; (C) commence an action or lawsuit against the FRANCHISEE for damages; and (D) enforce all other remedies against the FRANCHISEE that are available to SMARTSTYLE under common law, in equity, and pursuant to any federal and state statutes in an action or lawsuit against the FRANCHISEE.

ARTICLE 6
SMARTSTYLE'S RIGHT OF TERMINATION

6.1 GROUNDS FOR TERMINATION. In addition to the other rights of termination contained in this Agreement, SMARTSTYLE will have the right and privilege to terminate this Agreement if: (A) the FRANCHISEE violates any material provision, term or condition of this Agreement; (B) the FRANCHISEE fails to conform to the Business System, the standards of uniformity and quality for the goods and services or the policies and procedures promulgated by SMARTSTYLE in connection with the Business System; (C) the FRANCHISEE fails to timely pay any of its uncontested obligations or liabilities due and owing SMARTSTYLE, suppliers, banks, purveyors, other creditors or any federal, state and municipal government (including, if applicable, federal and state taxes); (D) the FRANCHISEE is determined to be insolvent within the meaning of any state or federal law or becomes a party to any bankruptcy proceedings, files for bankruptcy, or its adjudicated a bankrupt under any state or federal law; (E) the FRANCHISEE makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors; (F) any check issued by the FRANCHISEE is dishonored because of insufficient funds (except where the check is dishonored because of a bookkeeping or accounting error) or closed accounts; (G) any Smartstyle Franchise Agreement executed by the FRANCHISEE is (1) terminated by SMARTSTYLE or (2) wrongfully terminated by the FRANCHISEE; (H) the FRANCHISEE fails to make, when due, any payment pursuant to any Franchise Agreement, promissory note, other contract or other obligation payable by the FRANCHISEE to SMARTSTYLE;.

6.2 NOTICE OF BREACH. Except as provided for in Article 6.5 and Article 6.6 of this Agreement, SMARTSTYLE will not have the right to terminate this Agreement unless and until written notice setting forth the alleged breach in detail has been given to the FRANCHISEE by SMARTSTYLE and after having been given such written notice of breach the FRANCHISEE fails to correct the alleged breach within the period of time specified by applicable law. If applicable law does not specify a time period to correct an alleged breach, then the FRANCHISEE will have thirty (30) days after having been given such written notice to correct the alleged breach. If the FRANCHISEE fails to correct an alleged breach set forth in the written notice as provided herein within the applicable period of time, then this Agreement may be terminated by SMARTSTYLE as provided in this Agreement. For the purposes of this Agreement, an alleged breach of this Agreement by the FRANCHISEE will be deemed to be "corrected" if both SMARTSTYLE and the FRANCHISEE agree in writing that the alleged breach has been corrected.

6.3 ARBITRATION. If the FRANCHISEE gives notice of arbitration, as provided for in this Agreement, within the time period established in Article 6.2 for correcting the alleged breach, then

SMARTSTYLE will not have the right to terminate this Agreement until the facts of the alleged breach have been submitted to arbitration as provided for herein, the Arbitrator determines that the FRANCHISEE has breached this Agreement and the FRANCHISEE fails to correct the breach within the applicable time period. If the Arbitrator determines that the FRANCHISEE has breached this Agreement as alleged by SMARTSTYLE in the written notice given to the FRANCHISEE, then the FRANCHISEE will have thirty (30) days from the date the Arbitrator issues a written determination on the matter to correct the specified breach or violation of this Agreement, except where applicable law requires a longer cure period in which event the cure period specified by applicable law will apply. If the FRANCHISEE timely corrects the specified breach of this Agreement, then this Agreement will remain in full force and effect. For the purposes of this Agreement, any controversy or dispute on the issue of whether the FRANCHISEE has timely corrected the specified breach of this Agreement will also be subject to arbitration as provided for herein. The time limitations set forth in this Article within which the FRANCHISEE may demand arbitration of a dispute or controversy relating to the right of SMARTSTYLE to terminate this Agreement for an alleged breach will be mandatory. If the FRANCHISEE fails to comply with the time limitations set forth in this Article, SMARTSTYLE may terminate this Agreement as provided for herein.

6.4 **NOTICE OF TERMINATION**. If SMARTSTYLE has complied with the notice provisions of this Article and the FRANCHISEE has not corrected the alleged breach set forth in the written notice within the time period specified in this Article, then SMARTSTYLE will have the absolute right to terminate this Agreement by giving the FRANCHISEE written notice stating to the FRANCHISEE that this Agreement is terminated, and in that event, unless applicable law provides to the contrary, the effective date of termination of this Agreement will be the day the written notice of termination is given to the FRANCHISEE.

6.5 **GROUNDS FOR IMMEDIATE TERMINATION**. SMARTSTYLE will have the absolute right and privilege, unless prohibited by applicable law, to immediately terminate this Agreement if: (A) the FRANCHISEE or any of its partners, directors, officers or majority shareholders or members is convicted of, or pleads guilty or no contest to, a charge of violating any law relating to the FRANCHISEE'S Smartstyle Businesses, or any felony; (B) the FRANCHISEE voluntarily or otherwise abandons, as defined herein, the Development Area; or (C) the FRANCHISEE is involved in any act or conduct which materially impairs the goodwill associated with SMARTSTYLE'S Marks or Business System, and the FRANCHISEE fails to correct such act or conduct within twenty-four (24) hours of receipt of written notice from SMARTSTYLE.

6.6 **NOTICE OF IMMEDIATE TERMINATION**. If this Agreement is terminated by SMARTSTYLE pursuant to Article 6.5 above, SMARTSTYLE will give the FRANCHISEE written notice that this Agreement is terminated, and in that event, unless applicable law provides to the contrary, the effective date of termination of this Agreement will be the day the written notice of termination is given to the FRANCHISEE.

6.7 **DAMAGES**. In the event this Agreement is terminated by SMARTSTYLE pursuant to this Article, or if the FRANCHISEE breaches this Agreement by a wrongful termination of this Agreement, then SMARTSTYLE will be entitled to seek recovery from the FRANCHISEE for all of the damages that SMARTSTYLE has sustained and will sustain in the future as a result of the FRANCHISEE'S breach of this Agreement, which will include damages based upon the Initial Fees, Continuing Fees, Advertising Fees and other fees that would have been payable by the FRANCHISEE pursuant to this Agreement.

6.8 **OTHER REMEDIES**. Nothing in this Article or this Agreement will preclude SMARTSTYLE from seeking other damages or remedies under common law, state or federal laws or this Agreement against the FRANCHISEE including, but not limited to, attorneys' fees, punitive damages and injunctive relief.

ARTICLE 7
FRANCHISEE'S RIGHTS AND OBLIGATIONS UPON TERMINATION

7.1 OBLIGATIONS UPON TERMINATION. In the event this Agreement is terminated for any reason, then the FRANCHISEE will: (A) within five (5) days after termination, pay all amounts due and owing to SMARTSTYLE under this Agreement or any other contract, promissory note or other obligation payable by the FRANCHISEE to SMARTSTYLE; and (B) comply with all other applicable provisions of this Agreement, including those provisions with obligations that continue beyond the termination of this Agreement.

7.2 FRANCHISE AGREEMENTS NOT AFFECTED. The FRANCHISEE will continue to operate the Smartstyle Businesses owned and operated by the FRANCHISEE in the Development Area pursuant to the terms of the applicable Franchise Agreements signed by the FRANCHISEE and SMARTSTYLE prior to the termination of this Agreement, and the rights and obligations of the FRANCHISEE and SMARTSTYLE with respect to the FRANCHISEE'S Smartstyle Businesses in the Development Area will be governed by the terms of the applicable Franchise Agreements.

ARTICLE 8
FRANCHISEE'S COVENANTS NOT TO COMPETE

8.1 CONSIDERATION. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors acknowledge that the FRANCHISEE, its partners or officers, and its employees will receive specialized training, current and future marketing and advertising plans and strategies, business plans and strategies, business information and procedures, research and development information, operations information, and trade and business secrets from SMARTSTYLE pertaining to the Business System and the operation of a Smartstyle business. In consideration for the use and license of such valuable and confidential information, the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors will comply in all respects with the provisions of this Article. SMARTSTYLE has advised the FRANCHISEE that this provision is a material provision of this Agreement.

8.2 IN-TERM COVENANT NOT TO COMPETE. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors will not, during the term of this Agreement, on their own account or as an employee, agent, consultant, partner, officer, director, member, or shareholder of any other person, firm, entity, partnership or corporation own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in, or assist any person or entity engaged in any hairstyling, barber or other business that is in any way competitive with (including, but not limited to, over the Internet) or similar to the Smartstyle businesses conducted by SMARTSTYLE or SMARTSTYLE'S franchisees (including, but not limited to, the FRANCHISEE), except other salons franchised to FRANCHISEE by SMARTSTYLE or its subsidiaries or affiliates.

8.3 POST-TERM COVENANT NOT TO COMPETE. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors will not, for a period of two (2) years after the termination or expiration of this Agreement, on their own account or as an employee, agent, consultant, partner, officer, director, member or shareholder of any other person, firm, entity, partnership, limited liability company, or corporation own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any hairstyling, barber or other business that is in any way competitive with (including, but not limited to, over the Internet) or similar to the Smartstyle businesses conducted by SMARTSTYLE or SMARTSTYLE'S franchisees which is located either within the Development Area, conducted on the Internet or located within six (6) miles of any Smartstyle business operated by SMARTSTYLE or any of SMARTSTYLE'S franchisees, or which is located within any development area granted by SMARTSTYLE or any affiliate or area developer of SMARTSTYLE pursuant to any franchise, development, license or other territorial agreement. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors expressly agree that the two (2) year period, the Development Area, the Internet and the six (6) mile limit are the reasonable and necessary time and geographical limitations required to protect SMARTSTYLE and SMARTSTYLE'S franchisees if this Agreement expires or is terminated for any reason, and that this covenant not to compete is necessary to permit SMARTSTYLE the opportunity to further develop new Smartstyle businesses in the Development Area. This post-term non-compete shall not apply to other salons franchised to FRANCHISEE by SMARTSTYLE, its subsidiaries or affiliates.

8.4 INJUNCTIVE RELIEF. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors agree that the provisions of this Article are necessary to protect the legitimate business interests of SMARTSTYLE and SMARTSTYLE'S franchisees including, without limitation, preventing damage to and/or loss of goodwill associated with the Marks, preventing the unauthorized dissemination of marketing, promotional and other confidential information to competitors of SMARTSTYLE and SMARTSTYLE'S franchisees, protection of SMARTSTYLE'S trade secrets, the Business System and the integrity of SMARTSTYLE'S Business System, and preventing duplication of the Business System. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors also agree that damages alone cannot adequately compensate SMARTSTYLE if there is a violation of this Article by the FRANCHISEE and that injunctive relief against the FRANCHISEE is essential for the protection of SMARTSTYLE and SMARTSTYLE'S franchisees. The FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors agree therefore, that if SMARTSTYLE alleges that the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members or the Personal Guarantors have breached or violated this Article, then SMARTSTYLE will have the right to petition a Court of competent jurisdiction for injunctive relief against the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members or the Personal Guarantors, in addition to all other remedies that may be available to SMARTSTYLE at law or in equity. Unless provided to the contrary by applicable law, SMARTSTYLE will not be required to post a bond or other security in any action where SMARTSTYLE is seeking to enjoin the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members or the Personal Guarantors from violating this Article. In cases where SMARTSTYLE is granted ex parte injunctive relief against the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members or the Personal Guarantors, then the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members or the Personal Guarantors will have the right to petition the court for a hearing on the merits at the earliest time convenient to the Court.

8.5 SEVERABILITY. It is the desire and intent of the parties to this Agreement, including the FRANCHISEE'S shareholders and the Personal Guarantors, that the provisions of this Article be enforced to the fullest extent permissible under the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Article is adjudicated to be invalid or unenforceable, then this Article will be deemed amended to modify or delete that portion thus adjudicated to be invalid or unenforceable, such modification or deletion to apply only with respect to the operation of this Article and the particular jurisdiction in which said adjudication is made. Further, to the extent any provision of this Article is deemed unenforceable by virtue of its scope or limitation, the parties to this Agreement including the FRANCHISEE, the FRANCHISEE'S shareholders, partners or members and the Personal Guarantors agree that the scope and limitation provisions will, nevertheless, be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought.

ARTICLE 9
INDEPENDENT CONTRACTORS; INDEMNIFICATION

9.1 INDEPENDENT CONTRACTORS. SMARTSTYLE and the FRANCHISEE are each independent contractors and, as a consequence, there is no employer-employee or principal-agent relationship between SMARTSTYLE and the FRANCHISEE. The FRANCHISEE will not have the right to and will not make any agreements, representations or warranties in the name of or on behalf of SMARTSTYLE or represent that their relationship is other than that of franchisor and franchisee. Neither SMARTSTYLE nor the FRANCHISEE will be obligated by or have any liability to the other under any agreements or representations made by the other to any third parties.

9.2 INDEMNIFICATION. SMARTSTYLE will not be obligated to any person for any damages arising out of, from, in connection with, or as a result of the FRANCHISEE'S negligence or the operation of the FRANCHISEE'S Smartstyle Businesses that are conducted by the FRANCHISEE pursuant to this Agreement. The FRANCHISEE will defend, indemnify and hold harmless SMARTSTYLE, its parent, subsidiaries and affiliates and their respective officers, directors, employees and agents against all claims, lawsuits, damages, obligations, liability, actions and judgments alleged or obtained by any person or entity against SMARTSTYLE, its parent, subsidiaries and affiliates and their respective officers, directors, employees and agents arising out of, from, as a result of, or in connection with the FRANCHISEE'S negligence or the operation of the FRANCHISEE'S Smartstyle Businesses that are conducted by the FRANCHISEE pursuant to this Agreement, including, without limitation, any claims arising from or relating to: (A) any personal injury, property damage, commercial loss or environmental contamination resulting from any act or omission of the FRANCHISEE or any of its employees, agents or representatives; (B) any failure on the part of the FRANCHISEE to comply with any requirement of any governmental authority; (C) any failure of the FRANCHISEE to pay any of its obligations; or (D) any failure or the FRANCHISEE to comply with any requirement or condition of this Agreement or any other agreement with SMARTSTYLE or any affiliate of SMARTSTYLE. Further, the FRANCHISEE will indemnify and reimburse SMARTSTYLE, its parent, subsidiaries and affiliates and their respective officers, directors, employees and agents for all such obligations and damages for which SMARTSTYLE is held liable and for all costs reasonably incurred by SMARTSTYLE in the defense or settlement of any such claims brought against it or in any action arising out of the operation of the FRANCHISEE'S Smartstyle Businesses in which it is named as a party including, without limitation, costs for attorneys' fees actually incurred, investigation expenses, court costs, deposition expenses and travel and living expenses. SMARTSTYLE will have the absolute right to defend and settle any claim made against it that results from the FRANCHISEE'S Smartstyle Businesses and FRANCHISEE shall indemnify and reimburse SMARTSTYLE pursuant to this paragraph 9.2.

9.3 PAYMENT OF COSTS AND EXPENSES. The FRANCHISEE will pay all costs and expenses, including actual attorneys' fees, incurred by SMARTSTYLE in enforcing any term, condition or provision of this Agreement or in seeking to enjoin any violation of this Agreement by the FRANCHISEE.

9.4 CONTINUATION OF OBLIGATIONS. The indemnification and other obligations contained in this Article will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

ARTICLE 10
ASSIGNMENT

10.1 ASSIGNMENT BY FRANCHISOR. This Agreement may be unilaterally assigned and transferred by SMARTSTYLE without the FRANCHISEE'S approval or consent, and will inure to the benefit of SMARTSTYLE'S successors and assigns. SMARTSTYLE will provide the FRANCHISEE with written notice of any such assignment or transfer, and the assignee will be required to fulfill SMARTSTYLE'S obligations under this Agreement.

10.2 ASSIGNMENT BY FRANCHISEE TO CONTROLLED ENTITY. In the event the FRANCHISEE is an individual or a partnership, this Agreement may be transferred or assigned by the FRANCHISEE, without first offering it to SMARTSTYLE pursuant to Article 11, to a corporation, limited liability company, partnership or other entity which is owned or controlled (ownership of at least fifty-one percent (51%) of the outstanding ownership interests) by the FRANCHISEE, provided that: (A) the FRANCHISEE and all the holders of the ownership interests of the assignee entity sign or have signed a personal guaranty in the form attached to this Agreement; (B) the FRANCHISEE furnishes prior written proof to SMARTSTYLE substantiating that the assignee entity will be financially able to perform all of the terms and conditions of this Agreement; and (C) none of the holders of ownership interests in the entity owns, operates, franchises, develops, manages or controls any hairstyling, barber or other business that is in any way competitive with or similar to a Smartstyle business. The FRANCHISEE will give SMARTSTYLE fifteen (15) days written notice prior to the proposed date of assignment or transfer of this Agreement to an entity owned or controlled by the FRANCHISEE; however, the transfer or assignment of this Agreement will not be valid or effective until SMARTSTYLE has received the legal documents which its legal counsel deems necessary to properly and legally document the transfer or assignment of this Agreement to the entity as provided herein.

10.3 ASSIGNMENT UPON DEATH OR DISABILITY OF FRANCHISEE. If the FRANCHISEE is an individual, then this Agreement may be assigned, transferred or bequeathed by the FRANCHISEE to any designated person or beneficiary without first offering it to SMARTSTYLE pursuant to Article 11, upon his or her death or permanent disability. However, the assignment of this Agreement to the transferee, assignee or beneficiary of the FRANCHISEE will not be valid or effective until SMARTSTYLE has received the properly executed legal documents which its legal counsel deems necessary to properly and legally document the transfer, assignment or bequest of this Agreement, and until the transferee, assignee or beneficiary agrees to be unconditionally bound by the terms and conditions of this Agreement and to personally guarantee the performance of the FRANCHISEE'S obligations under this Agreement.

10.4 APPROVAL OF TRANSFER; CONDITIONS FOR APPROVAL. This Agreement may be assigned or transferred by the FRANCHISEE only with the prior written approval of SMARTSTYLE. SMARTSTYLE will not unreasonably withhold its consent to any transfer of this Agreement, provided that the FRANCHISEE and the transferee Franchisee comply with the following conditions: (A) the FRANCHISEE has complied in all respects with Article 11 of this Agreement; (B) all of the FRANCHISEE'S monetary obligations due to SMARTSTYLE have been paid in full, and the FRANCHISEE is not otherwise in default under this Agreement; (C) the FRANCHISEE has executed a written agreement in a form satisfactory to SMARTSTYLE in which the FRANCHISEE agrees to observe all applicable obligations and covenants contained in this Agreement; (D) the transferee Franchisee and the holders of its ownership interests agree to be personally liable to discharge all of the FRANCHISEE'S obligations under this Agreement and will enter into a written agreement in a form satisfactory to SMARTSTYLE assuming and agreeing to discharge all of the FRANCHISEE'S obligations and covenants under this Agreement; (E) the transferee Franchisee will have demonstrated to SMARTSTYLE'S satisfaction that he, she or it meets SMARTSTYLE'S managerial, financial, and business standards for new area franchisees, possesses a good business reputation and credit rating, and possesses the aptitude and ability to conduct the Business franchised hereunder (as may be evidenced by prior related business experience or otherwise); (F) the FRANCHISEE has paid the transfer fee required under Article 10.6; (G) the transferee Franchisee does not own, operate, franchise, develop, manage or control any hairstyling, barber or other business that is in any way competitive with or similar to a

Smartstyle business; and (H) if the transferee Franchisee does not meet SMARTSTYLE'S net worth requirements for operation of the Smartstyle Businesses, then the FRANCHISEE and/or the holders of all ownership interests in the transferee franchisee and the Personal Guarantors will execute a written agreement in a form satisfactory to SMARTSTYLE agreeing to remain liable to SMARTSTYLE for the obligations of the Smartstyle Businesses.

10.5 **ACKNOWLEDGMENT OF RESTRICTIONS**. The FRANCHISEE acknowledges and agrees that the restrictions on transfer imposed herein are reasonable and are necessary to protect the Smartstyle Business System and the Marks, as well as SMARTSTYLE'S reputation and image, and are for the protection of SMARTSTYLE, the FRANCHISEE and all other franchisees who own and operate Smartstyle businesses. Any assignment or transfer permitted by this Article 10 will not be effective until SMARTSTYLE receives a completely executed copy of all transfer documents and SMARTSTYLE consents to the transfer in writing, and any attempted assignment or transfer made without complying with the requirements of this Article 10 will be void.

10.6 **TRANSFER FEE**. If, pursuant to the terms of this Article, this Agreement is assigned, transferred or bequeathed to another person or entity, or if the holders of Ownership Interests in the FRANCHISEE representing more than fifty percent (50%) of voting power in the FRANCHISEE transfer their interest in the FRANCHISEE to another person or entity, then the FRANCHISEE will pay SMARTSTYLE a transfer fee of Two Thousand Five Hundred Dollars ($2,500). This fee is to cover the costs incurred by SMARTSTYLE for attorneys' fees, accountants' fees, out-of-pocket expenses, long distance telephone calls, administrative expenses, and the time of its employees and officers.

ARTICLE 11
SMARTSTYLE'S RIGHT OF FIRST REFUSAL TO PURCHASE

11.1 **NOTICE OF PROPOSED SALE.** The FRANCHISEE will not sell, pledge, assign, trade, transfer, lease, sublease, or otherwise dispose of any interest in or any part of the FRANCHISEE'S Business Assets, as defined in this provision, without first offering the same to SMARTSTYLE by written notice that contains all material terms and conditions of the proposed sale or transfer, including price and payment terms. "Business Assets" shall mean (A) this Agreement or (B) any capital stock or other ownership interest in the FRANCHISEE. Within ten (10) business days after receipt by SMARTSTYLE of the FRANCHISEE'S written offer specifying the proposed price and terms of the proposed sale, SMARTSTYLE will give the FRANCHISEE written notice which will either waive its right of first refusal to purchase or will state an interest in negotiating to purchase according to the proposed terms. If SMARTSTYLE commences negotiations to purchase the FRANCHISEE'S Business Assets as set forth herein, then the FRANCHISEE may not sell the Business Assets to a third party for at least sixty (60) days or until SMARTSTYLE and the FRANCHISEE agree in writing that the negotiations have terminated, whichever comes earlier. If SMARTSTYLE waives its right to purchase, then the FRANCHISEE will have the right to complete the sale or transfer of the Business Assets according to the terms set forth in the written notice to SMARTSTYLE; however, any such sale, transfer or assignment to a third party is expressly subject to the terms and conditions set forth in Article 10 of this Agreement. If the FRANCHISEE does not consummate the sale to a third party upon the terms and conditions previously presented to SMARTSTYLE in writing, but negotiates a sale price with a third party that is lower or on different terms than the stated price or terms presented to SMARTSTYLE, then the modified offer must be recommunicated or made to SMARTSTYLE by the FRANCHISEE. SMARTSTYLE will give the FRANCHISEE written notice within fifteen (15) business days thereafter which will state whether or not it is interested in purchasing the Business Assets according to the proposed new terms.

11.2 **COMPLIANCE WITH AGREEMENT.** The FRANCHISEE'S obligations under this Agreement including, but not limited to, its obligations to pay the Continuing Fees, the Advertising Fees and to operate the Smartstyle Businesses under the applicable Franchise Agreements, will in no way be affected or changed because of SMARTSTYLE'S nonacceptance of the FRANCHISEE'S written offer to purchase the FRANCHISEE'S interests or assets, and, as a consequence, the terms and conditions of this Agreement will remain in full force and effect. SMARTSTYLE'S decision not to exercise the rights granted to it pursuant to this Article will not, in any way, be deemed to grant the FRANCHISEE the right to terminate this Agreement and will not affect the term of this Agreement. Moreover, if SMARTSTYLE does not exercise the rights granted to it pursuant to this Article and if the FRANCHISEE complies with Article 10 and sells or otherwise disposes of its interests or assets to a third party, then both the FRANCHISEE and the third party purchaser will be required to comply in all respects with the terms and conditions of this Agreement, and the sale of the interests or assets will not relieve the FRANCHISEE of its obligations under this Agreement. Any sale, transfer or assignment of the business or assets of the FRANCHISEE'S salon development business that does not include assignment of this Agreement to the transferee will constitute a wrongful termination of this Agreement.

11.3 TRANSFER OF AGREEMENT TO CONTROLLED ENTITY. If the FRANCHISEE is an individual or a partnership, then the FRANCHISEE will have the right to assign and transfer this Agreement to a corporation, limited liability company or other entity in which the FRANCHISEE owns and controls at least fifty-one percent (51%) of the entity's issued and outstanding capital shares, membership interests or ownership interests ("Ownership Interests") pursuant to Article 10.2 of this Agreement. If the FRANCHISEE transfers this Agreement to an entity owned or controlled by the FRANCHISEE pursuant to Article 10.2, which will not excuse or release the FRANCHISEE from any obligations under this Agreement, then the Ownership Interests of the FRANCHISEE'S entity may not be sold, pledged, assigned, traded, transferred or otherwise disposed of by the FRANCHISEE until the Ownership Interests have been first offered to SMARTSTYLE in writing under the same terms and conditions offered to any third party as provided for in Article 11.1.

11.4 SALE OF OWNERSHIP INTEREST IN FRANCHISEE. If the FRANCHISEE is a corporation, limited liability company, partnership or other, then the Ownership Interests in the FRANCHISEE may not be sold, pledged, assigned, traded, transferred or otherwise disposed of by the holders thereof until the Ownership Interests have been first offered to SMARTSTYLE in writing under the same terms and conditions applicable if Business Assets were proposed to be sold under Article 11.1 above. Notwithstanding the terms of this Article, a holder of Ownership Interests may bequeath, sell, assign, trade or transfer their Ownership Interests without first offering them to SMARTSTYLE (a) to the other holders of the Ownership Interests because of the death or permanent disability of such holder or (b) to a spouse or child of the holder; provided however, that each proposed transferee of an Ownership Interest who will be involved in the operations or management of the Smartstyle Businesses has successfully completed SMARTSTYLE'S training program and has been certified by SMARTSTYLE and is, in SMARTSTYLE'S reasonable judgment, qualified from a managerial and financial standpoint to operate the Smartstyle Businesses in an economic and businesslike manner. The FRANCHISEE and the holders of Ownership Interests must provide SMARTSTYLE with written notice of all such transactions, and the proposed transferee holder of Ownership Interests must agree to be personally liable under this Agreement and enter into a written agreement where such holder agrees to perform all the terms and conditions contained in this Agreement. All certificates representing Ownership Interests issued by the FRANCHISEE to its owners must bear the following legend:

> The ownership interests represented by this certificate are subject to a written Development Agreement which grants The Barbers, Hairstyling for Men & Women, Inc., the right of first refusal to purchase these interests from the holder. Any person acquiring the ownership interests represented by this certificate will be subject to the terms and conditions of the Development Agreement between the company named on the face of this certificate and The Barbers, Hairstyling for Men & Women, Inc., which includes

provisions containing covenants not to compete that apply to all holders of ownership interests in this company.

11.5 ACKNOWLEDGMENT OF RESTRICTIONS. The FRANCHISEE acknowledges and agrees that the restrictions on transfer imposed herein are reasonable and are necessary to protect the Smartstyle Business System and the Marks, as well as SMARTSTYLE'S reputation and image, and are for the protection of SMARTSTYLE, the FRANCHISEE and all other Franchisees who own and operate Smartstyle businesses. Any assignment or transfer permitted by Article 11 will not be effective until SMARTSTYLE receives a completely executed copy of all transfer documents and SMARTSTYLE consents to the transfer in writing.

11.6 SELLING HOLDERS SUBJECT TO COVENANT NOT TO COMPETE. Any holder of Ownership Interests in the FRANCHISEE that sells or assigns any Ownership Interests in the FRANCHISEE will continue to be subject to provisions of Article 8 of this Agreement after the sale or assignment.

11.7 RIGHT OF SMARTSTYLE TO PURCHASE FRANCHISE ASSETS. If this Agreement expires or is terminated by either SMARTSTYLE or the FRANCHISEE for any reason whatsoever, or if the FRANCHISEE wrongfully terminates this Agreement by failing to comply with Article 10 or otherwise, or if the FRANCHISEE at any time ceases to do business as developer of Smartstyle Businesses, then SMARTSTYLE will have the right, but not the obligation, to purchase the then-usable furniture, supplies, inventory, fixtures and equipment, and all other assets that are required by SMARTSTYLE for a standard Smartstyle business and owned by the FRANCHISEE but are not presently being used in any of the FRANCHISEE'S existing Smartstyle Businesses (the "Franchise Assets"). SMARTSTYLE will not purchase any assets from the FRANCHISEE that are not part of the standard Smartstyle business. The FRANCHISEE must give SMARTSTYLE written notice listing the cost of each of the Franchise Assets in detail and the FRANCHISEE'S asking price for the Franchise Assets within twenty-four (24) hours after the FRANCHISEE ceases to do business as a developer of Smartstyle Businesses, or after this Agreement expires or is terminated by either party, or is wrongfully terminated by the FRANCHISEE.

11.8 DETERMINATION OF FAIR MARKET VALUE. If the FRANCHISEE fails to give SMARTSTYLE written notice of the asking price of the Franchise Assets, or if SMARTSTYLE and the FRANCHISEE cannot agree on the price of the Franchise Assets, then either party will have the right to demand that the price of the Franchise Assets be determined by arbitration in accordance with the Rules and Regulations of the American Arbitration Association. The arbitration hearing will be held as soon as possible, but in no event later than seven (7) business days from the date arbitration is demanded by either party. The Arbitrator will determine the fair market value of the Franchise Assets. The Arbitrator will not consider any value for goodwill associated with the name Smartstyle® or for going concern value in determining the fair market value of the Franchise Assets since the right of purchase granted to SMARTSTYLE pursuant to this provision applies only after this Agreement has expired or has been terminated, or the FRANCHISEE has ceased doing business as a developer. If the Arbitrator is unable to determine the fair market value of any of the Franchise Assets, then they will be valued at book value (cost less depreciation). SMARTSTYLE will have the right, but not the obligation, to purchase any or all of the Franchise Assets from the FRANCHISEE for cash within fifteen (15) business days after the fair market value of the Franchise Assets has been established by the Arbitrator in writing. Nothing in this Article will prohibit SMARTSTYLE from enforcing the terms and conditions of this Agreement, including the covenants not to compete contained in Article 8.

ARTICLE 12
ARBITRATION

12.1 DISPUTES SUBJECT TO ARBITRATION. Except as expressly provided to the contrary in this Agreement, all disputes and controversies between the parties, including allegations of fraud, misrepresentation or violation of any state or federal laws or regulations, arising under, as a result of, or in connection with this Agreement, the Development Area or the FRANCHISEE'S Smartstyle Businesses will be resolved and determined exclusively by arbitration in accordance with the Commercial Rules and Regulations of the American Arbitration Association.

12.2 NOTICE OF DISPUTE. The party alleging the breach, claim, dispute or controversy ("dispute") must give the other party written notice setting forth the alleged dispute in detail. The party who has been given such written notice alleging the dispute will have thirty (30) days after having been given such written notice from the complaining party to correct or resolve the dispute specified in the written notice.

12.3 DEMAND FOR ARBITRATION. If the dispute alleged by either party has not been corrected, settled or compromised within the time period provided for in this Agreement, then either party may notice arbitration by giving the other party written notice demanding arbitration. Within ten (10) days after a written demand for arbitration has been given by the party demanding arbitration, either party will have the right to request the appropriate office of the American Arbitration Association to initiate the procedures necessary to appoint an Arbitrator. The Arbitrator will be appointed within sixty (60) days after a written demand for arbitration has been made in accordance with the Commercial Rules and Regulation of the American Arbitration Association.

12.4 VENUE AND JURISDICTION. All arbitration hearings will take place exclusively in Minneapolis, Minnesota. SMARTSTYLE and the FRANCHISEE and their officers, directors and shareholders or partners and the Personal Guarantors acknowledge that the FRANCHISEE and its officers, directors and employees have had substantial business and personal contacts with SMARTSTYLE in Minnesota, do hereby agree and submit to personal jurisdiction in Minnesota in connection with any arbitration hearings hereunder and any suits or actions brought to enforce the decision of the Arbitrator, and do hereby waive any rights they may have to contest venue and jurisdiction in Minnesota and any claims that venue and jurisdiction in Minnesota are invalid.

12.5 POWERS OF ARBITRATOR. The authority of the Arbitrator will include making a finding, judgment, decision and award relating to the interpretation of or adherence to the written provisions of this Agreement and include any questions related to its formation, existence, validity, breach or termination. The Federal Rules of Evidence (the "Rules") will apply to all arbitration hearings and the introduction of all evidence, testimony, records, affidavits, documents and memoranda in any arbitration hearing must comply in all respects with the Rules and the legal precedents interpreting the Rules. Both parties will have the absolute right to cross-examine any person who testified against them or in favor of the other party. The Arbitrator will not have the authority or right to add to, delete, amend or modify in any manner the terms, conditions and provisions of this Agreement. All findings, judgments, decisions and awards of the Arbitrator will be limited to the dispute set forth in the written demand for arbitration, and the Arbitrator will not have the authority to decide any other issues. The Arbitrator will not have the right or authority to award punitive damages to SMARTSTYLE or the FRANCHISEE or their officers, directors, shareholders or partners and Personal Guarantors, and SMARTSTYLE and FRANCHISEE and their officers, directors, shareholders or partners, and Personal Guarantors expressly waive their rights to plead or seek punitive damages. All findings, judgments, decisions and awards by the Arbitrator will be in writing, will be made within sixty (60) days after the arbitration hearings have been completed, and will be final and binding on SMARTSTYLE and the FRANCHISEE, except as provided for in Article

12.8. The written decision of the Arbitrator will be deemed to be an order, judgment and decree and may be entered as such in any Court of competent jurisdiction by either party.

12.6 DISPUTES NOT SUBJECT TO ARBITRATION. The disputes and controversies between SMARTSTYLE and the FRANCHISEE which are set forth in Article 13.1 and the following disputes between SMARTSTYLE and the FRANCHISEE will not be subject to arbitration: (A) any dispute involving the Marks; (B) any dispute involving immediate termination of this Agreement by SMARTSTYLE pursuant to Article 6.5 and Article 6.6 of this Agreement; (C) any dispute involving enforcement of the confidentiality provisions set forth in Article 5 of this Agreement; and (D) any dispute involving enforcement of the covenants not to compete set forth in Article 8 of this Agreement.

12.7 NO COLLATERAL ESTOPPEL OR CLASS ACTIONS. Except as provided herein, all arbitration findings and awards expressly made by the Arbitrator will be final and binding on SMARTSTYLE and the FRANCHISEE and their officers, directors, shareholders or partners, and Personal Guarantors; however, such arbitration findings and awards may not be used to collaterally estop either party from raising any like or similar issues, claims or defenses in any other or subsequent arbitration, litigation, court hearing or other proceeding involving third parties or other franchisees. No party except SMARTSTYLE, the FRANCHISEE, and their officers, directors, shareholders or partners, and Personal Guarantors will have the right to join in any arbitration proceeding arising under this Agreement, and, therefore, the Arbitrator will not be authorized to permit or approve class actions or to permit any person or entity that is not a party to this Agreement to be involved in or to participate in any arbitration hearings conducted pursuant to this Agreement.

12.8 DE NOVO HEARING ON MERITS. If the Arbitrator awards either SMARTSTYLE or the FRANCHISEE damages (including actual damages, costs and attorneys' fees) in excess of One Hundred Thousand Dollars ($100,000) in any arbitration proceeding commenced pursuant to this Agreement, then the party who has been held liable by the Arbitrator will have the right to a de novo hearing on the merits by commencing an action in a court of competent jurisdiction in accordance with the provisions of this Agreement. If the party held liable by the Arbitrator commences a court action as provided for herein, then neither party will have the right to introduce the Arbitrator's decision or findings in any such court action and the Arbitrator's decision and findings will be of no force and effect and will not be final or binding on either SMARTSTYLE or the FRANCHISEE. If the party who has been held liable by the Arbitrator for over One Hundred Thousand Dollars ($100,000) in damages fails to commence a court action within thirty (30) days after the Arbitrator issues his or her award in writing, then the Arbitrator's findings, judgments, decisions and awards will be final and binding on SMARTSTYLE and the FRANCHISEE.

12.9 CONFIDENTIALITY. All evidence, testimony, records, documents, findings, decisions, judgments and awards pertaining to any arbitration hearing between SMARTSTYLE and the FRANCHISEE will be secret and confidential in all respects. SMARTSTYLE and the FRANCHISEE will not disclose the decision or award of the Arbitrator and will not disclose any evidence, testimony, records, documents, findings, orders, or other matters from the arbitration hearing to any person or entity except as required by law.

12.10 SEVERABILITY. 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 the laws and public policy applied in each jurisdiction in which enforcement is sought. Accordingly, if any part of this Article is adjudicated to be invalid or unenforceable, then this Article will be deemed amended to delete that portion thus adjudicated to be invalid or unenforceable to the extent required to make this Article valid and enforceable. Any such deletion will be effective only in the particular jurisdiction in which the adjudication is made. Further, to the extent any provision of this Article is deemed unenforceable by virtue of its scope, the parties to this Agreement agree that the same will, nevertheless, be enforceable to the fullest extent permissible under the laws and public policies applied in such jurisdiction where enforcement is sought, and the scope in such a case will be determined by arbitration as provided herein.

ARTICLE 13
ENFORCEMENT

13.1 INJUNCTIVE RELIEF. In addition to the provisions of Article 11, SMARTSTYLE will be entitled to petition a Court of competent jurisdiction for the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Agreement relating to: (A) the FRANCHISEE'S improper or unauthorized use of the Marks and the Business System; (B) the obligations of the FRANCHISEE upon termination or expiration of this Agreement; (C) the transfer or assignment of this Agreement, the Development Area or ownership interests of the FRANCHISEE; (D) the FRANCHISEE'S violation of the provisions of this Agreement relating to confidentiality and covenants not to compete; and (E) any act or omission by the FRANCHISEE or the FRANCHISEE'S employees that, (1) constitutes a violation of any applicable law, ordinance or regulation, (2) is dishonest or misleading to customers of the FRANCHISEE'S Smartstyle Businesses or other Smartstyle businesses, (3) constitutes a danger to the employees, public or customers of the FRANCHISEE'S Smartstyle Businesses, or (4) may impair the goodwill associated with the Marks and the Business System. In any action brought under this provision where SMARTSTYLE prevails against the FRANCHISEE, the FRANCHISEE will indemnify SMARTSTYLE for all costs that it incurs in any such proceedings including, without limitation, attorneys' fees actually incurred, expert witness fees, costs of investigation, court costs, travel and living expenses, and all other costs incurred by SMARTSTYLE. Unless provided to the contrary by applicable law, SMARTSTYLE will be entitled to obtain injunctive relief without the posting of any bond or security.

13.2 SEVERABILITY. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable law or rule of any jurisdiction requires a greater prior notice of the termination of this Agreement than is required hereunder or the taking of some other action not required hereunder, or if under any applicable and binding laws of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by SMARTSTYLE is invalid or unenforceable, the prior notice or other action required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision, specification, standard or operating procedure will be modified to the extent required to be valid and enforceable. Such modifications to this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

13.3 WAIVER. SMARTSTYLE and the FRANCHISEE may, by written instrument signed by SMARTSTYLE and the FRANCHISEE, waive any obligation of or restriction upon the other under this Agreement. Acceptance by SMARTSTYLE of any payment by the FRANCHISEE and the failure, refusal or neglect of SMARTSTYLE to exercise any right under this Agreement or to insist upon full compliance by the FRANCHISEE of its obligations hereunder will not constitute a waiver by SMARTSTYLE of any provision of this Agreement. SMARTSTYLE will have the right to waive obligations or restrictions for other area franchisees under their Development Agreements without waiving those obligations or restrictions for the FRANCHISEE and, except to the extent provided by law, SMARTSTYLE will have the right to negotiate terms and conditions, grant concessions and waive obligations for other area franchisees of SMARTSTYLE without granting those same rights to the FRANCHISEE and without incurring any liability to the FRANCHISEE whatsoever.

13.4 NO RIGHT TO OFFSET. The FRANCHISEE will not, on grounds of the alleged nonperformance by SMARTSTYLE of any of its obligations under this Agreement, any other contract between SMARTSTYLE and the FRANCHISEE, or for any other reason, withhold payment of any amounts due SMARTSTYLE under this Agreement or any other contract, promissory note or other obligation payable by the FRANCHISEE to SMARTSTYLE. The FRANCHISEE will not have the right to "offset" any liquidated or unliquidated amounts allegedly due to the FRANCHISEE from SMARTSTYLE against any payments due to SMARTSTYLE under this Agreement or any other contract, promissory note or other obligation payable by the FRANCHISEE to SMARTSTYLE.

13.5 SMARTSTYLE'S RIGHTS CUMULATIVE. The rights of SMARTSTYLE hereunder are cumulative and no exercise or enforcement by SMARTSTYLE of any right or remedy hereunder will preclude the exercise or enforcement by SMARTSTYLE of any other right or remedy hereunder or which SMARTSTYLE is entitled by law to enforce.

13.6 VENUE AND JURISDICTION. Unless otherwise required by applicable law, all arbitration hearings, litigation, court hearings or other hearings initiated by either party against the other party must and will be venued exclusively in Minneapolis County, Minnesota. The FRANCHISEE, each of its officers, directors and shareholders, partners or members and the Personal Guarantors: (A) acknowledge that Minneapolis, Minnesota is a mutually convenient location for the venue and conduct of any legal or enforcement proceedings; (B) do hereby agree and submit to personal jurisdiction in the State of Minnesota for the purposes of any arbitration hearings, litigation, court hearings or other hearings brought to enforce or construe the terms of this Agreement or to resolve any dispute or controversy arising under, as a result of, or in connection with this Agreement, the Development Area or the FRANCHISEE'S Smartstyle Businesses; and (C) do hereby agree and stipulate that any arbitration hearings, litigation, court hearings and other hearings will be venued and held exclusively in Minneapolis, Minnesota, and waive any rights to contest such venue and jurisdiction and any claims that such venue and jurisdiction are invalid.

13.7 AGREEMENT BINDING ON HEIRS AND ASSIGNS. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest.

13.8 JOINT AND SEVERAL LIABILITY. If the FRANCHISEE consists of more than one person, their liability under this Agreement will be deemed to be joint and several.

13.9 ENTIRE AGREEMENT. This Agreement supersedes and terminates all prior agreements relating to the rights granted herein, either oral or in writing, between the parties and therefore, any representations, inducements, promises or agreements between the parties not contained in this Agreement or not in writing signed by the President or a Vice President of SMARTSTYLE and the FRANCHISEE will not be enforceable. This Agreement will not supersede or terminate any written Development Agreement relating to another Development Area or Franchise Agreement(s) executed prior to the date of this Agreement relating to other Smartstyle franchises operated by the FRANCHISEE that are or will be owned and operated by the FRANCHISEE. The preambles are a part of this Agreement, which constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between SMARTSTYLE and the FRANCHISEE relating to the subject matter of this Agreement. Nothing in the Agreement waives the FRANCHISEE'S reliance on the representations made in the Franchise Disclosure Document.

13.10 CONTROLLING AGREEMENT. The rights and obligations of the FRANCHISEE and SMARTSTYLE with respect to the operation of each Smartstyle Business opened in the Development Area by the FRANCHISEE will be governed by the terms and conditions of each Smartstyle Franchise Agreement executed by the FRANCHISEE. In the event there is a conflict between the terms of this

Agreement and the terms of any Smartstyle Franchise Agreement executed by the FRANCHISEE, then unless specified otherwise herein, the terms of this Agreement will control.

13.11 HEADINGS; TERMS. The headings of the Articles and the provisions thereof are for convenience only and do not define, limit or construe the contents of such Articles. The term "FRANCHISEE" as used herein is applicable to one or more individuals, a corporation or a partnership, as the case may be, and the singular usage includes the plural, and the masculine usage includes the neuter and the feminine and the neuter usage includes the masculine and the feminine. References to "FRANCHISEE" which are applicable to an individual or individuals will mean the principal owner or owners of the equity or operating control of the FRANCHISEE if the FRANCHISEE is a corporation or partnership. If the FRANCHISEE consists of more than one individual, then all individuals will be bound jointly and severally by the terms and conditions of this Agreement.

13.12 NO ORAL MODIFICATION. No modification, change, addition, rescission, release, amendment or waiver of, and no approval, consent or authorization required by any provision of this Agreement may be made except by a written agreement subscribed to by duly authorized officers or partners of the FRANCHISEE and the President or a Vice President of SMARTSTYLE. SMARTSTYLE and the FRANCHISEE will not have the right to amend or modify this Agreement orally or verbally, and any attempt to do so will be void in all respects.

ARTICLE 14
NOTICES AND EMAIL

14.1 NOTICES. All notices to SMARTSTYLE will be in writing and will be made by personal service upon an officer or director of SMARTSTYLE or sent by prepaid registered or certified United States mail or by reputable overnight delivery service (e.g., UPS, FedEx) and addressed to SMARTSTYLE at 3701 Wayzata Boulevard, Suite 500, Minneapolis, Minnesota 55416. All notices to the FRANCHISEE will be by personal service upon the FRANCHISEE, a District Manager or a salon manager or assistant manager, (or, if applicable, an officer or director of the FRANCHISEE), or sent by prepaid registered or certified United States mail or by reputable overnight delivery service (e.g., UPS, FedEx) addressed to the FRANCHISEE at the first Smartstyle Business opened by the FRANCHISEE in the Development Area or such other address as the FRANCHISEE may designate in writing. Notice by mail is effective upon depositing the same in the mail in the manner provided above, notice by personal service is effective upon obtaining service and notice by overnight delivery service is effective upon delivery by such overnight delivery service.

14.2 EMAIL. In addition to using customary means of communications (e.g. telephone, facsimile, U.S. mail), FRANCHISEE shall establish, maintain and use an active email account for routine communications with Franchisor. FRANCHISEE shall provide Franchisor with prompt notice of such active email account and notice of any changes to such email account.

ARTICLE 15
ACKNOWLEDGMENTS

15.1 BUSINESS RISKS; NO FINANCIAL PROJECTIONS. The FRANCHISEE acknowledges that it has conducted an independent investigation of the prospects for the establishment of Smartstyle Businesses within the Development Area, and recognizes that the business venture contemplated by this Agreement involves business and economic risks and that its financial and business success will be primarily dependent upon the personal efforts of the FRANCHISEE, its management and employees. SMARTSTYLE expressly disclaims the making of, and the FRANCHISEE acknowledges that it has not received, any estimates, projections, warranties or guaranties, express or implied, regarding potential

Gross Revenues, profits, earnings or the financial success of the FRANCHISEE'S Smartstyle Businesses, except as expressly set forth in writing in SMARTSTYLE'S Franchise Disclosure Document, receipt of which is acknowledged by the FRANCHISEE.

15.2 NO INCOME OR REFUND WARRANTIES. The FRANCHISEE acknowledges that SMARTSTYLE does not warrant or guarantee to the FRANCHISEE that the FRANCHISEE will derive income or profit from the FRANCHISEE'S Smartstyle Businesses or that SMARTSTYLE will refund all or part of the Development Fee or the price paid for the FRANCHISEE'S Smartstyle Businesses or repurchase any of the products, merchandise, furniture, fixtures, equipment, supplies or chattels supplied by SMARTSTYLE or an approved supplier if the FRANCHISEE is unsatisfied with its Smartstyle Businesses.

15.3 TERMS OF OTHER DEVELOPMENT AGREEMENTS MAY DIFFER. The FRANCHISEE acknowledges that other area franchisees of SMARTSTYLE have or will be granted Development Agreements at different times and in different situations, and further acknowledges that the terms and conditions of such Development Agreements may vary substantially in form and substance from those contained in this Agreement.

15.4 RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT. The FRANCHISEE acknowledges that it received a Smartstyle Franchise Disclosure Document at least fourteen (14) calendar days prior to the date on which this Agreement was executed.

15.5 POTENTIAL INCREASES IN INVESTMENT REQUIREMENTS. The FRANCHISEE recognizes and acknowledges that this Agreement requires it to open additional Smartstyle Businesses in the future pursuant to the development schedule set forth in Article 3. The FRANCHISEE further acknowledges that the estimated expenses and investment requirements set forth in Items 6 and 7 of SMARTSTYLE'S Franchise Disclosure Document are subject to increase over time, and that future Smartstyle Businesses opened and operated by the FRANCHISEE may involve greater initial investment and operating capital requirements than those stated in the Franchise Disclosure Document provided to the FRANCHISEE prior to the execution of this Agreement.

15.6 NON-EXCLUSIVE RIGHTS. FRANCHISEE acknowledges and agrees that SMARTSTYLE, its parent, affiliates and subsidiaries have the absolute right to develop, own, operate, manage, acquire, merge with, license and franchise anywhere and through any channel of distribution in the world including the Development Area and over the internet: (a) other Smartstyle businesses; and (b) any other hair care and/or hair product businesses under any trademark now and in the future, including without limitation, Cost Cutters, City Looks, BSO Beauty Supply Outlet, Pro-Cuts, Supercuts, Roosters, Mastercuts, Hairmasters, Regis Salons, and SmartStyle. FRANCHISEE hereby acknowledges that such businesses may be competitive with the Smartstyle Businesses developed hereunder and FRANCHISEE hereby waives any and all rights that it may have or allege against SMARTSTYLE, its parent, affiliates, and subsidiaries resulting from the opening and/or operation of any such hair care or hair product businesses, including in the Development Area or near, adjacent to, or contiguous with any of FRANCHISEE's Smartstyle Businesses hereunder.

ARTICLE 16
DISCLAIMER; FRANCHISEE'S LEGAL COUNSEL

16.1 DISCLAIMER BY FRANCHISOR. SMARTSTYLE expressly disclaims the making of any express or implied representations or warranties regarding the sales, earnings, income, profits, Gross Revenues, business or financial success, or value of the FRANCHISEE'S Businesses, except those expressly set forth in Item 19 of the Smartstyle Franchise Disclosure Document received by the FRANCHISEE.

16.2 ACKNOWLEDGMENTS BY FRANCHISEE. The FRANCHISEE acknowledges that it has not received any express or implied representations or warranties regarding the sales, earnings, income, profits, Gross Revenues, business or financial success, value of the Businesses or any other matters pertaining to the Smartstyle Businesses from SMARTSTYLE or any of SMARTSTYLE'S officers, employees or agents that were not contained in writing in the Franchise Disclosure Document (including this Agreement) received by the FRANCHISEE ("representations or warranties"). The FRANCHISEE further acknowledges that if it had received any representations or warranties not contained in SMARTSTYLE'S Franchise Disclosure Document, it would not have executed this Agreement, and the FRANCHISEE would have: (A) promptly notified the President of SMARTSTYLE in writing of the person or persons making such representations or warranties; and (B) provided to SMARTSTYLE a specific written statement detailing the representations or warranties made that were not contained in the Franchise Disclosure Document received by the FRANCHISEE.

16.3 LEGAL REPRESENTATION. The FRANCHISEE acknowledges that this Agreement constitutes a legal document which grants certain rights to and imposes certain obligations upon the FRANCHISEE. The FRANCHISEE was advised by SMARTSTYLE to consult an attorney or other advisor prior to the execution of this Agreement to review SMARTSTYLE'S Franchise Disclosure Document, to review this Agreement in detail, to review the economics, operations and other business aspects of the Smartstyle Businesses, to determine compliance with franchising and other applicable laws, to advise the FRANCHISEE about all federal, state and local laws, rules, ordinances, special regulations and statutes that apply to the FRANCHISEE'S Smartstyle Businesses and to advise the FRANCHISEE about the economic risks, liabilities, obligations and rights under this Agreement. The name of the FRANCHISEE'S attorney or other advisor is:

Name: ____

Name of Firm: ____

Address: ____

City, State, Zip Code: ____

Telephone Number: (__________)______________________________________

Fax Number: (__________)______________________________________

ARTICLE 17
GOVERNING LAW; STATE MODIFICATIONS

17.1 GOVERNING LAW. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.), this Agreement and the relationship between SMARTSTYLE and the FRANCHISEE will be governed by the laws of the state in which the Development Area is located. If the Development Area contains more than one state, then the laws of the state in which the FRANCHISEE'S principal place of business is located will govern. The provisions of this Agreement which conflict with or are inconsistent with applicable governing law will be superseded and/or modified by such applicable law only to the extent such provisions are inconsistent. All other provisions of this Agreement will be enforceable as originally made and entered into upon the execution of this Agreement by the FRANCHISEE and SMARTSTYLE.

17.2 STATE MODIFICATIONS. Some states may have statutes, regulations, and court decisions which may supersede the provisions of this Agreement in the FRANCHISEE'S relationship with SMARTSTYLE including the areas of termination and renewal of the Franchise.

17.3 SEVERABILITY. The severability provisions of this Agreement contained in Article 8.5, Article 12.10 and Article 13.2 of this Agreement will pertain to all of the applicable laws which conflict with or modify the provisions of this Agreement including, but not limited to, the provisions of this Agreement specifically addressed in Article 17.2 above.

ARTICLE 18
DEFINITIONS

18.1 ABANDON. "Abandon" as used in this Agreement will mean the conduct of the FRANCHISEE, including acts of omission as well as commission, indicating the willingness, desire or intent of the FRANCHISEE to discontinue the opening and operating of Smartstyle Businesses in the Development Area in accordance with the terms of this Agreement.

18.2 TERMS DEFINED IN FRANCHISE AGREEMENT. Capitalized terms used but not defined in this Agreement will, if defined in the Franchise Agreement, have the meanings ascribed to such terms in the Franchise Agreement.

IN WITNESS WHEREOF, SMARTSTYLE, the FRANCHISEE, and the shareholders or partners of the FRANCHISEE have executed this Agreement effective as of the day and year first above written.

"FRANCHISOR"
The Barbers, Hairstyling for Men & Women, Inc.

By:______________________________________
Title:_____________________________________

"FRANCHISEE"

By:______________________________________
Print Name:_______________________________
Title:_____________________________________

The undersigned individual shareholders, members or partners of the FRANCHISEE hereby agree to be bound by the terms and conditions of this Agreement.

Shareholders/Members	Percentage of Ownership
______________________________	______________ %
______________________________	______________ %
______________________________	______________ %
______________________________	______________ %

The undersigned spouse(s) of the individual FRANCHISEE(S) hereby agree to be bound by the terms and conditions of this Agreement regarding confidentiality of information and covenants not to compete.

____	____
____	____
Print Name	Print Name

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE TERMS AND CONDITIONS OF THE DEVELOPMENT AGREEMENT

In consideration of the execution of this Agreement by SMARTSTYLE, and for other good and valuable consideration, the undersigned, for themselves, their heirs, successors, and assigns, do jointly, individually and severally hereby become surety and guaranty for the payment of all amounts and the performance of the covenants, terms and conditions in this Agreement, to be paid, kept and performed by the FRANCHISEE.

Further, the undersigned, individually and jointly, hereby agree to be personally bound by each and every condition and term contained in this Agreement and agree that this PERSONAL GUARANTY will be construed as though the undersigned and each of them executed an Agreement containing the identical terms and conditions of this Agreement.

If the FRANCHISEE breaches the terms and conditions of this Agreement, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay to SMARTSTYLE all monies due and payable to SMARTSTYLE under the terms and conditions of this Agreement.

In addition, if the FRANCHISEE fails to comply with any other terms and conditions of this Agreement, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to comply with the terms and conditions of this Agreement for and on behalf of the FRANCHISEE.

In addition, should the FRANCHISEE at any time be in default on any obligation to pay monies to SMARTSTYLE or any subsidiary or affiliate of SMARTSTYLE, whether for merchandise, products, supplies, furniture, fixtures, equipment or other goods purchased by the FRANCHISEE from SMARTSTYLE or any subsidiary or affiliate of SMARTSTYLE or for any other indebtedness of the FRANCHISEE to SMARTSTYLE or any subsidiary or affiliate of SMARTSTYLE, then the undersigned, their heirs, successors and assigns, do hereby, individually, jointly and severally, promise and agree to pay all such monies due and payable from the FRANCHISEE to SMARTSTYLE or any subsidiary or affiliate of SMARTSTYLE.

It is further understood and agreed by the undersigned that the provisions, covenants and conditions of this GUARANTY will inure to the benefit of the successors and assigns of SMARTSTYLE. Each of the undersigned hereby submits to personal jurisdiction in the state or federal courts of Minnesota with respect to any litigation pertaining to this GUARANTY, and agrees that all litigation pertaining to this GUARANTY will and must be venued exclusively in Minneapolis, Minnesota.

PERSONAL GUARANTORS

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

Individually

Address

City State Zip Code

Telephone

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT F: REGIS SUBLEASE FOR WAL-MART SITES

SMARTSTYLE SUBLEASE

THIS SUBLEASE, dated this _____ day of _________________, 20____, (the "Sublease") by and between REGIS CORP., a Minnesota corporation ("Sublessor"), and ________________. ("Subtenant").

W I T N E S S E T H:

WHEREAS, under the terms of the Lease which is attached hereto as Exhibit "B" (Prime Lease"), Sublessor, identified in the Prime Lease as "Tenant", leases certain premises located in Wal-Mart Supercenter #______ at __________, ("Leased Premises"), from Wal-Mart Stores, Inc. ("Landlord"); and

WHEREAS, Sublessor desires to sublease to Subtenant and Subtenant desires to sublease from Sublessor all of the Leased Premises pursuant to the terms set forth in this Sublease; and

WHEREAS, Subtenant is a franchisee pursuant to the terms and conditions of a Smartstyle® Franchise Agreement dated ______________________, 20_____, ("Franchise Agreement") executed by The Barbers, Hairstyling for Men & Women, Inc. ("Franchisor") and Subtenant; and

WHEREAS, Sublessor is an affiliate of Franchisor.

NOW, THEREFORE, in consideration of the rents, mutual covenants and agreements hereinafter set forth, the parties agree as follows:

ARTICLE 1

SUBLEASE; USE; TERMS

1.1 Grant of Sublease. Sublessor hereby subleases to Subtenant, and Subtenant hereby rents from Sublessor, all of the Leased Premises for the identical purposes and uses set forth in the Prime Lease pursuant to each and every term, covenant, condition and obligation imposed upon Sublessor pursuant to the Prime Lease except as such terms, covenants and conditions are specifically modified by this Sublease.

1.2 Compliance with Prime Lease. During the term of the Prime Lease, and any extension or renewal thereof, Subtenant covenants and agrees: (A) to perform and observe all of the terms, covenants, conditions and agreements of the Prime Lease designated therein to be performed by Sublessor as Tenant with respect to the Leased Premises during the term of this Sublease, to the extent that they are not modified or amended by this Sublease and any extension or renewal thereof; (B) that with respect to the Leased Premises, Subtenant shall not do or suffer or permit anything to be done which would constitute a default under the Prime Lease or might cause the Prime Lease to be canceled, terminated or forfeiture reserved or vested in Landlord under the Prime Lease; and (C) to indemnify and hold Sublessor harmless from and against any and all claims, liabilities, losses and damages of any kind whatsoever that Sublessor may incur by reason of, resulting from or rising out of a failure by Subtenant to comply with the provisions of this Sublease.

1.3 No Surrender. Sublessor represents, covenants and agrees that, so long as Subtenant is not in default hereunder, the provisions of the Prime Lease shall not be expressly waived, modified, amended or surrendered by Sublessor in any manner so as to prevent or adversely affect the use by Subtenant of the Leased Premises in accordance with the terms of this Sublease, or so as to impose a greater obligation on Subtenant than is imposed hereunder, without the prior written consent of Subtenant in each instance.

1.4 Monthly Sales Report. Subtenant shall provide to Sublessor a written statement of its monthly gross sales as defined in the Prime Lease. This statement shall be provided to Sublessor by the tenth (10th) day of each and every month, for the proceeding month, during the primary term of the lease and any extensions thereto. Should Subtenant fail to provide such report by the tenth (10th) day of the month, Sublessor shall be entitled to additional rent in the amount of One Hundred Dollars ($100) per day; and for every day thereafter that Subtenant fails to provide said statement of gross sales, an additional rent of One Hundred Dollars ($100) is due and payable to Sublessor.

1.5 Prime Lease to Control. To the extent that any provisions of the Prime Lease may conflict or be inconsistent with the provisions of any term of this Sublease, whether or not such inconsistencies are expressly noted herein, the provisions of this Sublease shall in all instances prevail; provided, however, insofar as the Prime Lease shall impose additional or more stringent obligations upon Sublessor than those imposed upon Subtenant in this Sublease, such provisions of the Prime Lease shall be deemed to be superior to and thus modify any such inconsistent or conflicting provisions of this Sublease. Notwithstanding the foregoing, it is understood by Subtenant that any services, repairs and alterations to be furnished pursuant to the Prime Lease will, in fact, be furnished by Landlord and not by Sublessor. Except as may result from the wrongful act of Sublessor, Sublessor shall in no event be liable to Subtenant, nor shall the obligations of Subtenant be impaired or the performance thereof be excused, because of any failure or delay on the part of Landlord in furnishing any such service or in making any such repairs or alterations including, but not limited to, the failure or delay of Landlord in furnishing insurance, elevator, electric, heating, air-conditioning, cleaning, painting, window washing services, maintenance or repairs in or to one Leased Premises.

1.6 Default by Landlord. If Landlord defaults in any of its obligations with respect to the Leased Premises, Subtenant shall be entitled to participate with Sublessor in the enforcement of Sublessor's rights. If Sublessor shall take, or participate in, any legal action in the enforcement of Sublessor's rights against Landlord for the benefit of Sublessor and Subtenant, Subtenant shall, promptly upon demand reimburse Sublessor for all expenses incurred by Sublessor including, without limitation, attorneys' fees and court costs.

1.7 Acceptance of Lease Premises. Subtenant has inspected the Leased Premises and accepts the same in its present condition "as is" and without any representation or warranty whatsoever by Sublessor.

ARTICLE 2

TERM

This Sublease shall begin and be of full force and effect as to both Sublessor and Subtenant as of the date hereof. The term of this Sublease shall be for a term coterminous to the term of the Prime Lease, unless sooner terminated as herein expressly provided. In the event the Prime Lease contains any renewal options, Subtenant agrees to notify Sublessor of Subtenant's desire to exercise any such option at least one hundred and eighty (180) days prior to the date upon which Sublessor must notify the Landlord of an intention to exercise the option to renewal set forth in Prime Lease. If the Prime Lease is terminated for any reason, then, without any further obligations or liability on the part of Sublessor, this Sublease shall simultaneously terminate.

ARTICLE 3

RENT

3.1 Fixed Minimum Rent. Subtenant shall pay to Sublessor, as Fixed Minimum Rent for the term of the Sublease, an amount equal to one hundred percent (100%) of the Fixed Minimum Rent (as the same may be increased) payable by Sublessor pursuant to the Prime Lease. This amount shall be payable in equal, consecutive monthly installments. Subtenant shall also pay Percentage Rent in the amount payable by Sublessor pursuant to the Prime Lease, as well as all other payments and amounts required to be paid or incurred by Sublessor under the Prime Lease. All payments shall be made in advance on the first day of each and every month, commencing as of the Commencement Date (as defined in the Prime Lease) at the office of Sublessor, or at such other address as may be designated hereafter in writing by Sublessor to Subtenant, or directly to Landlord if so requested by Sublessor.

3.2 Electronic Fund Transfer. Subtenant hereby authorizes Sublessor to withdraw each month from the bank accounts of Subtenant an amount sufficient to pay all sums due from Subtenant hereunder, including, but not limited to, all fixed, percentage and additional rent, common area costs (CAM) and taxes due under the terms of this Sublease. Such automated withdrawal may be electronic or paper, as determined by Sublessor. Subtenant also agrees to execute whatever documentation may be necessary to evidence such authorization and to complete any transaction.

ARTICLE 4

SUBORDINATION

Subtenant acknowledges that this Sublease is subject and subordinate to the Prime Lease, to all terms, covenants and conditions contained therein and to any extension, renewal, amendment or modification thereof. To the extent that the Prime Lease is also subject and subordinate to such instruments, this Sublease is also subject and subordinate to all ground and underlying leases and all mortgages which might now or hereafter affect such leases, leasehold estate or estates thereby created or the real property of which the Leased Premises forms a part, and to any and all renewals, modifications, consolidations, replacements and extensions thereof.

ARTICLE 5

DEFAULT BY SUBTENANT; REMEDIES OF SUBLESSOR

5.1 Rights and Remedies Under Prime Lease. In the event of a default or breach by Subtenant of this Sublease, Sublessor shall, subject to the rights of the FRANCHISOR as provided in Article 6 below, have the option, but not the obligation, to exercise against Subtenant any remedy or right given to the Landlord under the Prime Lease in the event of a default by Sublessor, such remedies or rights to be in addition to, and not in limitation of, any other remedy or right permitted by law, in equity or by this Sublease. All such rights and remedies of Landlord under the Prime Lease shall be enforceable by Sublessor in its own name and right, as against Subtenant, as though set forth in their entirety in this Sublease.

5.2 Additional Rights and Remedies. In addition to the rights and remedies provided in Article 5.1 above, and not in limitation thereof, if:

(A) Subtenant fails to pay any installment of rent or any other amounts due hereunder, or under the Prime Lease, or any portion thereof when due; or

(B) Subtenant fails to perform or comply with any other provision of this Sublease or the Prime Lease and does not cure such failure within fifteen (15) days, or within with shorter period as specified in the Prime Lease, after Sublessor, by written notice, has informed Subtenant of such nonperformance or noncompliance; or

(C) Subtenant becomes insolvent or unable to pay its debts as they mature, or suspends business or commences proceedings under any bankruptcy, reorganization, arrangement, insolvency, or readjustment of debt, dissolution or liquidation laws, either of the United States or any state hereof; or

(D) Any such proceedings as set forth in **Article 5.2 (C)** shall be commenced against Subtenant, and Subtenant consents thereto, or does not, within thirty (30) days after such commencement, have the proceedings dismissed, or an order is entered in any proceeding adjudicating Subtenant a bankrupt or insolvent or approving the petition in such proceeding; or

(E) Subtenant makes an assignment for the benefit of creditors, or a receiver or trustee is appointed for Subtenant, or for any substantial part of a property of Subtenant; or

(F) The Franchise Agreement expires or terminates;

then Sublessor may elect either (i) to cancel and terminate this Sublease and this Sublease shall not be treated as an asset of Subtenant's bankruptcy estate, or (ii) to terminate Subtenant's right to possession only without canceling and terminating Subtenant's continued liability under this Sublease. Notwithstanding the fact that initially Sublessor elects under **Article 5.2** to terminate Subtenant's right to possession only, Sublessor shall have the continuing right to cancel and terminate this Sublease by serving five (5) days' written notice on Subtenant of such further election, and shall have the right to pursue any remedy at law or in equity that may be available to Sublessor.

5.3 Right of Re-entry. In the event of election under **Article 5.2 (ii)** to terminate Subtenant's right to possession only, Sublessor may, at Sublessor's option, enter into the Leased Premises and take and hold possession thereof, and such entry into possession shall not terminate this Sublease or release Subtenant in whole or in part from Subtenant's obligation to pay the rent and all other amounts due hereunder for the full stated term. Upon such re-entry, Sublessor may remove all persons and property from the Leased Premises and such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of Subtenant, and Sublessor shall not be liable for any loss or damage which may be occasioned thereby. Upon and after entry into possession without termination of the Sublease, Sublessor may, but is not obligated to, relet the Leased Premises, or any part thereof, to any person, firm or corporation, for such rent, for such time and upon such terms as Sublessor, in Sublessor's sole discretion, shall determine, but Sublessor shall not be required to accept any tenant offered by Subtenant or to observe any instruction given by Subtenant about such reletting. Sublessor may make alterations and repairs, and redecorate the Leased Premises to the extent deemed necessary and desirable by Sublessor.

5.4 Damages. Upon any such re-entry pursuant to **Article 5.3**, Subtenant shall be liable to Sublessor as follows:

(A) for the unpaid installments of rent and other unpaid sums which were due prior to such re-entry, which sums shall be payable forthwith;

(B) for the installments of rent and other sums falling due pursuant to the provisions of this Sublease for the periods after re-entry during which the Leased Premises remain vacant, which sums shall be payable as they become due hereunder;

(C) for all expenses, including without limitation leasing commissions, attorneys' fees (including without limitation attorneys' fees of Landlord payable by Sublessor pursuant to the Prime Lease), costs of alterations, repairs and redecorating costs, which shall be payable by Subtenant as they are incurred by Sublessor; and

(D) while the Leased Premises are subject to any new lease made pursuant to this Article, for the amount by which the monthly installments payable under such new lease is less than the monthly installment for all charges payable pursuant to this Sublease, which deficiencies shall be payable monthly. No such re-entry or taking possession of the Leased Premises by Sublessor shall be construed as an election on its part to terminate this Sublease or Subtenant's continued liability hereunder unless a written notice of such intention signed by Sublessor be given to Subtenant.

ARTICLE 6

RIGHTS OF FRANCHISOR

6.1 Assumption of Sublease. If the Franchise Agreement expires or is terminated by the Franchisor, or if the Subtenant's right to possession of the Leased Premises is terminated by Sublessor, then either the Franchisor or Sublessor shall have the right and option, but not the obligation, to assume this Sublease for its remaining term.

6.2 Right to Inspect. Either the FRANCHISOR or Sublessor shall have the right to enter the Leased Premises to conduct inspections thereof and of Subtenant's retail business at any time during regular business hours. During the term of the Franchise Agreement, Sublessor and Subtenant agree that Subtenant's interest in this Sublease and in the Leased Premises shall not be transferred in whole or in part without the FRANCHISOR's prior written consent. Sublessor and Subtenant have agreed to the terms and conditions expressed in this and the foregoing paragraphs for the benefit of the FRANCHISOR and, consequently, hereby agree that such terms and conditions will not be amended or modified in any way without the prior written consent of the FRANCHISOR.

ARTICLE 7

TRANSFER

7.1 Definition. A "transfer", as used in this Sublease, shall mean any assignment or other transfer or hypothecation of this Sublease, or the subletting or making of franchise or concession agreements respecting the Leased Premises, by Subtenant or, if Subtenant or any guarantor of its obligations hereunder is a corporation or partnership, the transfer of any interest in more than twenty-five percent (25%) of the total outstanding voting stock of or interests in Subtenant or such guarantor.

7.2 No Transfer. No transfer of this Sublease or of Subtenant's interest in the Leased Premises may be made by Subtenant without first procuring the written consent of Sublessor, which consent may be withheld in Sublessor's sole discretion. Any attempted transfer without Sublessor's consent shall be void and confer no rights upon any third person. If Sublessor consents to any transfer, Subtenant shall not thereby be relieved of any obligation, liability or responsibility under this Sublease, nor shall Sublessor's consent to any transfer be deemed a waiver of or eliminate the need for obtaining Sublessor's consent to any subsequent transfer.

7.3 Documentation. Each transfer to which Sublessor has consented shall be evidenced by an instrument in writing in a form satisfactory to Sublessor, executed by Subtenant and the transferee in each instance, and the transferee shall agree in writing for the benefit of Sublessor and Landlord to assume, perform and abide by all of the terms, covenants and conditions of this Sublease to be done, kept and performed by Subtenant, including the payment of all amounts due or to become due under this Sublease directly to Sublessor. One fully executed copy of such written instrument shall be delivered to Sublessor. Subtenant agrees to reimburse Sublessor's reasonable attorneys' fees incurred in conjunction with the processing of and documentation for any such requested transfer in an amount not to exceed $500.

7.4 Transfer by Landlord or Sublessor. In the event of any sale, exchange or other transfer of the Leased Premises by Sublessor or Landlord or an assignment by Sublessor or Landlord of its interest in this Sublease or the Prime Lease, respectively, Sublessor and Landlord shall be and are hereby entirely freed and relieved of all liability under any and all of their covenants and obligations contained in or derived from this Sublease or the Prime Lease, or arising out of any act, occurrence or omission relating to the Premises or occurring after the effective date of such assignment or other transfer.

ARTICLE 8

CLAIMS; INDEMNIFICATION

All persons and property that may be on or at the Leased Premises shall be at the sole risk of Subtenant, or those claiming through or under Subtenant. Sublessor shall not be liable to Subtenant, or to any other person or entity for any claim arising out of the use or occupancy of the Leased Premises during the term of this Sublease or any extension or renewal thereof, including but not limited to claims due to: (a) damage, loss or injury, either to person or persons; (b) loss of property sustained by Subtenant, or by any other person or entity in or upon the Leased Premises; (c) equipment, fixtures, appliances or machinery in or upon the Leased Premises or the building of which the Leased Premises are a part, or the halls, passageways, areas, areaways, sidewalks or streets adjoining or appurtenant to the Leased Premises, being or becoming out of repair or defective; (d) the happening of any accident, however occurring; (e) any act or neglect of Subtenant, of any other tenant or occupant of the building of which the Leased Premises are a part, or of any other person or entity; (f) water, snow, rain, backing up of sewers, gas, odors, electricity or electric current, bursting, stoppage or leaking of pipes, radiators, plumbing, sinks and fixtures in or about the Leased Premises or the building of which the Leased Premises are a part; (g) any burglary, theft, robbery, assault or other criminal act; (h) the use or misuse of any instrumentality or agency in or connected with the Leased Premises or the building of which the Leased Premises are a part; or (i) any nuisance made or suffered in, on or at the Leased Premises. Subtenant hereby releases and waives any such claim, and agrees to indemnify, defend and hold Sublessor harmless from any such claims.

ARTICLE 9

NOTICES

9.1 Notices Under Sublease. Wherever in this Sublease it shall be required or permitted that notice, approval, consent or demand be given or served by either party to this Sublease to or on the other, such notice, approval, consent or demand shall be in writing and served by personal service or forwarded by certified or registered mail, return receipt requested, addressed to Sublessor or Subtenant at the address specified below. Notice by mail shall be deemed to have been given upon mailing. Either party may change its address for notices by written notice to the other.

To Sublessor: 3701 Wayzata Boulevard, Suite 500
Minneapolis, Minnesota 55416

To Subtenant: The mailing address of the Leased Premises, or:

9.2 Notices Under the Prime Lease. Sublessor and Subtenant agree to promptly send to one another a copy of any notice, letter or other communication from or given to Landlord relative to the Prime Lease or the Leased Premises.

ARTICLE 10

CONSENTS

Subtenant acknowledges and agrees that in any case where the provisions of this Sublease require the consent or approval of Sublessor prior to the taking of any action, it shall be a condition precedent to the taking of such action that the prior written consent or approval of Landlord shall have been obtained if Landlord's consent must be obtained under the Prime Lease in such case. Subtenant agrees that Sublessor shall not have any duty or responsibility with respect to obtaining the consent or approval of Landlord when the same is required under the terms of the Prime Lease, other than the transmission by Sublessor to Landlord of Subtenant's request for such consent or approval. Nothing contained in this paragraph or in this Sublease shall be construed to require Sublessor to grant its consent or approval in the event Landlord grants its consent or approval.

ARTICLE 11

COVENANTS BENEFITING LANDLORD

In the event of default by Sublessor under the Prime Lease, Subtenant agrees, for the benefit of Landlord, to assume, perform and abide by all of the terms, covenants and conditions of the Prime Lease to be done, kept and performed by Sublessor, as tenant thereunder, including the payment of all amounts due or to become due under the Prime Lease directly to Landlord.

ARTICLE 12

CONSTRUCTION

Subtenant, at its cost and expense and with no right of reimbursement from Sublessor, shall undertake, complete and pay for any and all improvements to and equipping of the Leased Premises, in a timely manner, all of which shall be consistent with the applicable provisions of the Prime Lease and the Franchise Agreement. Subtenant's work, including without limitation any remodeling or redecorating work that may be performed on the Leased Premises from time to time, shall be performed in a good and workmanlike manner, shall be in conformity with the Prime Lease, the Franchise Agreement and all applicable federal, state and local laws, ordinances, building codes and fire regulations, and shall be free of all liens for labor and material.

ARTICLE 13
INSURANCE

All policies of insurance required by the terms of this Sublease or the Prime Lease shall name, in addition to the Landlord, Sublessor as an additional insured and shall grant to Sublessor all rights and benefits under such policies of insurance that are required to be granted or afforded to Landlord pursuant to the Prime Lease.

ARTICLE 14
ENFORCEMENT

Sublessee shall pay to Sublessor, upon demand, as additional rent, all costs and expenses, including without limitation attorney’s fees and other costs of litigation, incurred by Sublessor in enforcing any of the terms or conditions of this Sublease, including without limitation, collecting any unpaid or delinquent rent. Sublessor may charge Subtenant interest, at the highest rate permitted by law, on all sums not paid when due from Subtenant hereunder.

ARTICLE 15
MISCELLANEOUS

Time is of the essence in the performance of all obligations under this Sublease. If Subtenant consists of more than one individual or entity, then all such individuals and entities will be bound jointly and severally by the terms and conditions of this Sublease. The headings contained in this Sublease are for convenience only and shall not define, limit or construe the contents of the applicable articles or sections. This Sublease may be amended only by a writing executed by the party against whom enforcement is sought. The failure, refusal or neglect of Sublessor to exercise any right under this Sublease or to insist on full compliance by Subtenant of its obligations hereunder will not constitute a waiver by Sublessor of any provision of this Sublease. Subtenant shall not right to offset or withhold any liquidated or unliquidated amounts allegedly due to Subtenant from Sublessor against sums due Sublessor under this Sublease. The rights of Sublessor hereunder are cumulative and no exercise or enforcement by Sublessor or any right or remedy hereunder will preclude the exercise or enforcement of any other right or remedy hereunder or provided by law.

IN WITNESS WHEREOF, the parties hereto have duly executed this Sublease effective as of the date and year first above written.

Sublessor:

REGIS CORP.

By____________________________________

Title__________________________________

Subtenant:

By____________________________________

Title__________________________________

EXHIBIT A

AUTHORIZATION FOR DIRECT PAYMENT OF RENT

REGIS CORPORATION
3701 Wayzata Boulevard, Suite 500
Minneapolis, MN 55416

Phone: (952) 947-7777 FAX: (952) 995-3080

AUTHORIZATION FOR DIRECT PAYMENT

I hereby authorize Regis Corporation to initiate Electronic Funds Transfer (EFT) or Automated Clearing House (ACH) transactions against my checking/savings account and I instruct the financial institution named below to honor said transactions. This authorization shall remain in force until revocation in writing.

	Salon Number	Salon Location
______________________________ Name of Franchisee (Please print)	____________	______________________________
	____________	______________________________
	____________	______________________________
________________________ ______________ Signature of Franchisee Date	____________	______________________________

____
State Date (for internal use only)

____
Name of Financial Institution

____
Street Address of Financial Institution

____
City/State/Zip of Financial Institution

ACH for:
Royalty/AD fund _______
Training _______
Product _______
Miscellaneous _______

Account Number:______________________________ Checking________ Savings________

Bank Routing Number (ABA):____

STAPLE VOIDED CHECK HERE:

Note: Please submit one form per bank account. Make additional copies of this form if necessary.

GUARANTY AND ASSUMPTION OF OBLIGATIONS

SUBLEASE

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS given this __________ day of ____ ____________________, 20____, by ____.

(Individual, husband and wife, partners, shareholders, members)

In consideration of, and as an inducement to, the execution of that certain Sublease of even date herewith (the "Agreement") by The Barbers, Hairstyling For Men & Women, Inc., a Minnesota corporation (the "Franchisor"), each of the undersigned hereby, jointly and severally, and unconditionally (a) guarantees to the Franchisor, and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that____("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, including both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities. Each of the undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of obligations hereby guaranteed; (4) any right he/she may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (5) any and all other notices and legal or equitable defenses to which he/she may be entitled.

Each of the undersigned consents and agrees that: (1) his/her direct and immediate liability under this guaranty shall be joint and several; (2) he/she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may from time to time grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Agreement.

The undersigned hereby agree that (a) the Percentage of Ownership in Franchisee set forth below equals 100% of the ownership of Franchisee and (b) notwithstanding any percentage of ownership stated below, such percentage shall in no way limit each of the undersigned's liability under the terms of this Agreement.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature on the same day and year as the Agreement was executed.

GUARANTOR(S)	PERCENTAGE OF OWNERSHIP IN FRANCHISEE
Signature ______________________________	
(Printed Name ______________________________)	____________%
Signature ______________________________	
(Printed Name ______________________________)	____________%
Signature ______________________________	
(Printed Name ______________________________)	____________%
Signature ______________________________	
(Printed Name ______________________________)	____________%
Signature ______________________________	
(Printed Name ______________________________)	____________%

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT G: WAL-MART MASTER LEASE AGREEMENT

MASTER LEASE AGREEMENT

WAL-MART STORES EAST, LP, a Delaware limited partnership, individually and only as to Stores (as defined in Section 1.1 CC of this Master Lease) owned, leased, or operated in AL, CT, DE, FL, GA, IN, KY, LA, ME, MD, MA, MI, MS, MO, NH, NJ, NM, NY, NC, OH, OK, PA, RI, SC, TN, TX, VT, VA, WI, WV; **SAM'S EAST, INC.**, an Arkansas corporation, individually and only as to Stores owned, leased, or operated in AL, CT, DE, FL, GA, IN, KY, LA, ME, MD, MA, MI, MS, MO, NH, NJ, NM, NY, NC, OH, OK, PA, RI, SC, TN, TX, VT, VA, WI, WV; **WAL-MART STORES, INC.**, a Delaware corporation, individually and only as to Stores owned or leased in AK, AZ, CA, CO, HI, ID, IL, IA, KS, MN, MT, NE, NV, ND, OR, SD, UT, WA, WY; **SAM'S WEST, INC.**, an Arkansas corporation, individually and only as to Stores owned, leased, or operated in AK, AR, AZ, CA, CO, HI, ID, IL, IA, KS, MN, MT, NE, NV, ND, OR, SD, UT, WA, WY; **WAL-MART LOUISIANA, LLC**, a Delaware limited liability company, individually and only as to Stores owned or leased in Louisiana; **WAL-MART STORES TEXAS, LLC**, a Delaware limited liability company, individually and only as to Stores owned or leased in Texas; **WAL-MART STORES ARKANSAS, LLC**, an Arkansas limited liability company, individually and only as to Stores owned or leased in Arkansas; and **WAL-MART PUERTO RICO, INC.**, a Puerto Rico corporation, individually and only as to Stores owned, leased, or operated in Puerto Rico (each Walmart and Sam's Club entity shall collectively be referred to as "Landlord" for purposes of this Master Lease Agreement as it applies to the Store) and **REGIS CORP.**, a Minnesota corporation ("Tenant") enter into this Master Lease effective on February 26, 2013 (the "Effective Date"), which date is the date the last party signs this agreement.

WHEREAS, Landlord operates discount retail stores nationwide;

WHEREAS, Tenant operates hair salons (described more fully in Appendix-1) and desires to lease space within one or more Stores from which to operate such hair salons; and

WHEREAS, Landlord desires to lease space in one or more of its Stores to Tenant, so Tenant may operate such hair salons in the Store.

NOW, THEREFORE, in consideration of the mutual promises and premises set forth above and below, the receipt and sufficiency of which the parties hereby acknowledge, the parties hereby agree as follows:

ARTICLE I
GENERAL PROVISIONS

1.1 Definitions.

A. **"ACH"** means the electronic process whereby the Landlord debits the bank account of Tenant for payments owed to the Landlord by Tenant using the automated clearinghouse payment system.

B. **"Affiliate"** means a corporation related to Tenant by shareholdings or any other means of control, a subsidiary of Tenant, Tenant's parent company or a sibling company of Tenant, in each case known to Landlord on the Effective Date.

C. **"Appendix-1"** means an appendix to this Master Lease, incorporated into this Master Lease when fully signed by Tenant and Landlord, which provides obligations of Landlord and Tenant specific to Tenant's Permitted Uses (as designated in Appendix-1) contemplated by Landlord and Tenant at the time this Master Lease was entered into.

D. **"Attachment A"** means an attachment to this Master Lease, incorporated into this Master Lease when fully signed by Tenant and by the particular Landlord with authority to lease the Leased Premises identified in the applicable Attachment A. The Attachment A identifies the Store in which the Leased Premises is located, the size of the Leased Premises, the anticipated Delivery Window, the anticipated Delivery Date, the anticipated Rent Commencement Date, the Base Rent and the Percentage Rent, as applicable; and any Extension Option(s).

E. **"Attachment A-1"** means an attachment to this Master Lease, incorporated into this Master Lease upon the full execution of the applicable Attachment A, depicting the location of the Leased Premises within the Store.

F. **"Base Rent"** means the amount, if any, set forth as such in the applicable Attachment A.

G. **"Commencement Notice"** means an attachment to this Master Lease, incorporated into this Master Lease at the time of delivery by Landlord of the Commencement Notice to Tenant in accordance with Section 19.10 below, which identifies the actual Rent Commencement Date and the actual Delivery Date with respect to the applicable Leased Premises.

H. **"Common Area"** means the public access areas of the Store, including, but not limited to, the parking areas, driveways, sidewalks, entrances, and exits in the Store and between the Store and the Leased Premises.

I. **"Common Area Maintenance Fee"** means the amount, if any, set forth as such in the applicable Attachment A.

J. **"Delivery Date"** means the date on which Landlord delivers possession of the applicable Leased Premises to Tenant.

K. **"Delivery Window"** means the span of time in which Landlord may deliver possession of the Leased Premises to Tenant.

L. **"Due Date"** means the first (1st) calendar day of each month, unless this day falls on New Year's Day, Memorial Day, Independence Day (US), Labor Day, Thanksgiving, or Christmas, in which case the Due Date means the following business day.

M. **"Expiration Date"** means 11:59 p.m. (local time as to the applicable Leased Premises) on the last day of the month in which the applicable anniversary date (based upon the number of years in the Lease Term as specified in the applicable Attachment A) of the Rent Commencement Date, designated in the applicable Attachment A, falls. However, if the anniversary date falls between July 1st and December 31st of a given year, then the Expiration Date extends to 11:59 p.m. (local time as to the applicable Leased Premises) on January 31st of the following year. In case of cancellation or termination of this Master Lease with respect to a particular Leased Premises, the Expiration Date becomes the date on which this Master Lease is cancelled or terminated with respect to such Leased Premises.

N. **"Extension Option"** means the option, if any, of the applicable Landlord and Tenant to extend the Lease Term for each Leased Premises, as set forth in the applicable Attachment A.

O. **"Grand Opening"** means the first day on which a Store opens for business to the public.

P. **"Hazardous Substance"** means:

(i) any hazardous material, hazardous waste, hazardous substance, toxic substance, biomedical waste, infectious waste, medical waste, or toxic waste identified by any federal or state law; chemical, dust, mixture, medical device, pharmaceutical, or common material capable of causing harm; or solid, liquid, contained gas, sludge, pollutant, asbestos, petroleum product, polychlorinated biphenyls, unused or returned consumer product, or other material, any of which, during the term of this Master Lease, become regulated as a hazardous material, hazardous waste, hazardous substance, toxic waste, or toxic substance; or

(ii) any solid, liquid, contained gas, sludge, pollutant, asbestos, polychlorinated biphenyls, or other material that, during the term of this Master Lease, becomes prohibited or requires special handling or treatment under any applicable law or regulation, including common law.

Q. **"Hours of Operation"** means the hours that the Leased Premises shall be open as set forth in Attachment A of this Master Lease.

R. **"Improvements"** means any addition, alteration, construction, finish, or improvement to the Leased Premises; any attachment (including, but not limited to, attachment through the use of drilling) of a permanent fixture, permanent furniture, or permanent equipment; and includes, but is not limited to, completing the interior walls, partitioning(s), floor covering, ceiling work, utilities, painting, finish work, restroom facilities, signage (pursuant to Section 2.6 below), and any other thing necessary for Tenant to obtain a certificate of occupancy for the Leased Premises and operate the same as designated in Paragraph 1 of Appendix-1, Permitted Uses.

S. **"Insurance Reimbursement Fee"** means the amount, if any, set forth as such in the applicable Attachment A.

T. **"Key Money"** means the amount, if any, set forth as such in the applicable Attachment A as a one-time, non-refundable fee for the right to operate the Leased Premises within the Store

U. **"Lease Term"** means, for each Leased Premises, the period commencing on the Rent Commencement Date and ending on the Expiration Date. In the event that the Lease Term of the applicable Leased Premises extends, any reference to the term "Lease Term" includes the period by which the Lease Term extends.

V. **"Leased Premises"** means the area of a Store leased to Tenant by Landlord subject to the terms and conditions of this Master Lease, as identified in the applicable Attachment A and further depicted on the applicable Attachment A-1.

W. **"Leased Premises Improvement Charge"** means the amount, if any, set forth as such in the applicable Attachment A as a one-time, non-refundable charge for Landlord's construction of the Leased Premises to White Box condition.

X. **"Master Lease"** means this Master Lease and any amendment, appendix, attachment, and exhibit attached to and incorporated into this Master Lease.

Y. **"Percentage Rent"** means the amount, if any, determined as set forth in the applicable Attachment A.

Z. **"Rent"** means Base Rent, Percentage Rent, to the extent described in the applicable Attachment A, plus any additional or other rent, interest, tax, or other sum this Master Lease obligates Tenant to pay Landlord, including, without limitation, the Common Area Maintenance Fee, Insurance Reimbursement Fee, the Utility Reimbursement Fee and the Leased Improvement Charge, as applicable.

AA. **"Rent Commencement Date"** means:

(1) the Grand Opening, as memorialized in the applicable Commencement Notice and specified in the applicable Attachment A, of the Leased Premises is located in a new, relocated, or expanded Store; or

(2) The day specified in the applicable Attachment A, if the Leased Premises is located in a Store currently in operation that has not or will not be relocated or expanded between the time that the Attachment A is executed and the Rent Commencement Date.

BB. **"Restriction"** means any easement, covenant, condition, law, regulation, land use or other restriction, rule, or other matter binding upon the Leased Premises, Landlord or Tenant or any combination thereof, which acts to prohibit or materially restrict the use of the Leased Premises as contemplated by this Master Lease including, without limitation, the ability of Landlord to lease to Tenant or Tenant's ability to operate the Leased Premises as designated in Paragraph 1 of Appendix-1, Permitted Uses. By way of example, and not of limitation, if Landlord is required to obtain the consent of a third party prior to leasing space to the Tenant in a particular Store, the requirement of consent is a Restriction.

CC. **"Store"** or **"Stores"** means one or more of the "Wal-Mart" or "Sam's Club" retail facilities operated by Landlord.

DD. **"Sublease"** means a written sublease agreement, approved by Landlord in Landlord's sole discretion, between Tenant and a Sublessee, pursuant to which such Sublessee will sublease and operate the applicable Leased Premises as part of a marketing plan or system prescribed by Tenant that is substantially associated with Tenant's trademark, service mark, trade name, logotype, advertising, or other commercial symbol designated by Tenant. The Sublease shall be subject and subordinate to this Master Lease, and shall provide that Sublessee agrees to be bound by all the terms, covenants, and conditions of this Master Lease.

EE. **"Sublessee"** means a franchisee, licensee, concessionaire or other party of Tenant that has been approved by Landlord, in Landlord's sole discretion.

FF. **"Tenant's Pro Rata Share"** means the product of a fraction derived from time to time by dividing the gross square foot area of the subject Leased Premises for the period in question by the gross square foot area of the Store containing such Leased Premises for the same period.

GG. **"Trade Fixtures"** means any attached or unattached, moveable or non-moveable, fixture, furniture, or equipment unique to Tenant's business, the installation and removal of which requires no cutting, drilling, or other defacing of the Leased Premises.

HH. **"Utility Reimbursement Fee"** means the amount, if any, set forth as such in the applicable Attachment A.

II. **"White Box"** means the interior condition of the Leased Premises with sprinklers, sheetrock walls, ceiling grid, HVAC installed, electrical service to the Leased Premises, security gate, acoustic ceiling tile, lighting and electrical outlets, and access to water and sewer.

1.2 Landlord's Entry into the Agreement.

A. Each Landlord enters into this Master Lease severally and solely as to the Store it operates and in which the Leased Premises is located and without any obligation with respect to any other Store. Accordingly, only the respective Landlord that operates the Store in which such Leased Premises is located may execute, for a Leased Premises, an Attachment A.

B. If, during the term of this Master Lease, it is determined that any Restriction on the use of the Leased Premises exists, Landlord may terminate this Master Lease as to the affected Leased Premises and the Master Lease and applicable Attachment A will be null and void as to such Leased Premises without further action by Landlord or Tenant. Neither Landlord nor Tenant will be liable to the other for any damages, loss, or liability in connection with the termination of this Master Lease as to the affected Leased Premises.

1.3 **Landlord's Overlease**. If Landlord is itself a lessee of a Store in which a Leased Premises is located, so that this Master Lease as to the particular Leased Premises is actually a sublease, Landlord will provide to Tenant, upon Tenant's reasonable request, a copy of the overlease under which Landlord holds the Leased Premises as lessee. Tenant accepts this Master Lease subject to all the terms and conditions of such overlease and covenants that it will do no act or thing that would constitute a violation of the overlease.

1.4 **Granting Language**. Upon the full execution of the applicable Attachment A, Landlord leases to Tenant and Tenant rents from Landlord (subject and subordinate to any mortgage, deed of trust, other lien and any other matters of record presently existing or hereafter placed upon the applicable Leased Premises, the Common Areas, the Store, or any combination thereof) the Leased Premises identified in the applicable Attachment A and further depicted in the applicable Attachment A-1 to have and to hold subject to the terms of this Master Lease, by which the parties intend to be legally bound as to the applicable Leased Premises upon the execution by each appropriate party of both this Master Lease and the applicable Attachment A.

ARTICLE II
CONSTRUCTION AND ACCEPTANCE OF THE LEASED PREMISES

2.1 **Landlord's Obligation to Deliver Possession on the Delivery Date.**

A. Landlord shall use commercially reasonable efforts to deliver the applicable Leased Premises to Tenant in the condition and during the Delivery Window specified in the applicable Attachment A.

(1) Unless otherwise agreed to in the applicable Attachment A, Landlord shall notify Tenant, in writing and no later than ten (10)

days prior to the first day of the Delivery Window, of the status of the construction of the applicable Leased Premises and of the anticipated Delivery Date within the Delivery Window on which Landlord estimates it will deliver possession of the applicable Leased Premises to Tenant.

(2) Landlord, at any time prior to notifying Tenant of the anticipated Delivery Date, may revise the Delivery Window.

(3) Landlord may revise the anticipated Delivery Date at any time after Landlord notifies Tenant of the anticipated Delivery Date, in accordance with this Article II, but in no event may Landlord revise the anticipated Delivery Date with less than five (5) days notice.

B. If Landlord is unable, through the use of commercially reasonable efforts, to deliver possession of the applicable Leased Premises to Tenant on the anticipated Delivery Date or within the Delivery Window specified in the applicable Attachment A, subject in all events to causes beyond Landlord's reasonable control, Landlord's delay in delivering possession of the Leased Premises will not constitute a breach of this Lease and Tenant waives any right or remedy it may have, at law or in equity, because of the delay in performance. If Landlord and Tenant mutually agree that delivery of possession is unfeasible within a commercially reasonable amount of time after the Delivery Window specified in the applicable Attachment A, the parties, without liability, may terminate this Master Lease as to the applicable Leased Premises.

2.2 <u>Tenant's Right of Entry</u>.

A. Prior to the Delivery Date, Tenant may enter the Leased Premises only to inspect and measure the Leased Premises to ready the Leased Premises for opening on the Rent Commencement Date.

B. Tenant may enter the Leased Premises in accordance with the preceding paragraph only if:

(1) Landlord and Tenant have previously signed an Attachment A for the Leased Premises;

(2) Tenant does not interfere with Landlord's performance of its obligations under Section 2.1 above, or with the transaction of

Landlord's business or the business of any of Landlord's other Tenants; and

(3) The Leased Premises is not currently in the possession of another tenant.

C. If any work or other action done by, or on behalf of, Tenant results in a stoppage of Landlord's work, Tenant will immediately stop work until such time as the parties mutually agree Tenant's work can re-commence without materially interfering with Landlord's obligations under Section 2.1 above, which time may not be any later than the Delivery Date. Any failure by Tenant to comply with the provisions of this Section 2.2C is a material breach.

2.3 <u>Acceptance of the Leased Premises</u>.

A. Landlord makes no representations, covenants, or warranties of any kind or character whatsoever, express or implied, with respect to:

(1) The quality, condition, or title of the applicable Leased Premises;

(2) The suitability of the applicable Leased Premises for any activity and use that the Tenant may conduct in that Leased Premises according to this Master Lease;

(3) Compliance of the applicable Leased Premises with any applicable law;

(4) The habitability, merchantability, or fitness for a particular purpose of the applicable Leased Premises;

(5) The environmental condition of the applicable Leased Premises; or

(6) Whether Tenant's anticipated or actual use of the Leased Premises complies with the applicable land use restrictions or private limitations.

B. Tenant shall accept possession of the applicable Leased Premises when delivered by Landlord, even if Landlord is unable to deliver possession during the Delivery Window or on the anticipated Delivery Date, unless this Master Lease as to the applicable Leased Premises has been terminated according to Section 2.1.B above.

C. TENANT WAIVES ALL RIGHTS WITH RESPECT TO ANY DEFECT IN THE LEASED PREMISES OR OTHER CONDITIONS OF THE LEASED PREMISES, AND IF TENANT FAILS TO NOTIFY LANDLORD OF ANY DEFECT AT LEAST SIXTY (60) DAYS AFTER THE DATE OF DELIVERY, TENANT CONCLUSIVELY ACCEPTS THE LEASED PREMISES "AS IS" AND WITH ALL FAULTS.

D. TENANT WAIVES ALL RIGHTS AGAINST LANDLORD WITH RESPECT TO ANY LIMITATION OR RESTRICTION ON ITS USE OF THE LEASED PREMISES AS A RESULT OF ANY APPLICABLE LAW, RULE, OR REGULATION INCLUDING, WITHOUT LIMITATION, ANY RESTRICTIONS OR PRIVATE LIMITATIONS.

2.4 <u>Tenant's Obligations to Prepare the Leased Premises to Open for Business</u>.

A. Tenant shall complete all Improvements and install all Trade Fixtures in accordance with this Section 2.4 and in accordance with the plans and specifications previously approved by Landlord in a timely manner, and shall open the Leased Premises on the applicable Rent Commencement Date.

B. Tenant shall submit to Landlord and obtain Landlord's approval of the floor plans and specifications and layouts of the Leased Premises, including dimensions, elevations, Improvements, intended colors, Trade Fixtures and plans and specifications for any proposed rooftop or other mechanical equipment, such approval not to be unreasonably withheld, conditioned or delayed.

(1) Tenant shall obtain Landlord's approval of the floor plans and layouts of the Leased Premises prior to seeking and obtaining any permits, licenses, certifications, or other documents necessary to complete the Improvements in the Leased Premises and install Trade Fixtures in the Leased Premises in accordance with this Master Lease.

(2) Tenant may not vary from or add to the previously approved plans and specifications and layouts without Landlord's prior, written consent, which Landlord may not unreasonably withhold or delay. Landlord's approval of Tenant's plans and specifications is solely based on Landlord's review. Landlord's approval of the plans and specifications and layouts does not represent government approval

or suitability of the plans and specifications and layouts for Tenant's intended purposes.

(3) All Trade Fixtures and Improvements installed must be of high quality materials and workmanship, comparable to or better than the storefront, improvements and trade fixtures used by other retailers in the vicinity of the Store and, specifically, used at Tenant's most recent prototype and must be conducted and installed in a good and workmanlike manner in accordance with all applicable laws and in accordance with obligations and requirements of this Master Lease including, but not limited to, insurance, licensing, and regulatory compliance requirements.

(4) Prior to any roof penetrations caused by Tenant's Improvements, Tenant shall obtain from Landlord's Leasing Operations Department the contact information for the contractor approved to work on Landlord's roof.

(5) If Tenant's rooftop heating, ventilating, and air conditioning unit, or other rooftop equipment, requires steel supports in addition to the steel framing erected by Landlord, then Tenant will pay the cost of labor and materials for the installation thereof.

(6) Mechanical equipment on the roof will be placed within the area designated on Landlord's structural drawings.

(7) Tenant will provide screening or other type of cover for such mechanical equipment to prevent visibility by the public and subject to approval of Landlord and the local governmental authorities. If Landlord or any governmental authorities require a project standard equipment screen, Tenant will use and pay for same.

E. Tenant shall construct Improvements and install Trade Fixtures without interfering with other construction in progress at the Store or with the transaction of Landlord's business or the business of any of Landlord's other lessees. Tenant shall repair any damage that results from cutting, drilling or other defacing of the Leased Premises. Additionally, for any Leased Premises for which Improvements are being conducted or Trade Fixtures installed in a Store already open to the public for business, Tenant, prior to commencing Improvements or installing Trade Fixtures, shall erect a dust wall across the entrance to the Store from the Leased

Premises. The dust wall required above must keep dust out of the Store and must minimize any noise or other disruption of Store operations but may not be plastic or canvas, and must be maintained in place throughout the construction.

F. Intentionally Deleted.

G. If Tenant fails to open the applicable Leased Premises on the Rent Commencement Date, subject to events beyond Tenant's reasonable control, including Landlord's material interference or default under this Master Lease, Landlord may charge Tenant liquidated damages of ten thousand dollars ($10,000) and additional liquidated damages of three hundred dollars ($300) a day for each day, including the Rent Commencement Date, which the Leased Premises remains unopened as required by the terms of this Master Lease. By way of example, and not as a limitation thereof, material interference may occur if Landlord fails to deliver possession to Tenant of the applicable Leased Premises with sufficient time before the Rent Commencement Date for Tenant to fulfill its obligations under this Article II. Tenant will pay any liquidated damages it owes to Landlord within thirty (30) days after Tenant receives an invoice from Landlord for the liquidated damages. Landlord and Tenant acknowledge that it would be impracticable to fix the actual damages suffered by Landlord as a result of Tenant's failure to open the Leased Premises on the Rent Commencement Date, according to this paragraph, and that the amount of liquidated damages described above represents fair and reasonable compensation to Landlord for this failure. If the Leased Premises remains unopened for more than three (3) consecutive days following the Rent Commencement Date, Tenant will materially breach this Master Lease.

2.5 <u>Tenant's Contractors</u>. Tenant's contractors must be licensed, carry worker's compensation coverage as required by law, and comply with all applicable laws including, but not limited to, obtaining any required permit, survey (including, without limitation, any asbestos survey), license, or other documentation necessary to perform the construction work in connection with this Master Lease. At Landlord's request, Tenant will provide Landlord with a list of all contractors and subcontractors Tenant is using.

2.6 Signs.

A. Notwithstanding anything to the contrary set forth in this Master Lease or any applicable Attachment A or Appendix 1, Tenant may not install on the exterior of any Store any sign, light, decoration, painting, awning, canopy, or any other identifying mark or like item (collectively, "Signs"). If, however, during the Term of this Lease or any extensions thereof, Landlord amends its signage policy (as may be amended from time to time as determined in Landlord's sole discretion) to allow tenants to install exterior signage, Landlord shall permit Tenant to install an exterior sign in accordance with Landlord's specifications. Tenant understands that Landlord may amend such policy from time to time (as determined in its sole discretion) and that Tenant may be required to subsequently remove such exterior signage upon demand from Landlord. Tenant agrees to promptly remove such exterior signage (at Tenant's sole costs) if requested to do so by Landlord

B. Tenant may, with the prior, written consent of Landlord, which consent will not be unreasonably withheld, conditioned or delayed, and in accordance with Section 2.6.C, install a Sign on the exterior bulkhead of the applicable Leased Premises, which is inside the Store in which a Leased Premises is located, with Tenant's trade name identified in Appendix 1 to this Master Lease and Tenant's logo.

C. Tenant may not install any Sign containing images or words that may offend the ordinary, reasonable person including, but not limited to, words or images that are cloaked in other words or images, phrases with double meanings, and words or images commonly considered to be vulgar, swear, or curse words. If Tenant's business or trade name violates this provision, Tenant may not use the name in any signage in or around the Leased Premises.

2.7 Landlord's Right of Re Entry. After the Delivery Date and before the Rent Commencement Date, Landlord may re enter the applicable Leased Premises to continue any portion of Landlord's work not yet complete. During this period of re entry, Landlord may not unreasonably interfere with any work required under Section 2.4 being performed by Tenant or on behalf of Tenant.

2.8 Certificate of Occupancy. Tenant shall fax a copy of the Certificate of Occupancy within two (2) calendar days after receiving it to Landlord's Project Management at (479) 204-2263.

ARTICLE III
BINDING EFFECT OF ATTACHMENTS A AND A-1, COMMENCEMENT NOTICE MASTER LEASE TERM AND EXTENSION

3.1 **Effective Date of Master Lease**. This Master Lease is effective and binds Landlord and Tenant as of the Effective Date. This Master Lease terminates in its entirety upon the termination, for whatever reason, of every Attachment A signed by Landlord and Tenant that attaches to this Master Lease and which is incorporated into this Master Lease.

3.2 **Binding Effect of Attachment A**. This Master Lease governs each Leased Premises for which Landlord and Tenant execute an Attachment A. Once signed by both Landlord and Tenant, each Attachment A and A-1 attaches to and incorporates into this Master Lease binding both Landlord and Tenant to the terms and conditions in both this Master Lease and the applicable Attachments A and A-1.

3.3 **Commencement Notice**. Within forty-five (45) days following the actual Rent Commencement Date of the applicable Leased Premises, Landlord will deliver the Commencement Notice to Tenant. The Commencement Notice is for informational purposes only and does not modify the terms of this Master Lease. If Tenant does not receive the Commencement Notice within that time, Tenant will notify Landlord, in writing or verbally. Any delay in delivery of the Commencement Notice is not a breach of this Master Lease.

3.4 **Lease Term of a Specific Leased Premises**. The Lease Term for each Leased Premises commences on the Rent Commencement Date respecting such Leased Premises and continues until the Expiration Date respecting such Leased Premises.

3.5 **Extension of the Lease Term**. The Lease Term for the applicable Leased Premises may extend, subject to the terms and conditions of this Master Lease, as designated in the applicable Attachment A.

ARTICLE IV
RENT, SECURITY & TAXES

4.1 **Rent**. Tenant's obligation under this Master Lease to pay Rent, in lawful money of the United States and without, for any reason, deduction or offset, begins on the Rent Commencement Date. Tenant shall pay Rent to Landlord for each Leased Premises for which Landlord and Tenant execute an Attachment A in accordance with the terms of this Master Lease and the applicable Attachment A.

4.2 <u>Base Rent Payments</u>.

A. Tenant shall pay Base Rent, as set forth in the applicable Attachment A, to Landlord in advance, without offset, notice, or demand, in equal monthly installments with each monthly installment due by the Due Date. If the Rent Commencement Date occurs other than on the first day of the month, the Base Rent for that month equals one-thirtieth (1/30th) of the normal monthly rent installment for each day starting on the Rent Commencement Date and continuing through midnight on the last day of that month. If the Rent Commencement Date occurs other than the first day of the month, the Base Rent for the final month equals one-thirtieth (1/30th) of the normal monthly rent installment for each day starting on the Rent Commencement Date anniversary and continuing through midnight on the Expiration Date.

B. Landlord may require Tenant to pay Base Rent on a quarterly basis rather than monthly if Tenant fails to pay Base Rent within ten (10) days of the Due Date for two (2) consecutive months. The quarter will commence on the first day of the month following the month that Landlord notifies Tenant in writing of this election.

4.3 <u>Percentage Rent Payments</u>. To the extent required in the applicable Attachment A, Tenant shall pay Percentage Rent to Landlord on an annual basis. Percentage Rent payments shall be due without offset, notice, or demand on the first day of the calendar month following each anniversary of the Rent Commencement Date; provided, that upon the expiration or earlier termination of this Master Lease, Tenant shall pay any Percentage Rent due as of the effective date of such expiration or earlier termination.

4.4 <u>Common Area Maintenance, Utility Reimbursement Fees, and Insurance Reimbursement Fees</u>. To the extent required in the applicable Attachment A, Tenant shall pay, as additional Rent, the Common Area Maintenance Fee, the Utility Reimbursement Fee, and the Insurance Reimbursement Fee to Landlord without offset, notice, or demand on a monthly basis by the Due Date, to be paid with Tenant's payment of Base Rent.

4.5 <u>Leased Premises Improvement Charge</u>.

A. If the Leased Premises for which an Attachment A is signed and attached to the Master Lease by Landlord and Tenant is located in a newly constructed Store (including any Attachment A that is signed and attached to the Master Lease by Landlord and Tenant upon a Store Relocation), Tenant shall pay Landlord the Leased Premises Improvement

Charge as described in the applicable Attachment A. Tenant shall submit the Leased Premises Improvement Charge along with payment of the first month's Base Rent.

B. No Leased Premises Improvement Charge will be assessed against Tenant for a Leased Premises in an existing Store or for a Leased Premises permanently or temporarily relocated in connection with Store Renovations.

4.6 Key Money. Tenant shall pay Landlord Key Money as described in the applicable Attachment A. Tenant shall submit the Key Money along with payment of the first month's Base Rent.

4.7 Interest on Late Payments.

A. Tenant shall pay to Landlord interest on any balance of Rent unpaid more than ten (10) days following the Due Date at the prorated rate, based on a thirty (30) day month, of the lesser of:

(1) Five percent (5%) per annum, or

(2) The maximum amount allowed by law.

B. Any interest due under this provision is additional Rent, and Tenant shall pay it in full no later than the day on which it pays the unpaid balance of Rent unless demanded earlier by Landlord. Interest will not accrue on any unpaid balance of Rent if:

(1) The unpaid balance is due to an error or problem with the automatic debit, if Tenant is paying Rent through an automated clearinghouse account, and

(2) The error or problem was not due to the intentional or negligent act of Tenant.

4.8 Security Deposit.

A. Tenant shall deliver to Landlord, no later than ten (10) days following Tenant signing the applicable Attachment A, an amount equal to the sum designated in the applicable Attachment A, as security for the faithful performance and observance of the terms and conditions of this Master Lease by Tenant and its agents, employees, and representatives (the "Security").

B. Tenant may provide Security in the form of a security deposit or a duly executed surety bond from a reputable company satisfactory to Landlord and in full force and effect when delivered to Landlord.

C. Landlord may apply, retain, or use (at its sole option) the whole or any part of the Security to the extent required for payment of:

(1) Rent;

(2) Other sums that Tenant is obligated to pay Landlord under this Master Lease;

(3) Sums that Landlord may expend or may be required to expend by reason of Tenant's breach of this Master Lease;

(4) Loss or damage that Landlord suffers by reason of Tenant's breach of this Master Lease including, but not limited to, any damages incurred by Landlord or deficiency resulting from the re-letting of the Leased Premises, whether such damages or deficiency accrues before or after summary proceedings or other re entry by Landlord; or

(5) Costs Landlord incurs in connection with the cleaning or repair of the Leased Premises after the expiration or earlier termination of this Master Lease as to the applicable Leased Premises.

D. Landlord is not obligated to apply, retain, or use the Security, and any payment of the security deposit in no way relieves Tenant of its obligations under this Master Lease to pay Rent or other charges.

E. Landlord's right to bring an action or special proceeding to recover damages, or otherwise obtain possession of the applicable Leased Premises, before or after Landlord's delivery of notice to Tenant of the termination of this Master Lease as to the applicable Leased Premises for non-payment of Rent, or for any other reason, is not effected because Landlord holds the Security.

F. The Security does not limit Landlord's available rights and remedies under this Master Lease, at law, or in equity nor is it a payment of liquidated damages.

G. Tenant, no more than fifteen (15) days following Landlord's notice to Tenant, shall replace the Security when payments by the Security equal or exceed the sum of the security deposit. Failure to timely replace the Security is a material breach of this Master Lease.

H. Except as required by applicable law, Landlord is not required to keep security deposits separate from Landlord's own funds and may commingle security deposits with its own funds.

I. If Tenant fully and faithfully complies with all the terms and conditions of this Master Lease, Landlord will return to Tenant any part of the security deposit that Landlord does not apply, retain, or use in accordance with this Section no later than thirty (30) days following Tenant fully discharging all of its obligations under this Master Lease, unless applicable law requires a shorter or extended time.

4.9 Taxes.

A. Landlord shall initially pay all General Taxes levied, during each fiscal tax year, against the Store, the Common Area, or both, subject to Tenant's reimbursement obligations set forth below. "General Taxes" mean all general real estate taxes, general and special assessments; parking surcharges, fees, and other governmental charges and any costs Landlord incurs contesting any of the above.

B. In addition to Tenant's reimbursement obligations set forth below and any other obligations of Tenant under this Master Lease, Tenant shall pay all taxes and assessments:

(1) Levied against any improvements located within or upon any Leased Premises, and any of Tenant's inventory, personal property, and Trade Fixtures;

(2) Assessed, imposed, or levied against Landlord in relation to either Landlord's interest in this Master Lease or the Rent or other charges required under this Master Lease including, but not limited to, increases or additional, special, regular, unforeseen, foreseen, extraordinary, or ordinary, taxes and assessments, whether occurring wholly or partially during the Lease Term of the specific Leased Premises from which the taxes or assessments arise;

(3) For increases, that are billed or assessed during the Lease Term that are attributable to Tenant's Improvements or occupancy of the Leased Premises; and

(4) Imposed against Landlord because of Landlord's interest in this Master Lease as a substitute, or in lieu of, in whole or in part, for any general taxes or other real estate tax or assessment.

C. Tenant shall reimburse Landlord, upon demand, for Tenant's Pro Rata Share of general taxes assessed or levied during the Lease Term, as prorated to account for any period of partial occupancy of the applicable Leased Premises, and for any other tax, assessment, or excise that was imposed, assessed, or levied against Landlord that Landlord paid but for which Tenant is primarily liable under this Master Lease.

ARTICLE V
UTILITIES

5.1 Utilities. Except as otherwise provided in this Master Lease or the applicable Attachment A, Landlord shall pay for all public utilities furnished to the Leased Premises and shall reasonably cool, heat, and light and provide water and sanitary sewerage services to the building in which the Leased Premises is located. Landlord is not liable for any interruption whatsoever to the public utilities, the lighting, the cooling, the heating, the water, or the sanitary sewerage services if any of the preceding are interrupted:

A. Due to equipment failure, fire, accident, strike, acts of God, or other causes beyond the reasonable control of Landlord; or

B. In connection with Store Renovations or to repair the Store or the Leased Premises.

5.2 Telephone Service. Tenant shall pay for telephone service in the Leased Premises. **The use of a cordless phone within a Leased Premises is strictly prohibited.**

ARTICLE VI
USE AND OPERATION

6.1 Use. Tenant shall use the Leased Premises as designated in Section 1 of Appendix 1, Permitted Uses, subject to applicable legal requirements, and for no other purpose without the prior, written consent of Landlord.

6.2 Continuous Operation.

A. Tenant, other than as expressly permitted by this Master Lease, and during the applicable Lease Term, shall operate the applicable Leased

Premises continuously during the Hours of Operation designated in Attachment A in accordance with the Permitted Uses designated in Appendix 1 and the terms and provisions of this Master Lease.

B. Tenant, other than as expressly permitted by this Master Lease, shall not vacate the applicable Leased Premises during the applicable Lease Term or cease operations in the applicable Leased Premises and shall conduct its business, at a minimum, in an efficient, first-rate, and reputable manner.

C. Other than closing the Leased Premises to repair, update, and upgrade the Trade Fixtures, the Improvements, and the Leased Premises in accordance with Section 7.3.B below, Tenant may close the applicable Leased Premises for repair or renovation only with the prior, written consent of Landlord, which Landlord may not unreasonably withhold, condition or delay.

D. Failure to comply with this provision or any representation by Tenant that during the applicable Lease Term the Tenant, or one of its Sublessees, will not comply with this provision or will vacate the applicable Leased Premises materially breaches this Master Lease. In addition to (and not in lieu of) any remedies that Landlord may have under this Master Lease for a breach of this section, Landlord may charge Tenant, in addition to rent, liquidated damages of three hundred dollars ($300) a day for each day, which the applicable Leased Premises remains closed and not operating, excluding any reasonable period for renovation or repair of the Leased Premises approved by Landlord or during any reasonable period in which the Leased Premises remain closed and not operating due to acts or omissions of Landlord which require closure of the Leased Premises.

6.3 **Hours of Operation**. Tenant shall post its Hours of Operation in a conspicuous location within the Leased Premises, subject to and in accordance with the requirements set forth in Article II (Construction and Acceptance of the Leased Premises), Section 2.6 above.

6.4 **Trade Name**. During the term of this Master Lease, Tenant shall conduct its business under the name designated as Tenant's Trade Name in Appendix 1 and under no other name without the prior written consent of Landlord, which, consent shall not be unreasonably withheld, conditioned or delayed.

A: Tenant acknowledges that Landlord relied on Tenant's business reputation and associated trade name as a significant material inducement in Landlord's decision to execute this Master Lease, and therefore, Tenant hereby warrants that Tenant has the right to use the trade name and all logos, trade dress, slogans, and all other identifying marks used by Tenant at the Leased Premises.

B. Failure to comply with this Section 6.4 is a material breach of this Master Lease.

6.5 <u>Customer Service</u>.

A. Tenant shall operate the Leased Premises in conformity with Landlord's reputation as the operator of discount retail stores dedicated to customer satisfaction and prompt quality customer service featuring a broad assortment of quality merchandise at low, competitive prices.

B. Tenant, at its sole cost and expense, shall post, in a conspicuous location that customers can see when the Leased Premises is open and when the Leased Premises is closed, a telephone number and an address for customers to contact. The telephone number must be either toll free or a number local to the applicable Leased Premises.

6.6 <u>Window Display Lights</u>. Tenant shall keep, during the Hours of Operation, any display windows in the Leased Premises neat and attractive.

6.7 <u>Mail & Deliveries</u>. Landlord does not guaranty any mail or deliveries to the Leased Premises and recommends Tenant arrange to receive mail or deliveries at an alternate location. Any mail or deliveries to and from the Leased Premises must be done only at such times and in the areas and through the entrances designated for such purpose by Landlord. Any mail or delivery left with the Store is done at Tenant's sole risk. All property kept, stored, or maintained on the Leased Premises by Tenant is at Tenant's sole risk.

6.8 <u>Tenant's Advertising, Promotion, and Media Inquiries</u>.

A. Tenant may use Landlord's name only to the extent Landlord's Leasing Operations Department approves and only as a location reference.

B. Tenant may not promote its services within the Store using Landlord's in-store public address system.

C. Tenant may not post any Signs outside of the Leased Premises, except as provided in Section 2.6.B above, or post any handmade signs inside or outside of the Leased Premises.

D. Tenant's promotions related to the Leased Premises must be conducted in a professional manner by trained individuals.

E. Tenant may not release or cause to be released any statement to the press or otherwise containing Landlord's name or representing any relationship whatsoever to Landlord, without the prior, written approval of the Wal-Mart Leasing Operations Department.

F. Tenant agrees that it will not, within the Leased Premises or anywhere else in the Store, advertise, market, or promote any Competing Business. For purposes of this paragraph, "Competing Business" means any retail business involved in the sale of any products or services sold from within the Store or by any affiliate, parent company, or subsidiary of Landlord.

6.9 **Restrictive Covenants**. Tenant shall comply with and observe any easement, covenant, or restriction that affects or applies to the Leased Premises and the Common Area.

6.10 **Restrictions on Tenant's Activities**. In addition to any easement, covenant, or restriction that affects or applies to the Leased Premises or the Common Area, Tenant, and its Sublessees, shall not:

A. Use the sidewalk adjacent to or any other space outside the Leased Premises for display, sale, or any other similar undertaking.

B. Use a loudspeaker system that may be heard from outside the Leased Premises; place or permit any radio, television, loudspeaker, or amplifier on the roof, inside the Leased Premises, or anywhere that the radio, television, loudspeaker, or amplifier can be seen or heard from outside of the Leased Premises; or solicit or distribute any handbills or other advertising in the parking lot, Store, or Common Areas, unless otherwise protected by law.

C. Use the plumbing facilities of the Leased Premises or the Store for any purpose other than that for which they were constructed. Neither Tenant nor its Sublessees, nor the invitees of either Tenant or its Sublessees, may use the plumbing facilities of the Leased Premises to dispose of any foreign substances. The expense of any breakage, stoppage, or damage resulting from a breach of this Section will be borne by Tenant.

D. Place on any floor a load that exceeds the load per square foot that the floor was designed to carry. Tenant may only install, operate, and maintain heavy equipment in the Leased Premises if installed in such manner as to achieve a proper distribution of weight.

E. Use any forklift, truck, tow truck, or any other machine or equipment in the Store, in the Common Areas, or on any of the underlying ground, unless necessary to complete Tenant's obligations under Article II (Construction and Acceptance of the Leased Premises), Section 2.4 above or unless otherwise agreed to in Appendix 1.

F. Use the Leased Premises to conduct illegal business or for illegal purposes or for any purpose that may increase the premium cost of or invalidate any insurance policy carried on the Leased Premises, Common Areas, or the Store. If insurance premiums for insurance policies carried on the Leased Premises, Common Areas, or the Store increase in connection with Tenant's use of the Leased Premises, Tenant will reimburse Landlord for the increase.

G. Unreasonably interfere with Landlord's business or the business of another tenant of Landlord or act in such a way that reasonably may be expected to injure Landlord's business relationship including, but not limited to, acting in any way that diminishes the access to or the visibility of any portion of the Store or any other tenant's premises or that impedes the free circulation of customer traffic within the Store.

H. Receive, retain, or store in the Leased Premises any "Controlled Substances" except for any Controlled Substances included in an emergency medical kit. For the purposes of this Master Lease, "controlled substances" means materials containing any quantity of a substance with a stimulant, depressant or hallucinogenic effect on the higher functions of the central nervous system, and having the tendency to promote abuse or physiological or psychological dependence, as designated in state and federal controlled substance schedules including, but not limited to, those listed in Schedules I through V of the Controlled Substances Act, 21 U.S.C. §812, as may be amended from time to time. Failure to comply with this Section is a material breach.

I. Within the Leased Premises, receive, retain, store, or use any firearm, tear gas, mace, pepper spray, dye pack, or any item similar to a firearm, tear gas, or dye pack.

6.11 <u>Encumbrances and Liens</u>. Tenant may not cause any encumbrance to attach to or upon the Leased Premises, the Store, the Common Area, the land underlying any of the foregoing, or Tenant's interest in this Master Lease because of any act or omission of Tenant, its contractors, agents, employees, or representatives. Failure to discharge or bond/insure over any encumbrance within fifteen (15) business days following its filing is a material breach. In addition to any right or remedy Landlord may have for the material breach, Landlord may bond or pay the encumbrance for Tenant's account without inquiring into the validity of the encumbrance. If Landlord elects to pay the encumbrance, Tenant will reimburse Landlord, upon demand by Landlord, the amount Landlord paid, plus an additional ten percent (10%) administrative fee, plus interest. Interest will accrue at the lesser of one percent (1%) and five percent (5%) per annum or the maximum amount allowed by law beginning on the day Landlord bonds or pays the encumbrance and continuing until Tenant reimburses Landlord the entire amount Landlord paid, plus the administrative fee and any interest accrued.

6.12 **Performance Covenants**. Commencing on the fifth anniversary of the Rent Commencement Date and on each anniversary of the Rent Commencement Date thereafter during the Lease Term, Tenant shall satisfy the performance covenants set forth in the applicable Attachment A for each Leased Premises subject to this Master Lease (the "Performance Covenants"). Tenant's failure to satisfy the Performance Covenants with respect to a particular Leased Premises for any calendar year shall constitute a material breach of this Master Lease. In such event, Landlord will have all rights and remedies available to it under Article XVII of this Master Lease, including, without limitation, the right to terminate this Master Lease pursuant to Article XVII (Default, Termination, Surrender & Tenant's Liability), Section 17.2 below; provided, that notwithstanding anything herein to the contrary, in the event Landlord elects to terminate this Master Lease as to such Leased Premises, such termination (a) shall apply only as to such Leased Premises and not to this Master Lease in its entirety; and (b) shall occur upon sixty (60) days prior written notice to Tenant unless Landlord elects to wait to terminate this Master Lease until after it re-lets the Leased Premises in accordance with Article XVII (Default, Termination, Surrender & Tenant's Liability),Section 17.2.

ARTICLE VII
REPAIRS & MAINTENANCE

7.1 **Repairs by Landlord**.

A. Subject to the provisions of Article XI (Casualty) and Article XII (Condemnation & Eminent Domain), Landlord shall maintain the Store and Leased Premises in good order and make all necessary repairs in the

Leased Premises to the foundation, gutter, spouts, exterior walls, interior load-bearing walls, door, door closure devices, exterior openings, gates, and gate closure devices and to the roof and HVAC, except as provided in Section 7.2 below. Tenant shall notify Wal-Mart Maintenance of any necessary or requested repairs by calling the Wal-Mart Maintenance Hotline at (479) 273-4747 or any other communication medium utilized by Wal-Mart to process the reporting of repairs. Tenant must have the work order number provided by the Wal-Mart Maintenance Hotline at the time the repair is reported in order to check on the status of the repair.

B. Tenant shall reimburse Landlord for any repairs necessitated by the intentional acts or negligence of Tenant or Sublessee or the agent, customer, employee, or representative of either. Any reimbursement required in the preceding sentence must be made no later than thirty (30) calendar days after Landlord's written demand for reimbursement from Tenant.

C. Landlord does not breach its obligations under Section 7.1.A above until a reasonable amount of time passes after Tenant notifies Wal-Mart Maintenance, according to Section 7.1.A above, of the needed repair, except in the case of an emergency which will require Landlord to commence repairs within twenty-four (24) hours of such Tenant notification to Wal-Mart Maintenance. Rent will not abate during this time or while any repairs are being made, and Landlord will not be liable to Tenant or Sublessee due to loss or interruption of Tenant's business because of the prosecution of the repair except in the case of Landlord's gross negligence or intentional misconduct.

D. Notwithstanding the foregoing, in the event of an emergency, which threatens to damage any of Tenant's Improvements or Trade Fixtures or interrupts Tenant's ability to operate its business in the Leased Premises, Tenant shall notify Wal-Mart Maintenance immediately and, upon the consent of Wal-Mart Maintenance, Tenant will have the right to make immediate repairs. In such case, Landlord will reimburse Tenant for the reasonable cost of such repairs within thirty (30) days of Landlord's receipt of Tenant's written request for reimbursement, along with invoices and such other supporting documentation as Landlord may reasonably require.

7.2 Tenant's Repairs, Maintenance, Handling Hazardous Substances.

A. Except those items to be maintained by Landlord pursuant to the terms of this Master Lease, Tenant, at its sole cost and expense, shall maintain the Leased Premises in compliance with applicable law and in good order and condition, ordinary wear and tear excepted. Tenant shall effect, at Tenant's sole cost and expense and according to applicable law, all repairs to the Leased Premises (except for those specifically enumerated in Section 7.1 above) that are commercially necessary or desirable to maintain the Leased Premises in a safe, dry, and tenantable condition including, without limitation, repairs to:

(1) Any portion of the pipes, lines, ducts, wires, or conduits, used solely by Tenant;

(2) Plate glass, windows, doorframes, and special storefronts that serve Tenant solely;

(3) Molding, locks and hardware, lighting, plumbing, Trade Fixtures, Signs, and interior painting and treatment; and

(4) Any Improvements or Trade Fixtures installed in the Leased Premises, including any rooftop heating, ventilation, or air-conditioning unit or other rooftop equipment. Any repairs to the rooftop heating, ventilating, and air-conditioning unit or other rooftop equipment must be made by a Landlord approved contractor.

B. Tenant, at no expense to Landlord, shall handle, manage, store, transport, and dispose of all Hazardous Substances created by Tenant, its Sublessees, agents, employees or representatives in any process, action, or inaction in connection with the Leased Premises and in accordance with all applicable federal, state and local laws and regulations. Tenant shall not use any of Landlord's property or equipment in using, handling, managing, storing, transporting, and disposing of Hazardous Substances. Evidence of Tenant's compliance with all applicable federal, state and local laws concerning the use, handling, management, storage, transportation, and disposal of Hazardous Substances must be provided to Landlord upon Landlord's request.

C. Tenant, at no expense to Landlord, shall maintain the Leased Premises in a clean and sanitary condition, free from debris or offensive odor, and in compliance with all laws affecting the Leased Premises, Tenant's use of the Leased Premises, or Tenant's business.

(1) Tenant shall not allow the accumulation or burning of any rubbish or garbage in, on, or about the Leased Premises and shall keep all entrances, doors, or loading areas in the Leased Premises or immediately adjoining the Leased Premises free from trash, litter, or other obstruction.

(2) Tenant shall bear the expense of garbage and rubbish collection and disposal. If Landlord's Leasing Operations Department permits Tenant to use any part of the Store (other than the Leased Premises), Common Area, or land underlying the foregoing to store garbage and refuse generated by Tenant's use of the Leased Premises, Tenant and its Sublessees, at the expense of Tenant or its Sublessee, will keep all such garbage and refuse in the location designated by Landlord and in the kind of container, including the use of interior refrigerated garbage containers and compactors, Landlord specifies in its commercially reasonable opinion.

(3) Tenant will maintain air pressure in the Leased Premises necessary to keep offensive odors from emanating from the Leased Premises.

(4) Any odor producing function of Tenant's operations must be mechanically vented to the exterior of the Store and the Leased Premises to eliminate the dissipation of such odors into the Store or into the interior or exterior of any other tenant's space. Exhaust hoods may not project above the roof deck higher than that allowed by local governmental authorities or code requirements.

(5) At Landlord's written request, Tenant will install any equipment or procedures necessary to comply with Section 7.2.C.(3) and Section 7.2.C.(4). If Tenant fails to comply with Landlord's request, within twenty (20) days after receiving notice, Landlord may take remedial action for Tenant, and Tenant will pay, as additional Rent, the cost of such remedial action plus an administrative charge of ten percent (10%) of the cost thereof.

D. If Tenant fails to commence, and thereafter pursue diligently any repairs required by this Section 7.2 within ten (10) days of receiving notice from Landlord of the repair, Landlord may repair the Leased Premises as necessary to maintain it in a good, clean, safe, dry, and tenantable condition. If Landlord makes such repair, Tenant will reimburse Landlord for its costs, plus an additional ten percent (10%) administrative fee when Tenant pays the next month's Rent.

7.3 Store Relocation, Renovation and Closing.

A. Landlord, from time to time, may relocate the Store to another physical address (a "Store Relocation"). In the event of a Store Relocation, Landlord, in its reasonable discretion, may terminate this Master Lease and related Attachment A as to the applicable Leased Premises. In the event such termination occurs during the first five (5) years of the Lease Term for the applicable Leased Premises, Landlord will reimburse Tenant for the unamortized portion of the cost of Tenant's initial Improvements to the particular Leased Premises, calculated on a straight line depreciation basis over five (5) years, not to exceed fifty thousand dollars ($50,000) (the "Unamortized Improvement Costs"). Landlord will not be liable for any other cost or expense of Tenant ceasing operations in the applicable Leased Premises. Landlord and Tenant may mutually agree to enter into a new Attachment A for the new location of the Store or any other Store. If Landlord and Tenant enter into a new Attachment A for the new location of the Store or any other Store, Tenant will bear all costs and expenses incurred in relocating to the new location of the Store or to any other Store. Tenant will also repair, update, and upgrade all Trade Fixtures and Improvements to the Leased Premises and ready the newly located Leased Premises to be open for business to the public for the Store's Grand Opening as required by this Master Lease. Landlord must first approve all repairs, updates, and upgrades to the Leased Premises, such approval not to be unreasonably withheld.

B. Landlord, from time to time, may remodel, re-arrange, renovate, or expand (collectively and individually "Store Renovations") the Store, without relocating the Store to another physical address. During Store Renovations, Tenant will repair, update, and upgrade the Trade Fixtures, the Improvements and the Leased Premises unless Tenant repaired, updated, and upgraded the Trade Fixtures, the Improvements and the Leased Premises within the three (3) consecutive preceding years. All repairs, updates, and upgrades Tenant contemplates must be previously approved by Landlord, which approval will not be unreasonably withheld, conditioned or delayed.

(1) In connection with any Store Renovations, Landlord may temporarily or permanently relocate Tenant to another location within the Store that is of like size and configuration as the Leased Premises and is in a reasonable condition from which Tenant may operate if Landlord, in its commercially reasonable judgment, determines the relocation necessary to complete Store Renovations. Landlord will bear the cost of moving Tenant's Trade Fixtures in the event of a temporary relocation, but Landlord is not responsible for any expense associated with Tenant's repairs, updates, and upgrades of the relocated Leased Premises, whether the relocation is temporary or permanent. If the relocation is of a permanent nature and Tenant reasonably determines that the new location will materially impair its operations in the applicable Leased Premises or is not of like size and configuration as the original Leased Premises, Tenant may terminate this Master Lease as to the applicable Leased Premises by providing written notice to Landlord. If the relocation is temporary and Tenant reasonably determines that the new location of the Leased Premises will materially impair its business or that the Store Renovations are materially impairing its operations in the Leased Premises, Tenant may, with Landlord's written consent, not to be unreasonably withheld, conditioned or delayed, close the applicable Leased Premises until Landlord and Tenant agree that the Store Renovations no longer impair the operations of the applicable Leased Premises.

(2) If, in connection with the Store Renovations, Landlord closes the Store for more than three (3) consecutive days, Tenant may, with Landlord's written consent, not to be unreasonably withheld, conditioned or delayed, either close the applicable Leased Premises while the Store is closed in connection with the Store Renovations and conduct the repairs, updates, and upgrades of the Leased Premises as required by this Section 7.3.B or terminate this Master Lease as to the applicable Leased Premises.

(3) If, in connection with Store Renovations, Landlord determines (in its sole discretion) that there will not be space available for Tenant upon completion of the Store Renovations, Landlord, may terminate this Master Lease and related Attachment A as to the applicable Leased Premises. In the event such termination occurs during the first five (5) years of the Lease Term for the applicable

Leased Premises, Landlord will reimburse Tenant for the unamortized portion of the cost of Tenant's initial Improvements to the particular Leased Premises, calculated on a straight line depreciation basis over five years, not to exceed fifty thousand dollars ($50,000). Landlord will not be liable for any other cost or expense of Tenant ceasing operations in the applicable Leased Premises.

C. If the Leased Premises closes in accordance with this Section 7.3, Rent due during the time in which the Leased Premises is closed will abate. The Leased Premises must re-open once the Store Renovations and the operations of the Leased Premises no longer materially impair each other, as determined by mutual agreement of the parties.

D. If a Store in which the applicable Leased Premises is located permanently ceases to be open for business to the public, and not as a part of a relocation as contemplated by Section 7.3.A above (a "Store Closing"), this Master Lease as to the applicable Leased Premises will terminate on a date mutually agreed to by Landlord and Tenant, but at no time may such date extend past the actual Store Closing date. In the event such termination occurs during the first five (5) years of the Lease Term for the applicable Leased Premises, Landlord will reimburse Tenant for the unamortized portion of the cost of Tenant's initial Improvements to the particular Leased Premises, calculated on a straight line depreciation basis over five (5) years, not to exceed fifty thousand dollars ($50,000). Landlord will not be liable for any other cost or expense of Tenant ceasing operations in the applicable Leased Premises.

ARTICLE VIII
COMPLIANCE WITH LAW & OTHER REQUIREMENTS

8.1 Rules and Regulations. Tenant shall observe all rules and regulations established from time to time by Landlord upon notice to Tenant, through publication in the Landlord/Tenant Handbook or otherwise, including, but not limited to:

A. Tenant and Sublessee, and any agent, employee, or representative of either Tenant or Sublessee, should remove immediately from the Store any merchandise purchased from Landlord.

(1) Tenant and Sublessee, and any agent, employee, or representative of either Tenant or Sublessee, may not bring into the Leased

Premises any merchandise purchased from Landlord unless the merchandise is purchased for use by Tenant and Sublessee, and any agent, employee, or representative of either Tenant or Sublessee, in the operation of its business in the Leased Premises or unless the merchandise is purchased for immediate consumption by Tenant, or its Sublessee, or any agent, employee, or representative of either Tenant or Sublessee.

(2) Tenant and Sublessee, and any agent, employee, or representative of either Tenant or Sublessee, must keep a receipt for the merchandise purchased with the merchandise at all times while the merchandise is in either the Leased Premises or the Store.

(3) No merchandise for which Tenant or Sublessee, or any agent, employee, or representative of either Tenant or Sublessee, has not paid may be removed from the Store or brought into the Leased Premises.

(4) Any purchase by Tenant and Sublessee, and any agent, employee, or representative of either Tenant or Sublessee, is subject to search according to Landlord's security procedures applicable to other customers of Landlord. Anyone removing, or involved in the removal of, merchandise, either from the Store or into the Leased Premises, without first paying for the merchandise may be evicted from the Store or all of Landlord's property, may be treated as a shoplifter, or both. Shoplifters may be subject to prosecution.

B. Each of Tenant and Sublessee, and any agent, employee, or representative of either Tenant or Sublessee, shall conduct him or herself while in the Store or in the Leased Premises in a professional and courteous manner, appropriately attired, trained, and groomed, and in accordance with commercially reasonable standards in Tenant's industry.

C. Tenant and Sublessee, and any agent, employee, or representative of either Tenant or Sublessee, shall abide by Landlord's procedures in responding to media inquiries as such inquiries relate to the Leased Premises, Landlord, or any relationship between Tenant and Landlord.

8.2 Compliance.

A. Tenant, in its use, occupancy and operation of the Leased Premises, shall comply with all federal, state, and local laws, rules, orders, directives, and regulations.

B. Landlord has absolutely no responsibility, obligation, or liability for Tenant's hiring and other employment practices. Tenant warrants and represents that it has a policy to:

(1) Comply in all respects with all immigration laws and regulations;

(2) Properly maintain all records required by the United States Citizenship and Immigration Services (the "USCIS") including, without limitation, the completion and maintenance of the Form I-9 for each party's employees;

(3) Respond in a timely fashion to any inspection requests related to such I-9 Forms;

(4) Cooperate fully in all respects with any audit, inquiry, inspection, or investigation the USCIS may conduct of such party or any of Tenant's employees;

(5) Conduct annual audit of the I-9 Forms for its employees;

(6) Promptly correct any defects or deficiencies the audit reveals; and

(7) Require all subcontractors performing any work for Tenant to comply with the covenants set forth in this Section 8.2.B.

C. Tenant shall comply with the provisions of the Americans with Disabilities Act ("ADA") as it relates to its operation of the Leased Premises.

(1) If, after Landlord delivers to Tenant the applicable Leased Premises, the presence of any ADA violation on the applicable Leased Premises requires remedial work on the Leased Premises and such ADA violation was not caused by Landlord's actions or failure to act as required with respect to Store (other than the Leased Premises), Tenant will promptly take all actions at its sole expense as are required by any federal, state, or local government agency or political subdivision to comply with the ADA; provided

that Landlord's consent to such actions is first obtained, which consent Landlord may not unreasonably withhold, condition or delay.

(2) In addition to Tenant's obligations under Article XIII (Indemnity and Liability), Tenant shall indemnify, defend and hold harmless the Indemnitees from any Claim including, without limitation, diminution in value of the Leased Premises, damages for the loss or restriction of use of rentable or usable space or of any amenity of the Leased Premises, damages arising from any adverse impact on marketing of space of the Leased Premises, and sums paid in settlement of claims, attorney's fees, consultation fees and expert fees arising during or after the applicable Lease Term as a result of such violation. Tenant's obligations in the preceding sentence include, without limitation, costs incurred in connection with any investigation of site conditions or any remedial work required by any federal, state, or local government agency or political subdivision because of any ADA violation present on or about the Leased Premises not caused by Landlord's actions or failure to act as required with respect to the Store (other than the Leased Premises).

(3) If, after Landlord delivers to Tenant the applicable Leased Premises, the presence of any ADA violation exists in the Store (other than the Leased Premises) which requires remedial work on the Leased Premises, Landlord, at its sole cost and expense, will take all necessary actions required by any federal, state or local government agency or political subdivision to comply with the ADA.

D. Tenant represents and warrants that neither it nor its Sublessees are:

(1) A person or entity designated by the U.S. government on the list of the Specially Designated Nationals and Blocked Persons (the "SDN List"), as maintained by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") at http://www.ustreas.gov/offices/enforcement/ofac/sdn, with which a U.S. person or entity cannot deal or otherwise engage in business transactions;

(2) A person or entity who is otherwise the target of U.S. economic sanctions and trade embargoes enforced and administered by OFAC, such that a U.S. person or entity cannot deal or otherwise engage in business transactions with such Tenant or its Sublessees;

(3) Either wholly or partly owned or wholly or partly controlled by any person or entity on the SDN List, including, without limitation, by virtue of such person being a director or owning voting shares or interests in an entity on the SDN List;

(4) A person or entity acting, directly or indirectly, for or on behalf of any person or entity on the SDN List; or

(5) A person or entity acting, directly or indirectly, for or on behalf of a foreign government that is the target of the OFAC sanctions regulations such that the entry into this Master Lease would be prohibited under U.S. law.

E. Tenant shall inquire diligently into and screen the qualifications of each employee, agent, or representative operating out of the Leased Premises, and no one that may pose a reasonably ascertainable risk to the safety or property of Wal-Mart or its affiliates or subsidiaries, associates, customers, or business invitees are permitted on Wal-Mart property. For purposes of this paragraph, "inquire diligently into and screen" means conducting a criminal background check in accordance with federal and state law, properly checking references, and using such other methods to determine qualifications that a reasonable and prudent employer might utilize under the circumstances. In addition, "risk" means any propensity to engage in violence, sex crimes, fraud, theft, vandalism, or any other conduct likely to result in harm to a person or property. Failure to comply with this provision constitutes a material breach of this Master Lease.

F. Tenant represents and warrants that it currently maintains information protection practices and procedures ("Information Security Program") that complies with industry best practice and applicable legal requirements relating to the privacy, confidentiality or security of any personally identifiable information ("PII").

(1) Tenant agrees to immediately notify Wal-Mart's Emergency Operations Center by phone (479) 271-1001 of any reasonably suspected or actual loss of PII or breach or compromise of its Information Security Program to the extent such loss, breach or

compromise relates in any way to Tenant's operation of the Leased Premises and has or may result in the loss or unauthorized access, disclosure, use or acquisition of PII, including hard copy records (a "Data Incident").

(2) While the initial phone notice may be in summary form, a comprehensive written notice should be given within forty-eight (48) hours to Wal-Mart's Chief Privacy Officer, 702 SW 8th Street, Bentonville, AR, and its Chief Information Security Officer, 805 Moberly Lane, Bentonville, AR. The notice shall summarize in reasonable detail the nature and scope of the Data Incident and the corrective action already taken or to be taken by Tenant. Tenant shall promptly take all necessary and advisable corrective actions, and shall cooperate fully with Landlord in all reasonable efforts to mitigate any adverse effects to Landlord of the Data Incident.

(3) Tenant acknowledges that it is solely responsible for the confidentiality and security of PII in its possession, custody or control to the extent associated in any way with Tenant's operation of the Leased Premises.

G. Tenant shall maintain the warranties and representations Tenant made under this Master Lease, all of which are remade and reaffirmed by Tenant when signing each new Attachment A, in full force and effect throughout the term of this Master Lease.

H. Any failure by Tenant to comply with its obligations under this Section 8.2 is a material breach.

8.3 <u>Landlord's Right of Removal</u>. Landlord, in its sole judgment and discretion, may deny entry to or remove from its premises any Tenant or Sublessee, or any agent, employee, or representative of either Tenant or Sublessee, who violates any of Landlord's rules or regulations.

ARTICLE IX
<u>RIGHT TO ACCESS & COMMON AREAS</u>

9.1 <u>Landlord's Right to Access</u>. Landlord may enter the Leased Premises:

A. Upon reasonable notice to Tenant (except in the case of emergency, in which case no notice will be required) to either inspect the Leased

Premises; enforce any of Landlord's rules and regulations or enforce the terms and conditions of this Master Lease;

B. Upon reasonable notice to Tenant, either to effect repairs it is obligated to perform or to add, alter, improve, repair, or otherwise construct or maintain any part of the Store adjacent to the Leased Premises; and

C. With twenty-four (24) hours' advance notice to Tenant to show the Leased Premises to a prospective lender, lessee, or purchaser.

9.2 <u>"For Rent" or "For Lease."</u> Landlord may post "For Rent" or "For Lease" signs on the Leased Premises during the last ninety (90) days of the Leased Term if, in accordance with this Master Lease, Landlord and Tenant do not extend the Lease Term.

9.3 <u>Tenant's Right to Access</u>.

A. Tenant, its Sublessee, and the agent, customer, employee, or representative of each, has a limited right, during the Hours of Operation listed in Attachment A and immediately before and immediately after the Hours of Operation, to enter upon the Common Areas of the Store in order to conduct business in the Leased Premises.

B. Except as set forth in Article II (Construction and Acceptance of the Leased Premises) and Article VII (Repairs and Maintenance), Tenant has no rights or obligations related to the rooftop of the Leased Premises.

C. Tenant, with Landlord's prior consent, which will not be unreasonably withheld, conditioned or delayed, may enter Landlord's property for the limited purpose of servicing, maintaining, and otherwise performing its obligations in connection with this Master Lease at times the Store is not open to the public for business if Tenant, in no way, provides its services to the public during that time.

9.4 <u>Parking</u>. Tenant, its Sublessee, and the agents, employees, and representatives of each, while working in the Leased Premises, may park their motor vehicles in spaces designated by Landlord. Landlord may tow or cause to be towed, at the expense of the owner of the motor vehicle, any motor vehicle owned by Tenant, its Sublessee, or the agents, employees, and representatives of each that is parked in any area of Landlord's property other than the parking area designated. Landlord will not be liable to Tenant or its Sublessee or either of their agents, employees or representatives for any damage to or theft of their motor vehicles or any personal property contained in their motor vehicles.

9.5 **Landlord's Liability**. If Landlord enters the Leased Premises according to the provisions of this Master Lease, Landlord is not liable to Tenant for any loss, liability, or damages resulting from Landlord's entry except to the extent such losses, liabilities or damages arise from Landlord's gross negligence or willful misconduct. If Landlord enters the Leased Premises during the Hours of Operation, Landlord will use commercially reasonable efforts not to interfere with Tenant's business, and Landlord will not be liable to Tenant for any loss, including lost profits, for any resulting business interruption, except for losses, other than lost profits, to the extent such interruption arises from Landlord's gross negligence or willful misconduct.

9.6 **Common Areas**. Despite the preceding Sections, Landlord may close or prohibit the use of any Common Area, in part or in whole; may change the location or appearance of the Common Area; or may erect additional structures in the Common Area, provided such changes do not materially impact access to the Leased Premises.

ARTICLE X
TRANSFER OF INTEREST, SUBORDINATION & ATTORNMENT

10.1 **Transfer of Tenant's Interest**. During the term of this Master Lease, Tenant may not, without the prior written consent of Landlord, which Landlord may withhold in its sole discretion, take any of the following actions (individually and collectively, a "Transfer"):

A. transfer, encumber, pledge, or sublease, its interest in this Master Lease, either in its entirety or as to a particular Leased Premises, or an applicable Leased Premises, other than to an Affiliate;

B. permit any transfer of its interest in this Master Lease by operation of law other than a transfer by operation of law to an Affiliate;

C. permit any person or entity other than Tenant to use the Leased Premises;

D. cause or permit Tenant's dissolution, merger, or consolidation, other than a merger;

E. transfer, at any time during the term of this Master Lease, more than an aggregate of fifty percent (50%) of Tenant's voting shares or more than fifty percent (50%) of the value of Tenant's unencumbered assets (as of the date of the transfer);

F. transfer, at any time during the term of this Master Lease, any part or all of Tenant's shares of stock resulting in the majority owner(s) of said shares of stock as of the day Tenant signs this Master Lease no longer maintaining effective voting control of Tenant.

10.2 **Effect of Unauthorized Transfer**. Subject to the exceptions in Section 10.1, any Transfer or attempted Transfer without Landlord's prior written consent will be void, will not confer any rights upon any third person, and will constitute a material breach of this Master Lease.

10.3 **Requesting Landlord's Consent**.

A. Any request for Landlord's consent pursuant to this Article X must be in writing and include:

(1) The proposed effective date of the Transfer, which should not be less than forty-five (45) days nor more than one hundred eighty (180) days in advance of the notice;

(2) All of the terms, including the consideration, of the proposed Transfer, the name and address of the proposed transferee, and a copy of all documentation pertaining to the proposed Transfer; and

(3) The current audited financial statements of the proposed transferee or any other financial statements that would enable Landlord to determine the financial responsibility, character, and reputation of the proposed transferee.

B. Tenant shall provide any additional information Landlord reasonably requests in connection with the proposed Transfer.

10.4 **Effect of Consent**.

A. If Landlord consents to any Transfer, that consent is not effective until and unless:

(1) Landlord receives a copy of the assignment effecting the Transfer, in a form approved by Landlord in its sole discretion; and

(2) The transferee delivers to Landlord a written agreement, in form and substance satisfactory to Landlord in its sole discretion, by which the transferee assumes all of the obligations and liabilities of Tenant under this Master Lease.

B. Any consent by Landlord to a Transfer does not constitute a waiver by Landlord of any prohibition against any future Transfers.

C. No Transfer relieves Tenant of any obligations under this Master Lease.

10.5 **Transfer Premium**.

A. For the purposes of this provision, "Transfer Premium" means all Rent or other consideration payable by the Transferee in any monthly period that is in excess of the Rent payable by Tenant under this Master Lease in the same monthly period.

B. Tenant promptly, without notice or demand, shall pay Landlord fifty percent (50%) of any Transfer Premium Tenant receives in connection with a Transfer.

C. Tenant shall pay Landlord, in a form satisfactory to Landlord, any part of the Transfer Premium Tenant receives in a non-cash form.

D. In lieu of accepting any payment from Tenant of a Transfer Premium, Landlord may elect, upon ninety (90) days' written notice, to increase the Rent due under this Master Lease as to the transferred Leased Premises by an amount equal to Landlord's share of the monthly amount of the Transfer Premium.

E. Landlord and its authorized representatives have the right to conduct an audit, relating to any Transfer Premium, of Tenant at Tenant's place of business during Tenant's regular work hours and with reasonable notice. If the audit establishes that Tenant underpaid Landlord's percentage of the Transfer Premium, Tenant, within thirty (30) days following receipt of written demand, will pay the deficiency and Landlord's costs of such audit. If the deficiency is greater than five percent (5%), Landlord may terminate this Master Lease as to the transferred Leased Premises. If the audit establishes that Tenant overpaid Landlord's percentage of the Transfer Premium, Landlord, within thirty (30) days following receipt of written demand by Tenant, will reimburse Tenant the amount of the overage.

F. This provision does not apply to:

(1) Any Transfer between Affiliates,

(2) Payments made by a transferee for Tenant's customer deposits, or

(3) Tenant's furniture, fixtures, and equipment.

10.6 **Transfer of Landlord's Interest**.

A. Landlord may transfer all or a part of its interest in the Store, the Common Areas, or the Leased Premises to a parent, subsidiary, or affiliated corporation of Landlord without prior consent or notice to Tenant.

B. If Landlord transfers its interest in this Master Lease as to a Leased Premises and the transferee assumes all of Landlord's future obligations under this Master Lease, Landlord will be released from any further obligations under this Master Lease as to the transferred interest from and after the date of such transfer. Tenant agrees to look solely to Landlord's transferee for performance of obligations thereafter arising under this Master Lease. Landlord will transfer to the transferee any Security given by Tenant according to Article IV (Rent Security & Taxes), Section 4.8 (Security Deposit), and Landlord will be discharged from any further obligation relating to the Security.

10.7 **Subordination**. Landlord may elect that this Master Lease, as to a particular Leased Premises, be subordinate to or paramount to the lien of any mortgage. Landlord's right to elect is self-operative, and no further instrument will be required. If Landlord requests, Tenant will do one or both of the following:

A. Confirm in writing and in a recordable form that this Master Lease, as to a particular Leased Premises, is subordinate to or paramount to (as Landlord elects) the lien of any mortgage; and

B. Execute an instrument making this Master Lease, as to the particular Leased Premises, subordinate or paramount (as Landlord may elect) to the lien of any mortgage, in a form as may be required by any applicable mortgagee.

10.8 **Attornment**. Tenant may not disaffirm any of its obligations under this Master Lease if Landlord transfers its interest in the Store or a particular Leased Premises to a successor. Landlord's successor and Tenant will attorn to and be bound by the terms, covenants, and conditions of this Master Lease as to the affected Leased Premises for the balance of the Lease Term.

10.9 Non-Disturbance. Notwithstanding anything in this Article X to the contrary, provided Tenant is not in default under this Master Lease following any applicable notice and cure period, Landlord shall not disturb Tenant's occupancy of the Leased Premises. In addition, Landlord shall use commercially reasonable efforts to obtain non-disturbance agreements from any future mortgagees of Landlord.

ARTICLE XI
CASUALTY

11.1 Fire or Other Casualty. Tenant shall promptly notify Landlord, in writing, of any damage caused to a Leased Premises by casualty.

11.2 Election to Rebuild.

A. Landlord may elect to repair and restore structural damage to a Leased Premises damaged by casualty and shall notify Tenant of its election in writing within sixty (60) days after Landlord receives notice of the casualty damage.

B. If Landlord does not elect to repair and restore structural damage to a Leased Premises damaged by casualty, this Master Lease as to the applicable Leased Premises will terminate.

C. If Landlord elects to repair the structural damage to a Leased Premises damaged by casualty, Landlord, after notifying Tenant of its election, will diligently undertake the appropriate measures necessary to complete the repairs to the applicable Leased Premises in a commercially reasonable amount of time. Landlord will return the applicable Leased Premises to Tenant in substantially the same condition the applicable Leased Premises was in on the Delivery Date. Tenant will then complete the build out of the applicable Leased Premises with commercially reasonable diligence and return the applicable Leased Premises to substantially the same condition the applicable Leased Premises was in immediately prior to the casualty.

11.3 Rent Abatement. If Landlord elects to repair the structural damage to a Leased Premises damaged by casualty, Landlord may abate Rent due on the applicable Leased Premises to the extent that the:

A. Applicable Leased Premises is closed for repair, or

B. Tenant's operations within the Leased Premises are impaired by the structural damage and subsequent repairs.

ARTICLE XII
CONDEMNATION & EMINENT DOMAIN

12.1 **Total or Substantial Taking**. If a Taking of a Leased Premises, or a Store in which exists a Leased Premises, occurs, this Master Lease as to the applicable Leased Premises will terminate automatically as of the date of the Taking. For purposes of this Master Lease, "Taking" means any government action that deprives, directly interferes with, or substantially disturbs the use and enjoyment of the Leased Premises, any of which may occur because of either the exercise of the power of eminent domain or condemnation or resulting from a purchase in lieu thereof.

12.2 **Partial Taking**. If a Taking of only a portion of the Leased Premises, or of a Store in which exists a Leased Premises, occurs, Landlord may either:

A. Terminate this Master Lease, without liability, as to the applicable Leased Premises; or

B. Reduce the Base Rent in proportion to the area of the Leased Premises affected by the Taking until such time that portion of the Store or the Leased Premises is restored.

12.3 **Temporary Use**. If a Taking of the Leased Premises occurs for temporary use, this Master Lease will continue in full force and effect as to the applicable Leased Premises. Tenant will continue to comply with its obligations under this Master Lease, and any appendix, amendment, or attachment hereto; to the extent, compliance is possible because of the Taking for temporary use. If, during the temporary Taking, Tenant is unable, based on a commercially reasonable standard, to operate its business from the Leased Premises such that Tenant reasonably is unable to open the Leased Premises for business, Landlord will reduce Tenant's Rent in proportion with the number of days the Leased Premises is closed during the temporary Taking.

12.4 **Compensation**. Except as provided below, any compensation, arising out of the Taking of a Leased Premises belongs to and is the property of Landlord without any participation by Tenant. Tenant hereby assigns to Landlord any share of any compensation arising out of the Taking of a Leased Premises that may be awarded to Tenant and waives any rights it may have with respect to the loss of its leasehold estate; provided, however, that Tenant shall have the right to any compensation award relating specifically to the Improvements or Trade Fixtures installed by Tenant.

ARTICLE XIII
INDEMNITY AND LIABILITY

13.1 Definitions. For the purposes of this Master Lease:

A. "Claim" means any action, cause of action, claim, or any other assertion of a legal right; damages including, but not limited to, consequential, future, incidental, liquidated, special, and punitive damages; diminution in value; fines; judgments; liabilities; losses including, but not limited to, economic loss and lost profits; and regulatory actions, sanctions, or settlement payments.

B. "Indemnitee" means:

(1) Landlord, its subsidiaries, affiliates, officers, directors, employees, agents, and

(2) Any lessor of Landlord or other party to an agreement with Landlord related to Landlord's purchase, lease, or use of the Store or the underlying land, which Landlord has a contractual obligation to indemnify for Claims in connection with the Store or the Leased Premises.

C. "Indemnified Claim" means a Claim for which Tenant is obligated to indemnify, defend, and hold harmless the Indemnitees according to Section 13.2 below.

13.2 **Indemnification**. Tenant shall indemnify, defend, and hold harmless the Indemnitees against any Claim, even if the Claim is groundless, fraudulent, false, or raised or asserted by a third party, including a government entity, in connection with or resulting from:

A. Any actual or alleged breach of this Master Lease by Tenant or Sublessee, or any agent, employee, or representative of either Tenant or Sublessee;

B. Any actual or alleged negligence or willful misconduct by Tenant or Sublessees, or their respective agents, employees, representatives, subcontractors, or customers, at or related to the Leased Premises;

C. An investigation of the Indemnitees concerning the alleged improper management, handling, storage, disposal, or transportation of Hazardous Substances, any of which Tenant is responsible for under this Master Lease and the actual or alleged improper use, handling, management, storage, transportation, and disposal of Hazardous Substances by Tenant, Sublessee, or any agent, employee, or representative of either Tenant or Sublessee;

D. Any Data Incident; and

E. Indemnitees' actual or alleged passive negligence, secondary liability, vicarious liability, strict liability, or breach of a statutory or non delegable duty, related, directly or indirectly, to any matter covered under Section 13.2 of this Master Lease.

13.3 Scope of Indemnity. Tenant's obligations under this Article XIII:

A. Are independent of, and not limited by, any of Tenant's obligations under Article XIV (Insurance) below, even if damages or benefits are payable under worker's compensation or other statutes or if Tenant breaches its obligations under Article XIV (Insurance) below.

B. Survive the termination or expiration of this Master Lease until applicable law fully and finally bars all Claims against Tenant. **ALL OBLIGATIONS UNDER THIS ARTICLE XIII WILL BE ENFORCED TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW FOR THE BENEFIT OF THE INDEMNITEES.** In the event that applicable law affects the validity or enforceability of this Article XIII, that applicable law will operate to amend this Article XIII to the minimum extent necessary to bring the provisions of this Article XIII into conformity with the applicable law. This Article XIII, as modified, will continue in full force and effect.

C. Applies unless and until a final judicial decision, from which there is no further right to appeal, determined that the Indemnitees are not entitled to be indemnified, defended, and held harmless under this Master Lease.

13.4 Defense of Claim.

A. On receiving notice, from whatever source, of the Indemnified Claim, Tenant shall:

(1) Promptly notify Landlord of the assertion, filing, or service of any Indemnified Claim of which Tenant becomes aware; and

(2) Immediately take all appropriate actions necessary to protect and defend the Indemnitees regarding the Indemnified Claim.

B. Tenant shall cause the counsel selected by the Indemnitees to defend the Indemnitees with respect to the Indemnified Claim at Tenant's sole cost and expense, and to acknowledge receipt of, to accept, and to represent Indemnitees' interest regarding the Indemnified Claim in accordance with "Wal-Mart's Indemnity Counsel Guidelines."

C. If, in its sole discretion, the Indemnitees determine that a conflict of interest exists between the Indemnitees and the indemnifying counsel or that the indemnifying counsel is not pursuing a defense for the Indemnitees that is in the Indemnitees' best interests, the Indemnitees may request Tenant replace the indemnifying counsel.

(1) Tenant shall not unreasonably withhold its consent to replace the indemnifying counsel and will replace the indemnifying counsel timely or cause the indemnifying counsel to be replaced timely.

(2) If Tenant unreasonably withholds consent or the indemnifying counsel is not timely replaced after the Indemnitees requested, the Indemnitees may replace the indemnifying counsel, and Tenant will reimburse the Indemnitees any costs incurred by the Indemnitees in replacing the counsel.

13.5 <u>Waiver</u>. Tenant waives any right, at law or in equity, to indemnity or contribution from the Indemnitees.

13.6 <u>Non-Liability of Landlord and Tenant</u>.

A. Landlord will not be liable to Tenant or Sublessee, or any agent, employee, representative, or customer of Tenant or Sublessee, and Tenant will not be liable to Landlord, for any Claim relating to the negligence or willful misconduct of any of Landlord's customers, invitees, or other lessees or sublessees or any customers or invitees of Landlord's other lessees and sublessees.

B. Except to the extent that any of the following result from Landlord's gross negligence or willful misconduct, Landlord will not be liable to Tenant for any Claim relating to the condition of the Store, the Common Areas, or the Leased Premises in connection with disrepair or defect in any:

(1) Structural element of the Leased Premises;

(2) Trade Fixtures, Improvements, wiring, or any of Tenant's installations;

(3) Backup of drains constructed or installed by Tenant; or

(4) Gas, water, steam, electricity, grease, or oil, leaking, escaping, or flowing, from any equipment, pipes, drains, wiring, Trade Fixtures, or Improvements installed or maintained by Tenant.

13.7 **Breach of Article XIII**. Any failure by Tenant to comply with this Article XIII is a material breach of this Master Lease, which does not relieve Tenant of its obligations under this Article XIII.

ARTICLE XIV
INSURANCE

14.1 **Insurance Required**. Tenant shall procure and maintain, at Tenant's own expense, the insurance policies described in the attached Appendix 2. All insurance policies required by this Master Lease must be obtained from an insurance company with a rating of A+ or better and a financial Size Category rating of VII or better as rated in the A.M. Best Key Rating Guide for Property and Casualty Insurance Companies ("Insurer"), unless self-insured as discussed in Section 14.3 below.

14.2 Requirements.

A. Tenant and its Sublessees bear the responsibility of insuring for fire and all risks, including risk of flood, earthquake, and terrorism, associated with the merchandise, Trade Fixtures, and Improvements related to the operation of the Leased Premises. At no time is Landlord liable for any Damage or Injury to Tenant's business property, Improvements, betterments, or Trade Fixtures or other property of Tenant within any of the Leased Premises due to fire or any other risk covered under a Causes of Loss – Special Form Insurance Policy or due to flood, earthquake, or terrorism.

B. Tenant shall submit to Landlord a Certificate of Insurance for each insurance policy required under this Article XIV and the attached

Appendix 2 naming "Wal-Mart Stores, Inc., Attn: Asset Management, 2001 S.E. 10th Street, Bentonville, AR 72716-5525" as the Certificate Holder. Additionally, each Certificate of Insurance must:

(1) Be submitted to Landlord at the address provided in the preceding sentence;

(2) Show the name and address of the Insurer;

(3) Show the policy number and date(s) of coverage for each policy procured by Tenant in satisfaction of its obligations under this Master Lease;

(4) Include the name, address, telephone number, and signature of the authorized person providing the Certificate of Insurance;

(5) Verify the insurance coverage required in this Article XIV and Appendix 2;

(6) Where permitted by law, list as Additional Insureds Wal-Mart Stores, Inc., its Subsidiaries and its Affiliates, and the directors, officers, shareholders, employees, agents, and representatives, and the respective successors and assigns of each, and any party that Landlord has a contractual obligation to indemnify in relation to Tenant's use of the applicable Leased Premises;

(7) Verify that Insurer waives subrogation in favor of Landlord and Landlord's affiliates and subsidiaries;

(8) Verify the insurance policies are primary, non-contributory, and not in excess of any insurance the Additional Insured has available to it; and

(9) Where permitted by law, provide coverage for punitive damages.

14.3 Self-Insured.

A. Landlord may accept self-insurance in lieu of the insurance policies set forth in this Article XIV and the attached Appendix 2 if Tenant provides to Landlord:

(1) A copy of the Certificate of Authority to Self-Insure its Worker's Compensation obligations issued by the state(s) in which the

Leased Premises will be located and a copy of the state-issued letter approving self-insurance for automobile liability, if required under this Master Lease;

(2) Proof that Tenant's net worth is at least ten (10) times the amount of Commercial General Liability insurance required by this Master Lease; and

(3) A copy of Tenant's most recently audited annual financial statements, with no negative notes, or the most recent Dun & Bradstreet report.

B. If Landlord accepts self-insurance in lieu of the insurance policies set forth in this Article XIV and the attached Appendix 2, Tenant hereby agrees to the obligations of any endorsement or Certificate of Insurance required under Section 14.2 above and that may be required under any appendix, amendment, or attachment hereto. Such obligations become Tenant's obligations under this Master Lease.

14.4 __Mutual Waiver of Subrogation__. Landlord and Tenant each hereby release the other from all liability or responsibility to the other or to any other party claiming through or under them by way of subrogation or otherwise or for any loss or damage to property caused by casualty that is customarily insured under a Causes of Loss – Special Form insurance policy or that is due to flood, earthquake, or terrorism. This mutual waiver applies only to Damage or Injury to Tenant's business property, Improvements, betterments, or Trade Fixtures within any of the Leased Premises occurring during the time when Tenant's business property, Improvements, betterments, or Trade Fixtures within any of the Leased Premises are covered under a Causes of Loss – Special Form insurance policy or are due to flood, earthquake, or terrorism for which Tenant has insurance coverage.

14.5 __Breach__. Failure to procure and maintain the insurance required under this Article XIV and the attached Appendix 2 constitutes a material breach of this Master Lease. Tenant shall indemnify, defend, and hold harmless the Indemnitee against Indemnified Claim that the required insurance would have covered but for Tenant's breach.

14.6 __Insurance Obligation is in Addition to Other Obligations__. Tenant's obligations under this Article XIV and the attached Appendix-2 are in addition to, not in lieu of, Tenant's other obligations, including Tenant's obligations under Article XIII (Indemnity and Liability), to Landlord under this Master Lease.

ARTICLE XV
CONFIDENTIALITY

15.1 The terms and provisions of this Master Lease affect present and future negotiations Landlord or Tenant may have with another party. As such, Landlord and Tenant, and the agents, employees, representatives, and Sublessee of each, shall each keep the same confidential, disclosing only such information as is required by law or by mutual, written agreement between Landlord and Tenant.

15.2 Neither Landlord nor Tenant shall disclose any information that the other may mark as confidential or proprietary including, but not limited to, lists of available rental space and marketing plans, schedules, sales figures, sales projections, financial statements or other financial information that Landlord or Tenant may make available or known to the other party, disclosing only such information as is required by law or by mutual, written agreement between Landlord and Tenant.

15.3 Failure to comply with this Article XV is a material breach of this Master Lease.

ARTICLE XVI
COVENANT OF QUIET ENJOYMENT

16.1 Landlord covenants that Tenant peaceably and quietly may enjoy the Leased Premises in accordance with, and subject to, the terms of this Master Lease and without any interruption or disturbance from Landlord, provided Tenant:

A. Pays Rent and all other charges provided for in this Master Lease and any appendix, amendment, or attachment hereto,

B. Performs all of its obligations provided for under this Master Lease, and

C. Observes all of the other provisions of this Master Lease.

ARTICLE XVII
DEFAULT, TERMINATION, SURRENDER, TENANT'S LIABILITY, RIGHT OF REENTRY, TENANT'S WAIVERS, LANDLORD'S RIGHT TO PERFORM, CUMULATIVE RIGHTS

17.1 Default. Each of the following events constitutes a Default of this Master Lease:

A. Tenant files for Insolvency or is adjudicated Insolvent. For the purposes of this Master Lease, "Insolvency" means any petition filed by Tenant in bankruptcy, for reorganization or arrangement, or for appointment of a receiver or trustee; Tenant acquiescing to a petition for bankruptcy, reorganization, arrangement, or the appointment of a receiver or trustee by a creditor; or any assignment by Tenant for the benefit of a creditor.

B. A petition for Insolvency is filed against Tenant, to which Tenant does not acquiesce, and that, within sixty (60) days following the filing, is not dismissed, discontinued, or vacated.

C. Tenant's interest in this Master Lease, in its entirety or as to a particular Leased Premises is assigned by operation of law, except to the extent permitted under Article X (Transfer of Interest, Subordination and Attornment) hereof.

D. Tenant fails to pay any installment of Rent or any other charge, to which Tenant is obligated by this Master Lease to pay when due and payable, and the failure to pay continues for more than ten (10) days after the date due and such failure occurs more than two (2) times in any twelve (12) month period.

E. Tenant breaches any material obligation or covenant under this Master Lease.

F. Tenant breaches any non-material obligation or covenant under this Master Lease more than two (2) times in any twelve (12) month period, and each breach remains uncured thirty (30) days after Tenant receives written notice of the breach from Landlord.

G. After the Rent Commencement Date, Tenant materially deviates from the Hours of Operation designated in Attachment A more than two (2) times in any twelve (12) month period following Landlord's written notice on each occasion, without Landlord's prior, written approval or as otherwise allowed under this Master Lease.

17.2 <u>Termination for Default</u>. Landlord may terminate this Master Lease, in its entirety or as to a particular Leased Premises, without any liability, if Tenant Defaults, as defined in Section 17.1 above, or elsewhere in this Master Lease, upon ten (10) days prior written notice to Tenant. However, Landlord may wait to terminate this Master Lease, in its entirety or as to a particular Leased Premises, until after it re-lets the Leased Premises in accordance with this Article, and in such event Tenant shall pay Landlord all sums due Landlord under this Master Lease up through the date of such termination.

17.3 **Condition Upon Surrender at Termination or Expiration**. See Attachment A for each applicable Leased Premises.

17.4 **Landlord's Right of Reentry**. If Tenant fails to surrender the applicable Leased Premises in accordance with this Article, Landlord, its agents, employees, or representatives, without prejudice to any right or remedy available to Landlord under this Master Lease, at law, or in equity and subject to applicable law, may:

A. Re-enter and repossess the applicable Leased Premises and do one or more of the following:

(1) Dispose of any property, Trade Fixtures, or Improvements remaining therein.

(2) Re-let the Leased Premises, and if Landlord re-lets the Leased Premises for Rent and other charges equal to or greater than the Rent and other charges for which Tenant remains liable, Tenant will be released from further liability under this Master Lease.

(3) Use all or a portion of the Leased Premises, in which case the fair market value of the applicable Leased Premises, or the portion of that Leased Premises used, will be used in calculating Tenant's liability described in Section 17.5 below. If the fair market value equals or is greater than the Rent and other charges for which Tenant remains liable, Tenant will be released from further liability under this Master Lease.

(4) Demand full and final settlement, whereupon Tenant shall pay Landlord the present value of the total of all future Rent that would come due under this Master Lease but for the termination of this Master Lease, plus other charges that may apply under this Master Lease, less the fair market value of the particular Leased Premises. Present value will be calculated at eight percent (8%).

B. Continue this Master Lease in full force and continue to look to Tenant to perform all Tenants' obligations under this Master Lease, but Landlord may pursue Tenant for damages incurred or equitable relief or both.

17.5 **Survival of Tenant's Liability**. Upon termination of this Master Lease, in its entirety or as to a particular Leased Premises and without prejudice to any right or remedy available to Landlord under this Master Lease, at law, or in equity and subject to applicable law, Tenant shall remain liable for

A. Unpaid Rent and other charges;

B. Damages for its failure to perform other obligations;

C. Expenses Landlord incurs in the course of evicting Tenant and re-entering the Leased Premises, including reasonable attorneys fees and court costs; and

D. Unless Tenant surrenders the Leased Premises in accordance with this Article, any cost incurred by Landlord in returning the Leased Premises to the same condition in which Tenant received the Leased Premises on the Delivery Date, less any revenue received by Landlord by re-letting the Leased Premises, less any claim Landlord successfully makes against the Security required pursuant to Article IV (Rent, Security & Taxes) Section 4.8 above.

17.6 **Tenant's Waivers**. Landlord and Tenant waive any right to trial by jury on all issues in all litigation between Landlord and Tenant arising from or relating to this Master Lease, and Tenant, additionally, waives any:

A. Right to withhold or reduce Tenant's required payments of Rent and other charges for which Tenant is obligated under this Master Lease;

B. Statutory requirements of prior, written notice before filing for eviction or for any damages suit for non-payment of Rent;

C. Claim for damages against Landlord resulting from Landlord's re-entry, except for damages arising from Landlord's gross negligence or willful misconduct;

D. Rights to bring any counterclaim, proceeding, or other cause of action in relation to dispossession, other than compulsory counterclaims; and

E. To the extent legally permissible, for itself and all persons claiming by, through, or under it, any right of redemption or for the restoration of the operation of this Master Lease under any present or future law in case Tenant is dispossessed for any cause or in case Landlord obtains possession of the Leased Premises as herein provided.

17.7 **Landlord's Right to Perform for Account of Tenant**.

A. If Tenant Defaults under this Master Lease, Landlord may cure the Default at any time for the account of and at the expense of Tenant, and

Tenant will reimburse Landlord for any amount, including reasonable attorneys fees and interest, expended in connection therewith.

B. If either party seeks enforcement of this Master Lease by litigation and prevails, the non-prevailing party will reimburse the prevailing party for its reasonable attorneys' fees and disbursements reasonably incurred in connection with the litigation.

C. In addition to all other obligations under this Master Lease, Tenant shall pay interest to Landlord, at the maximum lawful rate, on the amount specified in Sections 17.7.A and 17.7.B above, from the date Landlord incurs the expense until the day reimbursed.

17.8 <u>Cumulative Rights</u>.

A. Landlord's and Tenant's rights and remedies set forth in this Master Lease are cumulative and in addition to any other right and remedy now and hereafter available to Landlord or Tenant by this Master Lease, at law or in equity. Either party may exercise its rights and remedies at any time, in any order, to any extent, or as often as such party deems advisable.

B. A single or partial exercise of a right or remedy will not preclude a further exercise of that or another right or remedy.

C. No action, inaction, delay, or omission by either party in exercising a right or remedy exhausts or impairs the same or constitutes a waiver of, or acquiescence to, a breach of this Master Lease or Default.

D. If either party waives a breach of this Master Lease or a Default, that waiver does not extend to or affect any other breach of this Master Lease or any other Default, nor will it impair any right or remedy with respect thereto.

E. Acceptance by Landlord of Rent after Landlord notifies Tenant of termination does not waive Landlord's right to terminate or pursue any other right and remedy available to Landlord under this Master Lease, at law, or in equity.

17.9 <u>Landlord's Default</u>.

A. Landlord's failure to perform any of its obligations under this Master Lease may constitute a default of this Master Lease, in its entirety or as to the particular Leased Premises affected by Landlord's failure to perform, if Tenant notifies Landlord, in writing, of Landlord's failure to perform, and Landlord fails to cure the failure to perform within at least thirty (30) days after Landlord receives Tenant's notice, or such longer period of time as may reasonably be necessary to cure the type of alleged breach under the circumstances, provided that Landlord commences to cure within the initial thirty (30) day period and thereafter diligently pursues completion of such cure. Notice required under this Section must include a description of the particular facts and circumstances alleged giving rise to the alleged breach and the date of commencement of the alleged breach..

B. If Landlord defaults on this Master Lease, Tenant, in addition to any other rights or remedies to which it is entitled at law or in equity, may:

(1) Treat this Master Lease as still in full force and effect continuing to look to Landlord to perform its obligations under this Master Lease but seek damages or equitable relief, or both; or

(2) Terminate this Master Lease, in its entirety or as to the applicable Leased Premises, with thirty (30) days' written notice stating the date on which Tenant will vacate the Leased Premises. If Tenant fails to timely vacate the Leased Premises, Tenant's notice of termination will be deemed void; the Master Lease, in its entirety or as to the applicable Leased Premises, will continue in full force and effect and Landlord will be deemed to have cured any alleged breach.

C. Regardless of which remedy Tenant pursues, **LANDLORD'S LIABILITY FOR DEFAULT UNDER THIS MASTER LEASE, AT LAW OR IN EQUITY, WILL NOT EXCEED AN AMOUNT EQUAL TO ONE (1) YEAR'S RENT PAID BY TENANT FOR THE LOCATION IN WHICH LANDLORD WAS FOUND IN DEFAULT.**

17.10 Force Majeure. If a force majeure occurs, the time that the force majeure delays performance by either Landlord or Tenant will be excluded from the computation of time within which Landlord, Tenant, or both, must perform under this Master Lease. For purposes of this Master Lease, a force majeure is a strike, riot, act of God, shortage of material, war, governmental law, regulation, or restriction, or any other cause of any kind that is beyond the reasonable control of the party owing performance.

ARTICLE XVIII
HOLDING OVER & ESTOPPEL CERTIFICATES

18.1 **Holding Over**. If Tenant remains in possession of the Leased Premises after the expiration of the Lease Term without a new Attachment A or Master Lease executed by both Landlord and Tenant, Tenant will be a "Holdover Tenant." As a Holdover Tenant, Tenant will occupy the Leased Premises on a month-to-month basis with a monthly rental rate equal to the Rent and other charges applicable at the time of the expiration of the Master Lease plus fifty percent (50%) of the sum of such amounts. Further, Tenant will be subject to all conditions, provisions, and obligations of this Master Lease as far as the same are applicable to a month-to-month tenancy.

18.2 **Estoppel Certificates**. Tenant, within ten (10) days of Landlord's request, shall deliver to Landlord an executed, written statement addressed to the party designated in Landlord's request and identifying Tenant and this Master Lease and certifying and confirming, in addition to any information or confirmation Landlord may reasonably require, the following:

A. That this Master Lease is either unmodified since its execution and in full force and effect, or modified since its execution but still in full force and effect as modified;

B. That Landlord either is not in default of any of its obligations under this Master Lease or is in default, specifying the default;

C. Tenant's obligations and restrictions concerning subordination and attornment; and

D. The Lease Term, Rent Commencement Date, and Expiration Date as to the Leased Premises for which the estoppel certificate applies.

18.3 **Agent-in-Fact**. Tenant's failure to provide an estoppel certificate materially complying with Section 18.2 above is a material breach of this Master Lease and Landlord may pursue any rights or remedies it may have under this Master Lease, at law, on in equity..

ARTICLE XIX
INTERPRETATION, NOTICES & MISCELLANEOUS

19.1 **Severability**. If a court of proper jurisdiction determines that any provision of this Master Lease, or any application of the provision, is invalid or unenforceable, the remainder of this Master Lease, or the applications of the provision that are not invalid or unenforceable, will remain in full force and effect to the fullest extent permitted by law.

19.2 __Captions__. The captions and headings used throughout this Master Lease are for convenience of reference only and do not affect the interpretation of this Master Lease.

19.3 __Merger__. This Master Lease, together with any Attachment A, exhibit, addendum, amendment, or any other document attached to and incorporated into this Master Lease, constitutes the entire agreement between Landlord and Tenant, a complete allocation of risks between them, and a complete and exclusive statement of the terms and conditions of this Master Lease. This Master Lease is merged into by and supersedes all prior written or oral agreements, leases, licenses, negotiations, dealings, and understandings, unless specifically provided otherwise in Appendix 1. Except for changes to the Delivery Window and Delivery Date designated in the applicable Attachment A, no amendment or other modification of this Master Lease will be valid or binding on either Landlord or Tenant unless it is reduced to writing and signed by both Landlord and Tenant.

19.4 __Survival__. The following provisions of this Master Lease survive the termination, for whatever reason, of this Master Lease: Article XIII (Indemnity and Liability), Article XIV (Insurance), Article XV (Confidentiality), Article XVII (Default, Termination, Surrender & Tenant's Liability), Article II (Construction and Acceptance of the Leased Premises) Section 2.4, Article XVIII (Holding Over & Estoppels Certificate) Section 18.1, and Appendix 2.

19.5 __Third Party Beneficiaries__. Nothing in this Master Lease confers, or intends to confer, any rights upon any person or entity not a party to this Master Lease, except for the Indemnitees identified in Article XIII (Indemnity and Liability) Section 13.1.B above.

19.6 __Benefit & Binding Effect__. The terms, provisions, and covenants contained in this Master Lease apply to, inure to the benefit of, and are binding on Landlord and Tenant and their respective heirs, successors, and assignees.

19.7 __Fiduciary Relationship__. This Master Lease does not create a fiduciary relationship between Landlord and Tenant. Any expenditures, investments, or commitments either party makes in reliance on any present or future business or lease with the other party is done at such party's own risk and without any obligation whatsoever from the other party.

19.8 **No Obligation**. Landlord has no obligation to offer, nor does the course of performance under this Master Lease create any obligation on Landlord to offer, any number of locations for lease to Tenant. Any locations offered for lease to Tenant in accordance with this Master Lease are in the sole and absolute discretion of Landlord. Landlord, in its sole discretion and at any time, may cease offering locations to Tenant, and this Master Lease will continue in full force and effect solely with regard to those Leased Premises for which both Landlord and Tenant have signed an Attachment A. Landlord may lease locations that Landlord might otherwise offer to Tenant under this Master Lease to any party that Landlord chooses including, without limitation, Tenant's competitors. Tenant recognizes and agrees that this Master Lease creates no exclusive rights in Tenant's favor.

19.9 **Independent Contractors**. Nothing contained in this Master Lease creates a partnership, joint venture, principal/agent relationship, or any other relationship other than that of landlord/tenant between Landlord and Tenant.

19.10 **Notice**. Any notice required by this Master Lease must be in writing and delivered either by hand; by commercial courier; or by placing notice in the U.S. mail, certified mail, return receipt requested, properly addressed and with sufficient postage.

A. Notice is deemed received on:

(1) Delivery if by hand;
(2) One (1) business day (Monday through Friday) after deposit with a commercial courier, provided deposit is done timely so as to effect next business day delivery, if by commercial courier; or
(3) Three (3) business days after placing the notice in the U.S. mail, properly addressed and with sufficient postage for certified mail, return receipt requested.

B. Notice intended for Tenant must be sent to the address provided in Appendix 1.

C. Notice intended for Landlord must be sent to: Wal-Mart Stores, Inc., Asset Management, 2001 SE 10th Street, Bentonville, AR 72716-5525, with a copy to: Wal-Mart Stores, Inc., Wal-Mart Stores Division – Legal, Office of the General Counsel, 702 SW 8th Street, Bentonville, AR 72716-0185. Any notices required pursuant to Article VIII (Compliance with Law & Other Requirements), Section 8.2.F must be sent to the addresses provided in that Section.

19.11 **Governing Law**. This Master Lease, and any property or tort disputes between Landlord and Tenant, will be construed and enforced in accordance with the laws of the State of Arkansas, without regard to the internal law of Arkansas regarding conflicts of law. Neither Landlord nor Tenant may raise in connection therewith, and hereby waive, any defenses based on venue, inconvenience of forum, or lack of personal jurisdiction, in any action or suit brought in accordance with the foregoing.

19.12 **Jurisdiction and Venue**. For any suit, action, or legal proceeding arising from this Master Lease or from any property or tort dispute between Landlord and Tenant, Landlord and Tenant consent and submit to the exclusive jurisdiction and venue of the state courts of Arkansas situated in Benton County, Arkansas or the federal courts situated in the Western District of Arkansas. **Landlord and Tenant acknowledge that they have read and understand this clause and willingly agree to its terms.**

19.13 **Attorney's Fees**. Except as otherwise provided in this Master Lease, if either party commences an action in a court of law against the other party to enforce the terms of this Master Lease, to declare rights under this Master Lease, or for any other reason related to this Master Lease, each party will pay its own attorney's fees and costs incurred as a result of that action.

19.14 **Broker's Fees**. Tenant represents and warrants that it has not consulted or negotiated with any broker or finder with regard to the Leased Premises. Tenant covenants and agrees to indemnify and hold harmless Landlord from any claims for fees or commissions from anyone with whom Tenant has consulted or negotiated with regard to the Leased Premises.

19.15 **Counterparts**. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument. This Agreement may be executed by one or more parties using an electronic signature, which the parties agree shall be binding for all purposes and shall constitute an original signature.

[Signatures on following page]

Landlord:

WAL-MART STORES, INC.

DocuSigned by:

By: Don Etheredge

Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

WAL-MART STORES EAST, LP

By: Don Etheredge

Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

WAL-MART STORES TEXAS, LLC

DocuSigned by:

By: Don Etheredge

Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

WAL-MART LOUISIANA, LLC

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Name: Don R. Etheredge
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WAL-MART STORES ARKANSAS, LLC

DocuSigned by:

By: Don Etheredge

Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

WAL-MART PUERTO RICO, INC.

DocuSigned by:

By: Don Etheredge

Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

SAM'S WEST, INC.

DocuSigned by:

By: Don Etheredge

Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

SAM'S EAST, INC.

DocuSigned by:

By: Don Etheredge

Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

Tenant:

REGIS CORP.

By: DocuSigned by: Kim Ellis

Name: Kim Ellis

Title: Senior Vice President, Development

Date: February 25, 2013

APPENDIX-1

Basic Lease Terms

The following terms and conditions supplement the terms and conditions set forth in the Master Lease, to which this Appendix-1 attaches and into which this Appendix-1 incorporates. All capitalized terms used in this Appendix-1 shall have the meanings set forth in the Master Lease unless otherwise specifically stated in this Appendix-1.

1. **Permitted Use of the Leased Premises:** During the Lease Term of the applicable Leased Premises, Tenant shall use the applicable Leased Premises solely for the purpose of the retail sale of hair care services, facial waxing services and related sale of professional hair care products; provided that space allocated to such products and merchandise does not exceed thirty-three percent (33%) of the total floor space in each location. Tenant may not trade merchandise that conflicts with Landlord's merchandise without prior written approval (the "Permitted Uses"). Tenant shall operate in a diligent and businesslike manner in conformity with Tenant's standards and policies. During the Lease Term of the applicable Leased Premises, Tenant shall not offer or provide any additional services or products in the Leased Premises, or change the use of the Leased Premises unless previously approved by Landlord, in its sole discretion.

2. **Leased Premises Specifications:**

   a. Tenant may submit change orders up to one hundred eighty (180) days prior to the applicable Delivery Date.

      (1) Landlord will use reasonable efforts to comply with change orders received by Landlord more than one hundred eighty (180) days prior to the applicable Delivery Date. Landlord, in its sole discretion, may comply with any change orders Landlord receives from Tenant that is one hundred eighty (180) days or less in advance of the applicable Delivery Date.

      (2) Tenant, upon execution of the applicable Attachment A, will identify to Landlord the name, title, and contact information of the individual Tenant authorizes to effect change orders for the applicable Leased Premises. Tenant may not modify this designation without written notice to Landlord at least ten (10) days prior to the date on which Tenant desires the change to be effective.

      (3) Tenant shall pay any cost and expense resulting from Tenant's change order(s) including but not limited to, construction costs, architectural fees, engineering fees, and legal fees.

   b. In addition to its obligations under the Master Lease, Tenant shall clean and maintain the floors of the Leased Premises.

   c. Tenant's obligations under this Section 2 are in addition to, and not in lieu of, Tenant's obligations to prepare the Leased Premises in accordance with Article II of the Master Lease.

   d. Landlord shall deliver the Lease Premises in accordance with the Master Lease.

3. **Trade Name(s):** SmartStyle; Cost Cutters; TGF

4. **Address of Tenant:** All notices required to be sent to Tenant under the Master Lease, or any Appendix, Attachment, Amendment, Exhibit, or other document attached to and incorporated into the Master Lease, must be sent to:

Name of Tenant:	Regis Corp.
Attention:	Lori Haskamp
Title:	Legal Department
Address:	7201 Metro Boulevard
	Minneapolis, MN 55439-2103
Telephone Number:	(952) 918-4724 (952) 947-7777
Facsimile Number:	(952) 995-3273
Email Address:	lori.haskamp@regiscorp.com

5. **Advisements:** Notwithstanding anything in the Master Lease to the contrary, Landlord shall not be liable to Tenant for any loss of business or loss of inventory resulting from any interruption whatsoever to the public utilities Landlord provides to the applicable Leased Premises pursuant to the Master Lease, provided such interruption was beyond Landlord's control.

6. **Representations and Warranties:** Tenant represents and warrants that the foundation of its business is the adherence by Tenant, and any franchisee, agent, employee, or sublessee of Tenant, to standards and policies established by Tenant to provide uniformed operation of its business. Tenant covenants that the Leased Premises will be diligently operated in a businesslike manner in accordance with the Master Lease and in conformity with the standards and policies referenced in the preceding sentence.

7. **Tenant's Disclosures and Reports:**

   a. Tenant shall provide Landlord, on a monthly basis submitted with Tenant's Rent, a list of the Leased Premises identified by Landlord's Store number, physical address, and (if Tenant leases more than one Leased Premises in a single Store) the specific floor location; the date on which each Leased Premises listed opened; whether the Leased Premises is operated by Tenant or by a Sublessee and, if operated by a Sublessee, the name, local and regional business address and phone number of the Sublessee; the phone number to each Leased Premises listed; and, if different from the Hours of Operation required in Article VI of Attachment A [Hours of Operation] for each Leased Premises listed..

   b. If Tenant is obligated to pay Landlord Percentage Rent, as designated in each applicable Attachment A to the Master Lease, Tenant will daily submit to Landlord, in each Store in which Tenant operates out of a Leased Premises, daily sales data for the applicable Leased Premises. By the fifth (5th) calendar day of the following month, Tenant shall submit to Landlord a spreadsheet listing sales from the preceding month for each Leased Premises leased under the Master Lease. Sales must be listed according to the applicable Leased Premises and broken down by daily sales (if possible). If Tenant cannot provide a breakdown of daily sales as required in the preceding sentence, Tenant will provide a breakdown of weekly sales, and if Tenant is unable to provide a breakdown of daily sales and weekly sales, Tenant will provide a breakdown of monthly sales. Upon receipt of this spreadsheet, Landlord will compile the daily sales data Tenant submitted over the course of that month and will calculate the aggregate Percentage Rent due from Tenant for all Leased Premises leased under the Master Lease.

c. If Tenant is obligated to pay Landlord Percentage Rent, as designated in each applicable Attachment A to the Master Lease, Tenant shall maintain, at its corporate headquarters or principal place of business and for at least twenty-four (24) months following the end of Landlord's fiscal year, full and accurate books of account and records from which Gross Sales (as defined in the applicable Attachment A) can be determined. Until the end of the twenty-four (24) month period in which Tenant is obligated to maintain its books of account and records, Landlord has the right to inspect and audit all books and records and other papers and files of Tenant or its Sublessees relating to Gross Sales. Any such inspection or audit will be conducted during Tenant's regular business hours, and, at the request of Landlord, Tenant and each Sublessee will produce the appropriate books and records and other papers and files relating to Gross Sales.

(1) If any audit conducted in accordance with this paragraph 7.c. finds evidence of under-reporting of Gross Sales by an amount equal to or greater than three and one-half percent (3.5%) of the total amount of Gross Sales reported, Tenant shall immediately pay to Landlord the amount under-reported, and Tenant shall bear all costs and expenses of the audit.

(2) Additionally, Tenant shall pay Landlord as Percentage Rent an amount equal to fourteen percent (14%) of the total amount of Gross Sales under-reported.

(3) If any audit conducted in accordance with this Paragraph 7.c. finds evidence of over-reporting of Gross Sales by an amount equal to or greater than three and one-half percent (3.5%) of the total amount of Gross Sales reported, Landlord shall immediately reimburse to Tenant the amount over-reported, but Tenant shall bear all costs and expenses of the audit.

8. **Miscellaneous:**

a. Tenant shall strictly comply with local, state, and national codes and current N.F.P.A. requirements, as periodically updated. Installation of fire extinguishers must be in accordance with applicable codes and requirements and must meet Landlord's insurance underwriter's requirements.

b. This Appendix-1 attaches to and incorporates into the Master Lease as part of the entire agreement between Landlord and Tenant, as set forth in the Master Lease.

c. This Appendix-1 may be executed in multiple counterparts, each of which shall be deemed to be an original, but all of which, together, shall constitute one and the same instrument. This Agreement may be executed by one or more parties using an electronic signature, which the parties agree shall be binding for all purposes and shall constitute an original signature.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date(s) first set forth below.

Landlord:

WAL-MART STORES INC.

By: Don Etheredge
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

Landlord:

WAL-MART STORES EAST, LP

By: Don Etheredge
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

Landlord:
WAL-MART STORES TEXAS, LP

By: Don Etheredge
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

Landlord:

WAL-MART LOUISIANA, LLC

By: Don Etheredge
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

Landlord:

WAL-MART STORES ARKANSAS, LLC

By: Don Etheredge
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

WAL-MART PUERTO RICO, INC.

DocuSigned by:
By: Don Etheredge
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

SAM'S WEST, INC.

DocuSigned by:
By: Don Etheredge
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

SAM'S EAST, INC.

DocuSigned by:
By: Don Etheredge
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

Tenant:

REGIS CORP.

By: DocuSigned by: Kim Ellis
Name: Kim Ellis
Title: Senior Vice President, Development
Date: February 25, 2013

Appendix-2 – Insurance

Tenant shall procure and maintain, in accordance with the Master Lease, the "primary" insurance policies described below in accordance with the below conditions.

1. Worker's Compensation insurance with statutory limits, or if no statutory limits exist, with minimum limits of $500,000 per occurrence, and Employer's Liability coverage with minimum limits of $1,000,000, for each employee for bodily injury by accident and for each employee for bodily injury by disease. Tenant shall cause Insurer to issue an endorsement providing stopgap insurance in monopolistic states in which a Leased Premises under this Master Lease may be located.

2. Commercial General Liability insurance with a $3,000,000 minimum limit per occurrence for each Leased Premises leased under the Master Lease or with per location aggregate limits for each Leased Premises leased under the Master Lease.

   a. The Commercial General Liability policy required under this Paragraph 2 should contain neither exclusion for contractual liability assumed by Tenant in a lease nor any Absolute Pollution exclusion, unless these coverages are provided by a separate policy with minimum limits equal to the Commercial General Liability policy limits required by this Paragraph 2.

   b. Any policy obtained to satisfy the obligations of this Paragraph 2 must list as Additional Insureds the parties described below in Paragraph 5.

   c. Tenant shall submit to Landlord, no later than thirty (30) days after the actual Rent Commencement Date, Certificates of Insurance and endorsements evidencing Tenant's compliance with this Paragraph 2.

3. Business Automobile Liability insurance with minimum combined single limits of $500,000 covering liability arising out of the operation of owned, hired, and non-owned vehicles.

4. Tenant may satisfy the minimum limits required in Paragraphs 1 and 2, above, by procuring and maintaining, in accordance with Article XIV of the Master Lease, Umbrella/Excess Liability insurance on an umbrella basis, in excess over, and no less broad than the primary liability coverage; with the same inception and expiration dates as the primary liability coverage it is in excess of; with minimum limits necessary to satisfy the required primary minimum limits; and which "drop down" for any exhausted aggregate limits of the primary liability coverage. Tenant shall cause Insurer to issue an endorsement to any policy Tenant procures in satisfaction of its obligations in this paragraph providing per location per occurrence limits or per location aggregate limits for each Leased Premises leased under this Master Lease and listing as Additional Insured the parties described below in Paragraph 5.

5. Additional Insureds are Wal-Mart Stores, Inc., its Subsidiaries and its Affiliates, and the directors, officers, shareholders, employees, agents, and representatives, and the respective successors and assigns of each, and any party Landlord has a contractual obligation to indemnify for Claims in connection with the Store or the Leased Premises.

[signature pages on following pages]

Landlord::

WAL-MART STORES, INC.

By: Don Etheredge
391592120C0D4B2
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

WAL-MART STORES EAST, LP

By: Don Etheredge
391592120C0D4B2...
Title: Senior Director
Date: February 26, 2013

WAL-MART STORES TEXAS, LLC

By: Don Etheredge
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Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

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Date: February 26, 2013

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391592120C0D4B2
Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

WAL-MART PUERTO RICO, INC.

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Date: February 26, 2013

SAM'S WEST, INC.

By: Don Etheredge

Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

SAM'S EAST, INC.

By: Don Etheredge

Name: Don R. Etheredge
Title: Senior Director
Date: February 26, 2013

Tenant:

REGIS CORP.

DocuSigned by:

By: Kim Ellis

Name: Kim Ellis

Title: Senior Vice President, Development

Date: February 25, 2013

Amended and Restated Attachment A

This Amended and Restated Attachment A ("Amendment") is effective as of __________ ("Effective Date"), by and between **Regis Corp.** ("Tenant") and **Wal-Mart** _____________ ("Landlord" or "Walmart").

W I T N E S S E T H:

WHEREAS, Walmart and Tenant entered into a Wal-Mart Master Lease Agreement dated ___________ ("Master Lease"), to govern vestibule space located various Walmart stores; and

WHEREAS, Walmart and Tenant entered into an Attachment A for the Leased Premises consisting of approximately ____ square feet of floor space in the Store commonly referred to by Landlord as Walmart #____, in the City of ____, State of ______. The Leased Premises is further depicted on Exhibit A, attached hereto. The Attachment A document and the Master Lease are collectively referred to as "Lease;"

WHEREAS, Walmart and Tenant desire to amend and restate the Attachment A in its entirety, as more fully set forth hereinafter; and

NOW, THEREFORE, in consideration of One Dollar ($1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

Recitations/Controlling Document. The recitations set forth above are true and correct and are incorporated herein by this reference. Any defined or capitalized terms used herein shall have the same meaning given such terms in the Lease, unless the context indicates otherwise. This Amendment shall amend and restate the Leased Premises' Attachment A in its entirety and the previous Attachment A document will be of no further force or effect as of the Effective Date, unless otherwise stated herein. This Amendment is an Attachment A that is attached to and made a part of the Master Lease. In the event of any conflict or ambiguity between the terms and provisions of this Amendment and the terms and provisions of the Lease, this Amendment shall control to the extent of such conflict or ambiguity.

Article I
DELIVERY DATE

The Delivery Date will be considered the same as the Effective Date of this Amendment, although the Tenant is already in operation at the Leased Premises.

Article II
LEASE TERM, EXTENSION/REMODEL, EXPIRATION AND SURRENDER

1. **Lease Term**. The Lease Term of the Leased Premises is hereby re-set and will start anew on _____________ ("New Term Commencement Date") and start what is to be considered the first year of the Lease Term for the Leased Premises. The Lease Term for the Leased Premises will expire on the fifth (5) anniversary of the New Term Commencement Date or January 31 of the year following such anniversary if the anniversary of the New Term Commencement Date falls between July 1 and December 31 ("Expiration Date"), subject to the possible extension described below.

2. **Extension Option/Remodel Condition**.

   (a) Tenant shall have the option, at Tenant's sole discretion ("Extension Option" or "Extension Term") to extend the Lease Term as to the Leased Premises for one (1), five (5) year period, subject to the terms and conditions of the Lease and this Amendment, including but not limited to subsections 2(b) and 2(c) below.

(b) Tenant shall notify Walmart no later than one hundred eighty (180) days prior to the Expiration Date of its desire to exercise the Extension Option for the Leased Premises ("Option Notice"). Such Option Notice must be in writing and Tenant may not be in default at the time of the Option Notice nor as of the date of the commencement of the Extension Term. In the event Tenant provides proper Option Notice and is not in default, but Tenant fails to meet either of the following criteria: (i) fails to achieve Minimum Gross Sales in the amount of one hundred fifty thousand dollars ($150,000) for the Leased Premises during the twelve (12) month period prior to the Option Notice; or (ii) fails to perform the Full Remodel by the Remodel Deadline (both as defined below), then Landlord may reject Tenant's exercise of its Extension Option for the relevant Leased Premises by providing Tenant written notice at least thirty (30) days prior to the Expiration Date and Tenant shall surrender and quit the relevant Leased Premises as stated herein. In order to be effective, any Extension Term must be evidenced by the signing of a new Attachment A for the Leased Premises.

(c) Notwithstanding anything to the contrary contained in the Lease, unless Tenant has completed a Full Remodel scope of work within the previous three (3) years, Tenant will, at its own expense, repair, update, remodel, modernize and redecorate the Leased Premises to be consistent with the mutually approved scope of work and the latest Walmart approved proto designs for Tenant's brand ("Full Remodel"). The Full Remodel shall include, but not be limited to, (i) all customer facing fixtures, signing and equipment will be in "like new" condition with no visible wear and tear on the surfaces; (ii) patch and paint; (iii) deep cleaning the interior by a professional service; (iv) specialty floors (those not furnished by Walmart) should be waxed or professionally maintained with any broken, chipped or missing flooring replaced; (v) specialty ceiling tiles (those not furnished by Walmart) should be steamed or replaced and the ceiling grid painted and (vi) remove any signage, fixtures and/or décor that is inconsistent with the latest Walmart approved proto design for Tenant's brand. The Full Remodel shall occur no later than forty-five (45) days prior to the Expiration Date, subject to the exceptions below ("Remodel Deadline").

(d) In the event the Remodel Deadline would be such that Tenant would be required to perform work on the Full Remodel during October 1 to January 4, then the Remodel Deadline (and the Expiration Date, if necessary), shall be automatically extended to the next March 31. If the Full Remodel is not completed by that March 31 deadline, then this Attachment A shall terminate on the Expiration Date. If the Full Remodel is completed as required, then the Extension Term shall be five years from the Expiration Date <u>before</u> it may have been extended.

For clarification, if the Expiration Date was January 31, 2020, and the Full Remodel Deadline would therefore have been December 17, 2019, and thus would automatically extend to March 31, 2020, then if the Full Remodel was completed by March 31, 2020, then the Extension Term would be five years starting on February 1, 2020.

3. <u>Modified Remodel SOW Upon Store Renovation and Other Future Full Remodel Requirements</u>.

(a) Notwithstanding anything to the contrary in Section 7.3(B) of the Master Lease, unless Tenant has completed a Full Remodel within the previous three (3) years, Tenant, at its own expense, agrees to perform the following minimum remodel scope of work at any time Landlord performs Store Renovations ("Modified Remodel SOW"): (i) restore all customer-facing fixtures, equipment, signing and marketing materials to "like new" condition; (ii) patch and paint all interior walls if needed in the Leased Premises; (iii) updated Tenant's overhead lighting to meet current

Tenant standards and (iv) replace any missing or damaged flooring and deep clean the Leased Premises. Tenant agrees to complete the Modified Remodel SOW prior to the time Landlord completes its Store Renovations. Alternatively, during Store Renovations, Tenant may choose to perform a Full Remodel. All repairs, updates, and upgrades Tenant contemplates must be previously approved by Landlord, which approval will not be unreasonably withheld, conditioned or delayed.

(b) At any time, if Tenant has been in the Leased Premises for any ten (10) consecutive years and has not performed a Full Remodel within that ten (10) years, then Tenant shall be in material breach of the Master Lease.

4. **Condition Upon Surrender or Termination**. Upon the expiration or earlier termination of the Lease as to the Leased Premises, for whatever reason, Tenant shall immediately remove all property and the Trade Fixtures from the Leased Premises. Additionally, Tenant shall surrender and quit the Leased Premises and shall either:

(a) return the Leased Premises to Walmart in a Surrender White Box condition as described on Exhibit B, attached hereto and made a part hereof; or

(b) pay Landlord a fee in the amount of twenty-five thousand dollars ($25,000) and surrender the Leased Premises in broom clean condition. Said fee shall increase at four percent (4%) per annum from the Rent Commencement Date.

Article III
RENT COMMENCEMENT DATE, RENT, LANDLORD BUYOUT, OTHER

1. **Base Rent**. From the Effective Date until the New Term Commencement Date, the Base Rent for the Leased Premises shall remain the same as stated in the Attachment A document in effective immediately prior to the Effective Date. Beginning on the New Term Commencement Date and continuing through any Extension Option, if applicable, Tenant shall pay Walmart monthly, the greater of Base Rent in the amount of one thousand dollars ($1,000) or Percentage Rent (as defined below) in accordance with the terms of the Lease; provided however that the Base Rent and Percentage Rent for the Leased Premises shall not exceed five thousand five hundred dollars ($5,500) per month. Upon the New Term Commencement Date, that date will then also be considered the Rent Commencement Date.

2. **Percentage Rent**.

(a) From the Effective Date until the New Term Commencement Date, the Percentage Rent for the Leased Premises shall remain the same as stated in the Attachment A document in effect immediately prior to the Effective Date.

(b) Beginning on the New Term Commencement Date and continuing through any Extension Option, if applicable, Percentage Rent shall be an amount equal to the product of (i) monthly Gross Sales in and from the Leased Premises and (ii) sixteen percent (16%) (the "Percentage Rent Rate").

(c) "Gross Sales" means the aggregate selling price of all merchandise sold or delivered at or from any part of the Leased Premises and the charges for all services sold or performed at or from any part of the Leased Premises or at any other location if the merchandise is taken from the Leased Premises or the order for services taken at the Leased Premises. In addition: (i) Gross Sales includes sales and charges for cash or credit, and credit sales shall be included in Gross Sales regardless of collections; (ii) Gross Sales excludes refunds made by Tenant to its customers for merchandise originally included in Gross Sales but returned to Tenant; exchanges of merchandise between stores of Tenant where such exchanges are made solely for the convenient operation of Tenant's business; the amount of any city, county, or state sales tax on sales paid to a taxing authority by Tenant, but not by any vendor of Tenant; sales of gift certificates or gift cards, provided, however, all gift certificates or gift cards redeemed at the Leased Premises shall be included in Gross Sales, regardless of where they were purchased; and (iii) a sale shall be deemed to be made in the Leased Premises if the merchandise or services are ordered from the Leased Premises in person, via telephone, facsimile, internet, or other electronic means, or filled at the Leased Premises, or delivered from the Leased Premises.

(d) Tenant shall also provide annually, no later than the last day of the fourth month following Tenant's fiscal year end, Tenant's accounting officer's report, consistent with the definition of Gross Sales above, and the computation of Percentage Rent based upon that Gross Sales definition.

3. Other Fees. Common Area Maintenance Fee, Utility Reimbursement Fee, Leased Premises Improvement Charge, Key Money, Security, and Insurance Reimbursement Fee are all not applicable as to any future payments due as of the Effective Date for the Leased Premises.

4. Landlord Buyout Provision. Subject to the limitations set forth below in this section, Landlord may, without cause, terminate this Attachment A (the "Landlord's Termination Option"), with prior, written notice effective one hundred fifty (150) days after Tenant receives such written notice. In the event such termination occurs during the Lease Term, and provided that Tenant has made standard improvements during the Lease Term, Landlord shall pay to Tenant any early termination fee equal to the sum of (X) Tenant's prior 12-month average Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") from the Leased Premises multiplied by the number of months remaining in the Lease Term; and (Y) the unamortized portion of the cost of Tenant's Improvements (to include fixtures, furniture, equipment and décor, but only if part of the Tenant's standard specifications) to the applicable Leased Premises, calculated on a straight-line depreciation basis over said Lease Term.

Tenant will use commercially reasonable efforts to provide Landlord with Tenant's current EBITDA within four (4) business days following Landlord's request, and Tenant agrees that in no event will Tenant take more than fifteen (15) business days to provide Tenant's current EBITDA to Landlord.

It is expressly understood and agreed by the parties that the amount specified by the parties is reasonable and Landlord shall not be liable for any other cost or expense of Tenant ceasing operations in the applicable Leased Premises.

In no event during the first year following Tenant's surrender of the Leased Premises pursuant to the terms of this Section 4, may Landlord allow the Leased Premises to be used for the purpose of operating a hair care, nail care or salon business.

In any calendar year, Landlord may terminate a maximum of twenty (20) Attachment A's pursuant to Landlord's Termination Option for the purpose of evaluating new users. Notwithstanding the foregoing, if Landlord determines that a test of a new user has been successful, Landlord may terminate a maximum of one hundred (100) Attachment A's in any calendar year to further test said successful concept. In no event may Landlord terminate in excess of one hundred (100) Attachment A's pursuant to Landlord's Termination Option in any calendar year. This Section 4 shall not apply in case of a Store Closing as defined in Section 7.3D of the Master Lease.

Article IV
PERFORMANCE COVENANTS

In the event Tenant fails to achieve the Minimum Gross Sales for the Leased Premises in any year as set forth below, Landlord may elect (as determined in its sole and absolute discretion) to terminate the Master Lease and Attachment A for the Leased Premises upon ninety (90) days written notice to Tenant at a zero ($0) termination fee.

END OF LEASE YEAR	MINIMUM GROSS SALES
5	$150,000
6	$153,000
7	$156,060
8	$159,181
9	$162,365
10	$165,612

Article V
HOURS OF OPERATION

Tenant shall operate the Leased Premises:

a. Monday through Friday: Minimum 10 hours/day

b. Saturday: Minimum 10 hours

c. Sunday: Minimum 5 hours

d. Such additional hours during holiday season or special promotions as Landlord may determine on reasonable prior notice.

e. Upon written approval, such modified operating hours as Landlord's Home Office Leasing Manager may agree to from time to time, but in no event shall operating hours total less than fifty-five (55) hours per week.

Article VI
MISCELLANEOUS

1. **Subleasing**. Notwithstanding anything to the contrary contained in the Lease, and provided that neither Tenant nor Sublessee (if Sublessee is an existing sublessee of Leased Premises under the Lease) is in Default under the Lease, Landlord's consent shall not be required for a sublease of any of the entire space of the Leased Premises, to Sublessees pursuant to Subleases, provided that such Sublessee has not been previously evicted from or had its sublease as to a particular Leased Premises under the Lease terminated as a result of a Default, and further provided that all other applicable requirements of Article X of the Master Lease are satisfied.

2. **Authority**. Walmart and Tenant each represent and warrant to the other that each has the right, full power and absolute authority to enter into this Amendment in accordance with its terms.

3. **Counterparts; Facsimile**. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement. The parties intend that facsimile signatures (including via pdf scan) or electronic signatures constitute original signatures and electronic signatures or a facsimile Amendment containing the signatures (original, facsimile or scan) of all parties is binding on the parties.

IN WITNESS WHEREOF, the Landlord and Tenant have caused this Amendment to be duly executed and to become effective as of the date first written above.

Landlord:

Wal-Mart _____________

By:_________________________________

Name:______________________________
Title:_______________________________
Date:_______________________________

Tenant:

Regis Corp.

By:_________________________________

Name:______________________________
Title:_______________________________
Date:_______________________________

Exhibit A

LEASED PREMISES DEPICTION

Exhibit B

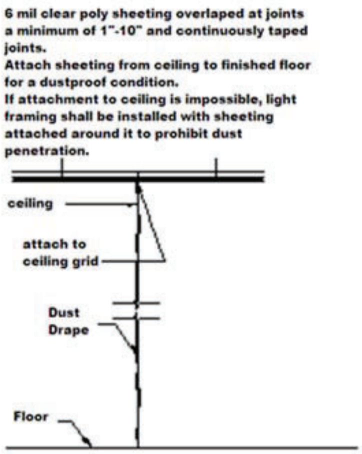
Surrender White Box

General Requirements

- Verify with the local authority having jurisdiction (AHJ) to find out if a permit is required for the scope of work and provide a copy of the permit or an email stating that a permit is not required to the Walmart Services Project Manager prior to commencing any construction activity.
- Discuss the scope of work, timelines and dumpster placement (if needed) with the store manager. All disruptive work (noise, fumes, gases, odor, airborne particulates, etc.) must occur overnight or during hours that have been approved by the store manager. The Tenant is responsible for all costs incurred to secure the applicable dumpster. If the store manager requests any changes to the Tenant approved scope of work it will need to be approved by the Walmart Services Project Manager prior to commencing any construction activity.
- Ensure all contractors are licensed and insured in the jurisdiction that the project is taking place.
- Install a temporary dust wall per the details and guidelines described below or an approved barricade before work commences.
- Not perform any work during the construction blackout (November 1 through January 1) unless approved by Walmart Services Project Manager.
- Execute the applicable checklist Surrendered White Box and email it to the Walmart Services Project Manager.
- Email final pictures of the completed Surrendered White Box space to the Walmart Services Project Manager.
    - Photos should include:
        - Completed interior space with a photo of each wall, floor, and the ceiling.
        - Interior bulk head.
        - Completed exterior of building where the sign was removed if applicable.

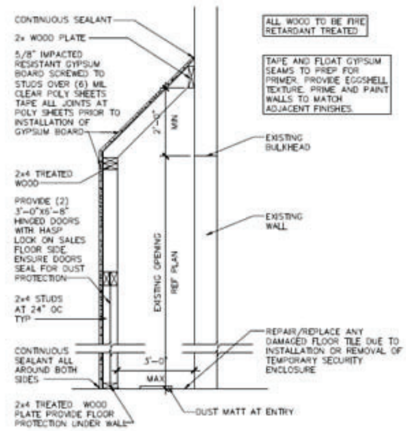
Temporary Dust Wall Detail

- Dust Drape:
    - Use if minor work is being done in the space and work will take less than five days.
        - Painting.
        - General patch work to walls that does not require sanding.
        - Fixture installation or removal.
- Barricade: Preferred temporary dust wall method for projects that do not meet the Dust Drape requirements.
    - Tenant must use vendors approved by Walmart.
- Rigid Dust Partition:
    - May be used in place of a Barricade.



Temporary Dust Drape

Barricade

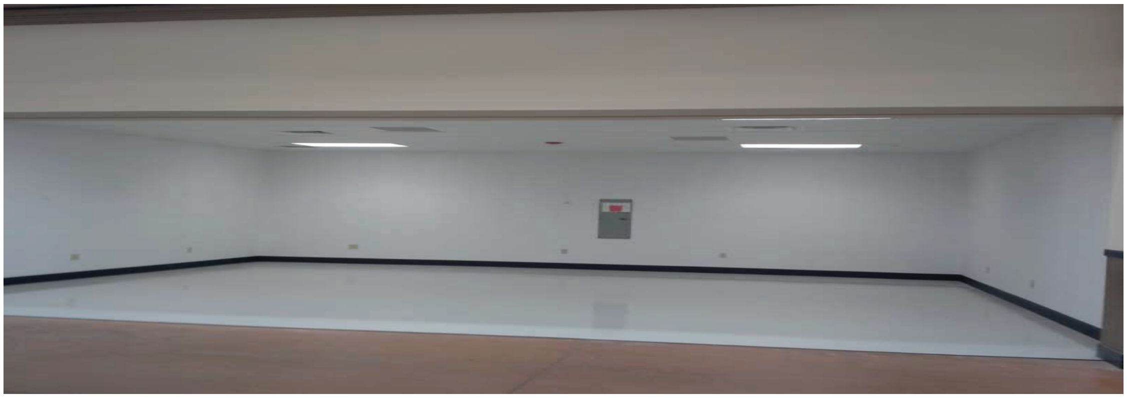


Temporary Rigid Dust Partition

Surrendered White Box Requirements

- All furnishings and fixtures must be removed from the space.
- All electrical wires that were hard wired to fixtures and equipment must be removed back to the panel or terminated by code in an approved electrical box secured in the wall or above the ceiling per codes.
- Flooring must be repaired to match existing flooring where interior walls are removed as long as flooring is in good condition, normal wear and tear excepted. If the flooring is not in good condition, then Tenant must replace the flooring. The flooring options are:
  - PVC wood-look plank flooring.
  - Polished concrete when Walmart sales floor is polished concrete.
  - White VCT when Walmart sales floor is white VCT.
- All walls have a minimum ½" gypsum board from finished floor to a minimum of 4" above ceiling (unless otherwise directed by code).
- All walls have been patched and painted SW 7102 white flour or other neutral color previously approved by Landlord (paint colors may vary, confirm color with Landlord).
- Walmart standard 4" black plastic wall base has been installed around the perimeter of the space.
- Tenant will need to cap all plumbing and sanitary lines flush with the finish floor or behind finished wall and ceiling.
- Shutoff valve to the water heater, if applicable, will need to be turned to the off position or remove the water heater and cap water supply lines behind the ceiling or wall.
- Suspended ceiling system must be repaired to match existing suspended ceiling where interior walls are removed as long as the existing suspended ceiling system is in good condition and is Walmart's standard, white suspended ceiling system. If it is not in good condition or is not Walmart's standard, then Tenant must replace the suspended ceiling system. The suspended ceiling system is 10'-0" AFF with 2x4 ceiling tiles ACT1 (see finish schedule below). Ceiling grid will be standard exposed white T system, unless approved by the Walmart Services Project Manager.
- Remove all custom lighting and replace with 2x4 fluorescent light fixtures with light bulbs to match sales floor lighting.
- Emergency lighting and exit signs, if applicable are installed per code.
- Minimum 100 AMP electrical panel is flush mounted on rear wall near the corner of the space.
- 110V duplex electrical receptacles have been installed at 18" AFF and 72" on center around the perimeter of the space.

- All interior partition walls have been removed from the space.
- Sales floor side of wall will need to match the adjacent finishes, texture and paint color.
- Install new floor base and wall guard to match existing on the sales floor side of the wall.
- Ensure fire sprinkler and life safety systems are installed as required per code and Walmart standards.
- All work must meet code.



<u>Signing</u>

- Bulkhead sign and hardware must be removed and be patched and painted to match the adjacent Walmart finishes, wall texture and paint color.
- Exterior sign, if applicable, must be removed and exterior of building patched and painted to match the adjacent Walmart finishes, wall texture and paint color.

Tenant must use Walmart approved products for flooring, ceiling tile, security grill, wainescoting/chair ail/cove base, and fire suppression sprinklers. Please see your Walmart Services Project Manager for details.

PAINT COLORS: see list on following page but confirm with Landlord at the time of surrender for the most current colors.

P3	PAINT	"LOYAL BLUE" SW #6510
P5	PAINT	"SAFETY YELLOW" OSHA STANDARD
P8	PAINT	"PURE WHITE" SW #7005
P15	PAINT	"SUMMIT GRAY" SW #7669
P16	PAINT	"SOFTWARE" SW #7074
P33	PAINT	"DOVER WHITE" SW #6385
P36	PAINT	"DOMINO" SW #6989
P40	PAINT	"GARDENIA" SW #6665
P49	PAINT	"GAUNTLET GRAY" SW #7019
P60	PAINT	"REDDENED EARTH" SW #6053
P76	PAINT	"MEDIUM WALMART BLUE" #076
P76(U)	PAINT	"MEDIUM WALMART BLUE" #076 (URETHANE)
P92	PAINT	"BITTERSWEET STEM" SW #7536
P93	PAINT	"TAMARIND" SW #7538
P94	PAINT	"TRICORN BLACK" SW #6258
P100	PAINT	"NOTABLE HUE" SW #6521
P102	PAINT	"BEACH HOUSE" SW #7518
P105	PAINT	"WHITE FLOUR" SW #7102
P106	PAINT	"WHITE FLOUR" SW #7102
P107	PAINT	"STRAW HARVEST" SW #7698
P112	PAINT	"BUTTERFIELD" SW #6676
P126	PAINT	"KNOCKOUT ORANGE" SW #6885
P126(U)	PAINT	"KNOCKOUT ORANGE" SW #6885 (URETHANE)
P131	PAINT	"WHITE FLOUR" SW #7102
P134	PAINT	"REPOSE GRAY" SW #7015
P135	PAINT	"DORIAN GRAY" SW #7017
P140	PAINT	"SNOWBOUND" SW #7004
P162	PAINT	"PEPPERCORN" SW #7674
P163	PAINT	"TURQUISH" SW #6939
P164	PAINT	"ESSENTIAL GRAY" SW #6002
PC1	PRECAST PANEL	MEDIUM GRAY
PC2	PRECAST PANEL	LIGHT GRAY
PF4	PREFINISHED METAL	LEAD - COTE
PF5	PREFINISHED METAL	MATTE BLACK
PF13	PREFINISHED METAL	BONE WHITE
PS1	PROTECTIVE SURFACE	MEDIUM BLUE
PS4	PROTECTIVE SURFACE	MATCH SW #6885 "KNOCKOUT ORANGE"
PS5	PROTECTIVE SURFACE	MATCH SW #7102 "WHITE FLOUR"

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT H: FRANCHISEE QUESTIONNAIRE

FRANCHISEE QUESTIONNAIRE

As you know, THE BARBERS, HAIRSTYLING FOR MEN & WOMEN, INC. (the "Franchisor") and you are preparing to enter into a Development Agreement (the "Agreement") for the operation of multiple Smartstyle® franchised businesses (the "Franchise"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest responses to each question.

QUESTION	YES	NO
1. Have you received and personally reviewed the Franchisor's Disclosure Document (the "FDD") provided to you?		
2. Did you sign a receipt for the FDD indicating the date you received it?		
3. Do you understand the information contained in the FDD?		
4. Do you understand the terms of and your obligations under the Development Agreement?		
5. Have you discussed the benefits and risks of operating the Franchise with an attorney, accountant or other professional advisor?		
6. Have you discussed the benefits and risks of operating the Franchise with any existing franchisees?		
7. Do you understand the risks associated with operating the Franchise?		
8. Do you understand that the success or failure of the Franchise will depend in large part upon your skills and abilities, competition, interest rates, the economy, inflation, labor and supply costs, lease terms and the marketplace?		
9. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding the amount of money you may earn in operating the Franchise that is contrary to, or different from, the information contained in the FDD?		
10. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the total amount of revenue the Franchise will generate that is contrary to, or different from, the information contained in the FDD?		
11. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding the costs involved in operating the Franchise that is contrary to, or different from, the information contained in the FDD?		
12. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise concerning the actual, average or projected profits or earnings or the likelihood of success that you should or might expect to achieve from operating the Franchise that is contrary to, or different from, the information contained in the FDD?		

QUESTION	YES	NO
13. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise regarding breaking even or any estimated time frame for breaking even in your Franchised Location?		
14. Has any employee or other person speaking on behalf of the Franchisor made any statement or promise or agreement, other than those matters addressed in your Agreement, concerning advertising, marketing, media support, market penetration, training, support service or assistance relating to the Franchise that is contrary to, or different from, the information contained in the FDD?		
15. Do you understand that it is your responsibility to research and comply with your state's barber and cosmetology laws?		
16. Do you understand that the amount of time that it takes to locate a suitable site we approve for your Franchised Location varies from market to market and may take anywhere from 6-12 months (or longer)?		
17. Do you understand that the Initial Franchise Fee and Development Fee that you will pay to Franchisor are fully earned and are non-refundable?		
18. Do you understand that if you have chosen the single store program, you cannot "convert" your single-store agreement to the 3-store program?		
19. If you are purchasing corporate Smartstyle salon(s), do you understand that the salons you are purchasing may need to be remodeled at some point in the future per Walmart's requirement?		

If you answered "Yes" to any of questions nine (9) through fourteen (14) or "No" to questions fifteen (15) through eighteen (18), please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.)

____
____
____
____

You understand that your answers are important to us and that we will rely on them. By signing this Questionnaire, you are representing that you have responded truthfully to the above questions.

_______________________________ _______________________________

Print Name:_______________________ Print Name:_______________________
FRANCHISE APPLICANT FRANCHISE APPLICANT

Date:_______________________, _____ Date:_______________________, _____

If the Agreement is governed by the laws of the State of Maryland, then your answers to these questions shall not act as a release, estoppel or waiver of your rights under the Maryland Franchise Registration and Disclosure Law.

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT I: STATE ADDENDA

NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION, INC. ("NASAA") ADDENDA TO SMARTSTYLE® FRANCHISE DISCLOSURE DOCUMENT

This Addendum pertains to franchises sold in the United States and is for the purpose of complying with federal and state statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Disclosure Document the following shall apply:

1. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Dated:_________________________

Signatures:

SMARTSTYLE:

By:________________________________

FRANCHISEE:

By: _______________________________

NORTH AMERICAN SECURITIES ADMINISTRATORS ASSOCIATION, INC. ("NASAA") ADDENDA TO SMARTSTYLE® FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT

This Addendum pertains to franchises sold in the United States and is for the purpose of complying with federal and state statutes and regulations. Notwithstanding anything which may be contained in the Franchise Agreement or Development Agreement to the contrary, the Franchise Agreement and Development Agreement are amended as follows:

1. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Dated:_________________________

Signatures:

SMARTSTYLE:

By:________________________________

FRANCHISEE:

By: _______________________________

ADDENDUM TO SMARTSTYLE®
DEVELOPMENT AGREEMENT
FOR THE STATE OF CALIFORNIA

This Addendum pertains to franchises sold in the State of California and is for the purpose of complying with California statutes and regulations. Notwithstanding anything which may be contained in the body of the Development Agreement to the contrary, the Development Agreement is amended as follows:

1. The covenant not to compete upon termination or expiration of this Agreement contained in Article 8.3 may be unenforceable, except in certain circumstances provided by law.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA

This Addendum pertains to franchises sold in the State of California and is for the purpose of complying with California statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The covenant not to compete upon termination or expiration of this Agreement contained in Article 12.3 may be unenforceable, except in certain circumstances provided by law.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

**ADDENDUM TO SMARTSTYLE®
DEVELOPMENT AGREEMENT
FOR THE STATE OF ILLINOIS**

This Addendum pertains to franchises sold in the State of Illinois and is for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Development Agreement to the contrary, the Development Agreement is amended as follows:

1. The consent by the FRANCHISEE to jurisdiction and venue in Hennepin County, Minnesota contained in Article 13.6 is inapplicable and all litigation must be commenced in Illinois; and

2. For Illinois franchisees, Illinois law governs the Development Agreement; and

3. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void," accordingly any acknowledgments contained in Article 15.2, Article 15.4, Article 16.2, and the second sentence of Article 15.1 will be unenforceable against the FRANCHISEE.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS

This Addendum pertains to franchises sold in the State of Illinois and is for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The consent by the FRANCHISEE to jurisdiction and venue in Hennepin County, Minnesota contained in Article 24.6 is inapplicable and all litigation must be commenced in Illinois;

2. For Illinois franchisees, Illinois law governs the Franchise Agreement; and

3. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act is void," accordingly any acknowledgments contained in Article 26.2, Article 26.4, Article 27.2, and the second sentence of Article 26.1 will be unenforceable against the FRANCHISEE.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS

The following information applies to franchises and franchisees subject to Illinois statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Item 17

Section 4 of the Illinois Franchise Disclosure Act of 1987 provides that the provisions of the Franchise Agreement and Development Agreement which designate jurisdiction or venue in a forum outside of Illinois are void.

All litigation must be commenced in Illinois.

Illinois law governs the Franchise Agreement and Development Agreement.

ADDENDUM TO SMARTSTYLE®
DEVELOPMENT AGREEMENT
FOR THE STATE OF MARYLAND

This Addendum pertains to franchises sold in the State of Maryland and is for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Development Agreement to the contrary, the Development Agreement is amended as follows:

1. The acknowledgments made by the FRANCHISEE contained in Article 15 and Article 16 of this Agreement and any written instrument executed by the FRANCHISEE pursuant to Article 13.3 of this Agreement, will not be construed to act as a waiver of the FRANCHISEE'S rights under the Maryland Franchise Registration and Disclosure Law, Md. Ann. Code, Article 56, §345 et seq.; and

2. The consent by the FRANCHISEE to jurisdiction and venue in Hennepin County, Minnesota contained in Article 12.4 and 13.6 will be inapplicable and the FRANCHISEE will be permitted to commence litigation in Maryland; provided, however, that such inapplicability in the State of Maryland will not be construed to mean that venue in Hennepin County, Minnesota is improper, or that the FRANCHISEE, its officers, directors and shareholders and the Personal Guarantors are not subject to jurisdiction in Hennepin County, Minnesota, or in any other state.

3. With respect to Item 17, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise. Additionally, any general release required by the terms and conditions of the Franchise Agreement as a condition of renewal, assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. To the extent that any provisions of the Development Agreement require you to assent to any release, estoppel or waiver of liability as a condition to your purchasing a Smartstyle franchise, such provisions are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

5. All development fees and initial fee payments by area developers shall be deferred until the first franchise under the development agreement opens.

Dated:___________________

Signatures:

SMARTSTYLE:

By:_________________________

FRANCHISEE:

By:_________________________

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND

This Addendum pertains to franchises sold in the State of Maryland and is for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The acknowledgments made by the FRANCHISEE contained in Article 26 and Article 27 of this Agreement and any written instrument executed by the FRANCHISEE pursuant to Article 24.3 of this Agreement will not be construed to act as a waiver of the FRANCHISEE'S rights under the Maryland Franchise Registration and Disclosure Law, Md. Ann. Code, Article 56, §345 et seq.;

2. The one year limitation period set forth in Article 10.4 will not apply to claims arising under the Maryland Franchise Registration and Disclosure Law; and

3. The consent by the FRANCHISEE to jurisdiction and venue in Hennepin County, Minnesota contained in Article 23.4 and 24.6 will be inapplicable and the FRANCHISEE will be permitted to commence litigation in Maryland; provided, however, that such inapplicability in the State of Maryland will not be construed to mean that venue in Hennepin County, Minnesota is improper, or that the FRANCHISEE, its officers, directors and shareholders and the Personal Guarantors are not subject to jurisdiction in Hennepin County, Minnesota, or in any other state.

4. With respect to Item 17, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise. Additionally, any general release required by the terms and conditions of the Franchise Agreement as a condition of renewal, assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

5. To the extent that any provisions of the Franchise Agreement require you to assent to any release, estoppel or waiver of liability as a condition to your purchasing a Smartstyle franchise, such provisions are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

6. Based on the financial information submitted, the Commissioner has determined that all fees paid to the franchisor by the franchisee, including payments for goods and services received from the

franchisor before the business opens, shall be deferred pending satisfaction of all of the franchisor's pre-opening obligations to the franchisee.

Dated:____________________

Signatures:

SMARTSTYLE

By:______________________________

FRANCHISEE

By:______________________________

ADDENDUM TO SMARTSTYLE®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND

The following information applies to franchises and franchisees subject to Maryland statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Item 5

Based on the financial information submitted, the Commissioner has determined that all fees paid to the franchisor by the franchisee, including payments for goods and services received from the franchisor before the business opens, shall be deferred pending satisfaction of all of the franchisor's pre-opening obligations to the franchisee.

Item 17

Under Maryland law, a franchisee may sue in the State of Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

With respect to Item 17, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise. Additionally, any general release required by the terms and conditions of the Franchise Agreement as a condition of renewal, assignment or transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

With respect to Item 17's discussion of our right to terminate you upon your bankruptcy, this provision in the Franchise Agreement may not be enforceable under federal bankruptcy law (11 U.S.C. §101 *et. seq*.).

To the extent that any provisions of the Franchise Agreement require you to assent to any release, estoppel or waiver of liability as a condition to your purchasing a Smartstyle franchise, such provisions are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

ADDENDUM TO SMARTSTYLE®
DEVELOPMENT AGREEMENT
FOR THE STATE OF MINNESOTA

This Addendum pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Development Agreement to the contrary, the Development Agreement is amended as follows:

1. Article 6.2 will be amended to require that, except as set forth in Article 6.5 and Article 6.6, in the event SMARTSTYLE gives the FRANCHISEE written notice that the FRANCHISEE has breached this Agreement, such written notice will be given to the FRANCHISEE at least ninety (90) days prior to the date this Agreement is terminated by SMARTSTYLE, and the FRANCHISEE will have sixty (60) days after having been given such written notice within which to correct the breach specified in the written notice; and

2. Notwithstanding any provisions of this Agreement to the contrary, a Court of competent jurisdiction will determine whether SMARTSTYLE will be required to post a bond or other security, and the amount of such bond or other security, in any injunctive proceeding commenced by SMARTSTYLE against the FRANCHISEE or the FRANCHISEE'S shareholders.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA

This Addendum pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Article 2 of this Agreement will be amended to provide that, except in certain circumstances specified by law, SMARTSTYLE must provide the FRANCHISEE with at least one hundred eighty (180) days prior written notice of nonrenewal of the franchise; and

2. Article 9.2 will be amended to require that, except as set forth in Article 9.5 and 9.6, in the event SMARTSTYLE gives the FRANCHISEE written notice that the FRANCHISEE has breached this Agreement, such written notice will be given to the FRANCHISEE at least ninety (90) days prior to the date this Agreement is terminated by SMARTSTYLE, and the FRANCHISEE will have sixty (60) days after having been given such written notice within which to correct the breach specified in the written notice; and

3. Notwithstanding any provisions of this Agreement to the contrary, a Court of competent jurisdiction will determine whether SMARTSTYLE will be required to post a bond or other security, and the amount of such bond or other security, in any injunctive proceeding commenced by SMARTSTYLE against the FRANCHISEE or the FRANCHISEE'S shareholders.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA

The following information applies to franchises and franchisees subject to Minnesota statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Item 17

With respect to franchises governed by Minnesota law, SMARTSTYLE will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the franchise agreement.

ADDENDUM TO SMARTSTYLE®
DEVELOPMENT AGREEMENT
FOR THE STATE OF NORTH DAKOTA

This Addendum pertains to franchises sold in the State of North Dakota and is for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything which may be contained in the body of the Development Agreement to the contrary, the Development Agreement is amended as follows:

1. The covenant not to compete upon termination or expiration of this Agreement contained in Article 8.3 may be unenforceable, except in certain circumstances provided by law;

2. The consent by the FRANCHISEE to jurisdiction and venue in Hennepin County, Minnesota contained in Article 13.6 may be inapplicable; provided, however, that such inapplicability in the State of North Dakota will not be construed to mean that venue in Hennepin County, Minnesota is improper, or that the FRANCHISEE and its officers, directors and shareholders are not subject to jurisdiction in Hennepin County, Minnesota, or in any other state;

3. The provisions of Article 12 requiring arbitration hearings to take place in Minneapolis, Minnesota will be inapplicable and in the event of arbitration between SMARTSTYLE and the FRANCHISEE, such arbitration will be conducted in Fargo, North Dakota or at a mutually agreed upon location; and

4. The parties' waiver of their right to claim exemplary or punitive damages, as set forth in Article 12.5, may not be enforceable under North Dakota law.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
<u>FOR THE STATE OF NORTH DAKOTA</u>

This Addendum pertains to franchises sold in the State of North Dakota and is for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The covenant not to compete upon termination or expiration of this Agreement contained in Article 12.3 may be unenforceable, except in certain circumstances provided by law;

2. The consent by the FRANCHISEE to jurisdiction and venue in Hennepin County, Minnesota contained in Article 24.6 may be inapplicable; provided, however, that such inapplicability in the State of North Dakota will not be construed to mean that venue in Hennepin County, Minnesota is improper, or that the FRANCHISEE and its officers, directors and shareholders are not subject to jurisdiction in Hennepin County, Minnesota, or in any other state;

3. The provisions of Article 23 requiring arbitration hearings to take place in Minneapolis, Minnesota will be inapplicable and in the event of arbitration between SMARTSTYLE and the FRANCHISEE, such arbitration will be conducted in Fargo, North Dakota or at a mutually agreed upon location; and

4. The parties' waiver of their right to claim exemplary or punitive damages, as set forth in Article 23.5, may not be enforceable under North Dakota law.

5. Section 20.4 of the Franchise Agreement is the same as written with the following addition:

The general release required as a condition to assignment of the franchise shall ot affect any liability under the North Dakota Franchise Investment Law.

<u>Initials</u>:

SMARTSTYLE:_______

FRANCHISEE: ________

**ADDENDUM TO SMARTSTYLE®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NORTH DAKOTA**

The following information applies to franchises and franchisees subject to North Dakota statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Item 17

Covenants not to compete upon termination or expiration of the Franchise Agreement may be unenforceable in the State of North Dakota except in certain circumstances provided by law;

The execution of a general release upon renewal, assignment or termination will be inapplicable to franchises operating under the North Dakota Franchise Investment Law.

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
FOR THE STATE OF NEW YORK

This Addendum pertains to franchises sold in the State of New York and is for the purpose of complying with New York statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Article 20.1 will be amended to reflect that SMARTSTYLE may not assign this Agreement unless in its reasonable judgment the assignee is able to perform the franchisor's obligations under this Agreement.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK

The following information applies to franchises and franchisees subject to New York statutes and regulations: The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

1. Item 3.

Other than the litigation disclosed in Item 3 of the Franchise Disclosure Document, neither SMARTSTYLE, its affiliates or any person identified in Item 2 of this Franchise Disclosure Document:

A. Has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, misappropriation of property; unfair or deceptive practices or comparable civil or misdemeanor allegations, including pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

C. Is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

2. Item 4.

Neither SMARTSTYLE, its affiliates or any officers identified in Item 2 of this Franchise Disclosure Document has, during the 10-year period preceding the date of this

Franchise Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within one year after the officer of franchisor held this position in the company.

3. Item 17.

There is no restriction on SMARTSTYLE'S right to assign the Franchise Agreement and the Development Agreement. However, no assignment will be made by SMARTSTYLE except to an assignee who, in SMARTSTYLE'S good faith judgment, is willing and able to assume SMARTSTYLE'S obligations under the Franchise Agreement and/or Development Agreement.

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
FOR THE STATE OF NORTH DAKOTA

This Addendum pertains to franchises sold in the State of North Dakota and is for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The covenant not to compete upon termination or expiration of this Agreement contained in Article 12.3 may be unenforceable, except in certain circumstances provided by law;

2. The consent by the FRANCHISEE to jurisdiction and venue in Hennepin County, Minnesota contained in Article 24.6 may be inapplicable; provided, however, that such inapplicability in the State of North Dakota will not be construed to mean that venue in Hennepin County, Minnesota is improper, or that the FRANCHISEE and its officers, Directors and shareholders are not subject to jurisdiction in Hennepin County, Minnesota, or in any other state;

3. The provisions of Article 23 requiring arbitration hearings to take place in Minneapolis, Minnesota will be inapplicable and in the event of arbitration between SMARTSTYLE and the FRANCHISEE, such arbitration will be conducted in Fargo, North Dakota or at a mutually agreed upon location; and

4. The parties' waiver of their right to claim punitive damages, as set forth in Article 23.5, may not be enforceable under North Dakota law.

5. The first sentence of Section 28.1 of this Agreement is hereby amended to read as follows:

> "Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 et seq.), this Agreement and the relationship between SMARTSTYLE and the FRANCHSIEE will be governed by the laws of the state of North Dakota."

6. In regard to Section 10.4 of this Agreement, the statute of limitations under North Dakota law will apply.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
DEVELOPMENT AGREEMENT
FOR THE STATE OF RHODE ISLAND

This Addendum pertains to franchises sold in the State of Rhode Island and is for the purpose of complying with Rhode Island statutes and regulations. Notwithstanding anything which may be contained in the body of the Development Agreement to the contrary, the Development Agreement is amended as follows:

1. Any provision of this Agreement which restricts jurisdiction or venue to a forum outside the State of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
<u>FOR THE STATE OF RHODE ISLAND</u>

This Addendum pertains to franchises sold in the State of Rhode Island and is for the purpose of complying with Rhode Island statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Any provision of this Agreement which restricts jurisdiction or venue to a forum outside the State of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

<u>Initials</u>:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF RHODE ISLAND

The following information applies to franchises and franchisees subject to Rhode Island statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Item 17

Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that any provision of the Franchise Agreement or Development Agreement which restricts jurisdiction or venue to a forum outside Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

ADDENDUM TO SMARTSTYLE®
DEVELOPMENT AGREEMENT
FOR THE COMMONWEALTH OF VIRGINIA

This Addendum pertains to franchises sold in the Commonwealth of Virginia and is for the purpose of complying with Virginia statutes and regulations. Notwithstanding anything which may be contained in the body of the Development Agreement to the contrary, the Development Agreement is amended as follows:

1. The following sentence is hereby added to the end of Section 6 of the Development Agreement:

> Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Development Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail franchising Act or the laws of Virginia, that provision may not be enforceable.

Initials:

Franchisor: ________

Franchisee: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
FOR THE COMMONWEALTH OF VIRGINIA

This Addendum pertains to franchises sold in the Commonwealth of Virginia and is for the purpose of complying with Virginia statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The following language is added at the end of Section 9.1 of the Franchise Agreement:

   Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Initials:

Franchisor: ________

Franchisee: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE DISCLOSURE DOCUMENT
FOR THE COMMONWEALTH OF VIRGINIA

The following information applies to franchises and franchisees subject to Virginia statutes and regulations. The Item number corresponds to the Item in the main body of the Franchise Disclosure Document.

Item 17.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Development Agreement or the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

ADDENDUM TO SMARTSTYLE®
DEVELOPMENT AGREEMENT
FOR THE STATE OF WASHINGTON

This Addendum pertains to franchises sold in the State of Washington and is for the purpose of complying with Washington statutes and regulations. Notwithstanding anything which may be contained in the body of the Development Agreement to the contrary, the Development Agreement is amended as follows:

1. In any arbitration involving a franchise purchased in Washington, the arbitration site will be either in the State of Washington, in a place mutually agreed upon at the time of the arbitration, or as determined by the Arbitrator;

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

3. A release or waiver of rights executed by the FRANCHISEE will not include rights under the Washington Franchise Investment Protection Act, except when executed pursuant to a negotiated settlement after this Agreement is in effect and where the parties are represented by independent counsel;

4. Provisions of this Agreement which unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, rights or remedies under the Washington Franchise Investment Act such as a right to a jury trial may not be enforceable; and

5. Transfer fees are collectible by SMARTSTYLE to the extent that they reflect SMARTSTYLE'S reasonable estimated or actual costs in effecting a transfer.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
FOR THE STATE OF WASHINGTON

The state of Washington has a statute, RCW 19.100.180 which 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 involving a franchise purchased in Washington, the arbitration site shall be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration, or as determined by the arbitrator.

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

A release of waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act 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, 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.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of ___________________, 20___.

____
Franchisor

____
Franchisee

ADDENDUM TO SMARTSTYLE®
DEVELOPMENT AGREEMENT
FOR THE STATE OF WISCONSIN

This Addendum pertains to franchises sold in the State of Wisconsin and is for the purpose of complying with Wisconsin statutes and regulations. Notwithstanding anything which may be contained in the body of the Development Agreement to the contrary, the Development Agreement is amended as follows:

1. The provisions of the Wisconsin Fair Dealership Law, Wis. Stat. Chapter 135, will supersede any conflicting terms of this Agreement.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

ADDENDUM TO SMARTSTYLE®
FRANCHISE AGREEMENT
FOR THE STATE OF WISCONSIN

This Addendum pertains to franchises sold in the State of Wisconsin and is for the purpose of complying with Wisconsin statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The provisions of the Wisconsin Fair Dealership Law, Wis. Stat. Chapter 135, will supersede any conflicting terms of this Agreement.

Initials:

SMARTSTYLE:_______

FRANCHISEE: ________

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT J: STATE AGENCIES AND AGENTS FOR SERVICE OF PROCESS

EXHIBIT J

LIST OF STATE AGENCIES/AGENTS
FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of the franchise laws. There may be states in addition to those listed below in which we have appointed an agent for service of process.

There also may be additional agents appointed in some of the states listed.

California

Commissioner of the Department of Financial Protection and Innovation:
Toll Free: 1 (866) 275-2677

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90013-2344
(213) 576-7500

Sacramento

2101 Arena Boulevard
Sacramento, California 95834
(916) 445-7205

San Diego

1350 Front Street, Rm. 2034
San Diego, California 92101-3697
(619) 525-4233

San Francisco

One Sansome Street, Suite 600
San Francisco, California 94105-2980
(415) 972-8559

Hawaii

(for service of process)
Commissioner of Securities
Business Registration Division
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

(for other matters)
Commissioner of Securities
Business Registration Division
Department of Commerce
and Consumer Affairs
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2722

Illinois

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Indiana

(for service of process)

Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

(state agency)

Indiana Secretary of State
Securities Division
Room E-111
302 West Washington Street
Indianapolis, IN 46204
(317)232-6681

Maryland

(state agency)

Office of the Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(for service of process)

Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

Michigan

Corporations Division
Franchise
P.O. Box 30054
Lansing, MI 48909
(517) 373-7117

Minnesota

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

New York

(for service of process)

New York Department of State
Division of Corporations, State Records & Uniform Commercial Code
One Commerce Plaza
99 Washington Ave., 6th Floor
Albany, New York 12231
(518) 474-4770

(for other matters)

New York State Department of Law
Investor Protection and Securities Bureau
120 Broadway, 23rd Floor
New York, New York 10271-0332
(212) 416-8000

North Dakota

(state agency)

North Dakota Securities Department
600 East Boulevard Avenue State Capitol
Fifth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

(for service of process)

Securities Commissioner
600 East Boulevard Avenue State Capitol
Fifth Floor Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Oregon

Oregon Division of Finance and Corporate Securities
350 Winter Street NE, Room 410
Salem, Oregon 97301-3881
(503) 378-4387

Rhode Island

Securities Division
Department of Business Regulations
1511 Pontiac Avenue
John O. Pastore Complex-Building 69-1
Cranston, RI 02920
(401) 462-9500

South Dakota

Department of Labor and Regulation
Division of Insurance Securities Regulation
124 S. Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

Virginia

(for service of process)

Clerk, State Corporation Commission
1300 East Main Street
Richmond, Virginia 23219
(804) 371-9733

(for other matters)

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

Washington

(for service of process)

Director Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, Washington 98501

(for other matters)

Department of Financial Institutions
Securities Division
P. O. Box 9033
Olympia, Washington 98501-9033
(360) 902-8760

Wisconsin

Commissioner of Securities
345 W. Washington Ave., 4th Floor
Madison, Wisconsin 53703
(608) 266-8557

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FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT K: FRANCHISEE PARTICIPATION AGREEMENT

EXHIBIT 1

Form of
FRANCHISEE PARTICIPATION AGREEMENT

WHEREAS, ________________________________, a Franchisee ("Participant") owns and operates a _____________ pursuant to a franchise arrangement with __________________ ("Franchisor").

WHEREAS, Franchisor and Stored Value Solutions, Inc. ("SVS") have entered into that certain Services Agreement (the "Services Agreement") dated May 30, 2020 for SVS to provide services in connection with Franchisor's gift card program whereby gift cards are issued to the customers for use as gift certificates, promotional cards and store credit; and

WHEREAS, the Services Agreement provides that Participant may participate in Franchisor's closed-loop prepaid card program (the "gift card program") by executing this Participation Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Franchisee hereby covenants and agrees to SVS as follows:

1. Participation in Gift Card Program. By entering into this Agreement, Participant elects and agrees to participate in the gift card program and agrees to be bound by the terms and provisions of the Services Agreement applicable to Participant, as the same may be amended from time to time, including without limitation, its obligation to make payment of all amounts owed by Participant in connection with the gift card program.
2. ACH Authorization. Participant understands and agrees that amounts due and owing from Participant to SVS and to Franchisor in connection with the gift card program will be automatically debited from Participant's designated bank account(s) by ACH. Participant understands and agrees that SVS is acting as settlement agent for Participant and other participants in the gift card program for the settlement of gift card redemptions between gift card program participants. Accordingly, SVS will initiate ACH debits from and credits to Participant's designated bank account(s) for amounts due to/from Participant resulting from Participant's participation in the gift card program. Participant also will complete and sign an ACH authorization form, in the form provided by SVS, and will send the original to Participant's bank and a copy to SVS. While the gift card program is in effect, Participant will provide updated information and forms as requested by SVS, including, such information and forms as needed for any new locations opened by Participant.
3. Funding. Participant acknowledges, agrees and understands that proper funding of its designated bank account(s) for the gift card program is necessary to ensure fair and efficient administration of the gift card program. Participant agrees to ensure that its bank accounts are properly funded for the ACH settlement process and for ACH debits of settlement fees owed to SVS.
4. Confidentiality. Participant acknowledges that the Services Agreement is confidential and that Participant may be provided access to other Confidential Information of SVS. Participant agrees to maintain the confidentiality of all SVS Confidential Information in accordance with the confidentiality provisions in the Services Agreement.
5. No Assignment. This Participation Agreement is not assignable, in whole or in part, without the prior written approval of Franchisor and SVS.
6. Miscellaneous All capitalized terms not defined herein shall have the meaning attributable thereto in the Services Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Participation Agreement as of the __ day of _________, 20__.

Franchisee PARTICIPANT:_________________ Address:_________________________________

By:____________________________________ _________________________________

Printed Name:____________________________ _________________________________

Title:___________________________________ _________________________________

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FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT L: GIFT CARD PARTICIPATION AGREEMENT

PARTICIPATION AGREEMENT

This Participation Agreement (the "Agreement") is made by and between Regis Corporation ("Regis") and the following franchisee (the "Participant"):

Individual Name(s): ____

Entity Name (if any): ____

WHEREAS, Participant owns and operates the hair salon(s) set forth on Exhibit A hereto (the "Store(s)") pursuant to a franchise agreement(s) ("Franchise Agreement") with Regis, or one of its subsidiaries or affiliates ("Franchisor").

WHEREAS, Regis and SVS have entered into that certain Services Agreement (the "Services Agreement") dated April 1, 2005, for SVS to provide services in connection with Franchisor's Cash Card Program whereby Cash Cards are issued to customers for use as gift certificates, promotional cards and store credit; and

WHEREAS, the Services Agreement provides that Participant may participate in the Cash Card Program by executing this Participation Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Participant hereby covenants and agrees as follows:

1. Participation in Cash Card Program. By entering into this Agreement, Participant elects and agrees to participate in the Cash Card Program and agrees to be bound by the terms and provisions of the Services Agreement applicable to Participant, as the same may be amended from time to time, including without limitation, its obligation to make payment of all amounts owed by Participant in connection with the Cash Card Program. If Participant elects to supply its own terminal device, then there will be a) a per terminal fee of $45.00 for each software application download and b) an annual fee of $15.00 per terminal for software maintenance.

2. ACH Authorization. Participant understands and agrees that amounts due and owing from Participant to SVS and Regis as set forth on the attached Exhibit B in connection with the Cash Card Program will be automatically debited from Participant's designated bank account(s) by ACH. Participant understands and agrees that SVS is acting as settlement agent for Participant and other participants in the Cash Card Program for the settlement of Cash Card redemptions between Cash Card Program participants. Accordingly, SVS will initiate ACH debits from and credits to Participant's designated bank account(s) for amounts due to/from Participant for redemptions of Cash Cards. In order to set up the ACH settlement process, Participant will complete and transmit electronically to SVS an information spreadsheet in the form provided by SVS. Participant also will complete and sign an ACH Authorization Form, in the form provided by SVS, and will send the original to Participant's bank and a copy to SVS. While the Cash Card Program is in effect, Participant will promptly provide updated information and forms to SVS and Regis, including new contact information and such information and forms as needed for any new stores opened by Participant.

3. Funding. Participant acknowledges, agrees and understands that proper funding of its designated bank account(s) for the Cash Card Program is necessary to ensure fair and efficient administration of the Cash Card Program. Participant agrees to ensure that its bank accounts are properly funded for the ACH settlement process and for ACH debits of settlement fees owed to SVS. On the first of each month Participant will have access to the Funds Movement ACH Report, which will delineate ACH debit amounts, and on the sixth of each month SVS will debit each account accordingly.

4. Insufficient Funds Recovery Account. Franchisor shall designate an account to cover failed ACH transactions associated with the Cash Card Program (the "Account"). The Account shall be funded by the applicable fees set forth on Exhibit B. If Participant's designated bank account does not have enough funds to cover a timely ACH transaction by SVS, then SVS may make withdrawals from the Account, including withdrawals to cover penalties for returned ACH transactions.

5. Penalties. Participant agrees that it shall be solely responsible for any and all amounts assessed as penalties and fees for Participant's returned ACH transactions and for any funding discrepancies caused by Participant.

6. Closed Stores. In the event that Participant closes a store or Participant's participation terminates for any reason whatsoever, Participant acknowledges that its obligations under this Agreement, including without limitation its liability for unfunded obligations, penalties, and fees, survive and in any event survive termination of this Agreement, the Services Agreement, and any Franchise Agreement.

7. Deficit Position. If Participant is in a deficit position with respect to its financial obligations under this Agreement, the Franchise Agreement, the Cash Card Program, or the Account, Franchisor may: (a) terminate this Agreement; (b) place a hold on any credits due to Participant and may apply such credits in Franchisor's discretion to satisfy Participant's indebtedness or any portion thereof; (c) prevent Participant from activating additional Cash Cards; (d) refuse to ship additional Cash Cards and Cash Card Carriers to Participant; and/or (e) repossess any Cash Cards and Cash Card Carriers in Participant's possession or control.

8. Franchise Agreement. If Participant fails to perform its obligations under the terms of this Agreement, then Franchisor may, in addition to the remedies set forth herein, exercise any and all remedies available pursuant to the terms of each of Participant's Franchise Agreements.

9. Cash Cards and Carriers. Participant shall purchase Cash Cards and Cash Card Carriers exclusively through Regis. Participant shall submit such request to Regis. Regis will ship Cash Cards and Cash Card Carriers and invoice Participant with payment terms net 15 days from receipt of invoice.

10. Confidentiality. Participant acknowledges that the Services Agreement is confidential and that Participant may be provided access to other Confidential Information of SVS. Participant agrees to maintain the confidentiality of all SVS Confidential Information in accordance with the confidentiality provisions in the Services Agreement. SVS agrees to maintain the confidentiality of all Participant Confidential Information in accordance with the confidentiality provisions of the Services Agreement.

11. No Assignment. This Participation Agreement is not assignable, in whole or in part, without the prior written approval of Franchisor and SVS.

12. Miscellaneous All capitalized terms not defined herein shall have the meaning attributable thereto in the Services Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Participation Agreement as of the ____ day of __________, 20__.

FRANCHISEE:______________________________	Address:____________________________________
By:_______________________________________	____________________________________
Printed Name:_____________________________	____________________________________
Title:____________________________________	____________________________________

REGIS CORPORATION

By: ____
Its: ____

EXHIBIT A

STORES

1. Brand:

____

2. Store Nos.:

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EXHIBIT B

FEES

Franchise Gift Card Fee Schedule

Description	**Cost**
Non-sufficient Funds Recovery	$.05 per card
Transaction Fee	$.07 per transaction
Communication Fee	$.0225 per transaction
Franchisee Fee	$0.05 per transaction
Software download fee, if applicable	$45 per download
Annual software maintenance fee, if applicable	$15 per terminal

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FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT M: AGREEMENT FOR PURCHASE AND SALE OF ASSETS

AGREEMENT FOR PURCHASE AND SALE OF ASSETS

THIS AGREEMENT is made and entered into as of _________________________, by and between REGIS CORP., a Minnesota corporation ("Seller"), _____________________ ______, a _____________________________ ("Buyer"), and THE BARBERS, HAIRSTYLING FOR MEN & WOMEN, INC., a Minnesota corporation ("Franchisor").

RECITALS

A. Seller owns the hair care store(s) set forth on Exhibit A hereto (the "Stores"). Seller also owns certain furniture, fixtures, equipment (excluding the point-of-sale and backoffice hardware and software and all related equipment), leasehold improvements, inventory and supplies, and retail inventory located at the Stores (the "Assets"). Seller's cash and accounts receivable, credit card terminals, inventory scanners, and routers are excluded from the Assets.

B. Seller desires to sell the Assets to Buyer on an "as is" basis and to cause Franchisor to enter into a standard Smartstyle Franchise Agreement(s) and Sublease(s) (the "Franchise Agreements") with respect to the Stores. Buyer desires to purchase the Assets from Seller on as "as is" basis and to enter into the Franchise Agreements with Franchisor with respect to the Store(s), all on the following terms and conditions.

NOW, THEREFORE, in consideration of mutual covenants, agreements and considerations set forth herein, the parties agree as follows:

1. Purchase and Sale.

1.1 Assets. On and subject to the terms and conditions of this Agreement, Buyer agrees to purchase the Assets from Seller and Seller agrees to sell the Assets to Buyer on the Closing Date on an "as-is" basis.

1.2 Purchase Price.

(a) The purchase price for the Assets is *________________________________ Dollars ($_______________________) payable on the Closing Date by an electronic transfer of funds to Seller.

*Purchase Price includes the Initial Franchise Fees of $_______________________ for ___________________ (_____) Stores.

(b) In addition, Buyer shall reimburse Seller on the Closing Date an amount of $_______________________ which is the security deposit paid to the landlord.

1.3 Allocation of Purchase Price. Buyer and Seller agree that the purchase price for the Assets shall be allocated based on fair market value.

1.4 Obligations of Seller.

A. All liabilities of Seller shall be paid by Seller. Buyer shall assume no liabilities or obligations of Seller except as specifically set forth herein, and shall not be liable for any liabilities arising from operation of the Store prior to the Closing Date, including but not limited to litigation, employment disputes, landlord disputes, material claims by customers, and payment due to vendors (whether known or unknown by the parties at the Closing Date, solely to the extent they arise from facts existing prior to the Closing Date).

B. Seller shall be responsible for the partial remodel of the following Stores at its sole cost and expense: ____.

1.5 Obligations of Buyer.

A. Buyer agrees to assume, pay and perform each and every obligation of Seller in connection with the operations of the business conducted at the Store(s), accruing on and after the Closing Date, and to indemnify and hold Seller harmless from any such obligations.

B. Buyer agrees that if any Store is not a Smartstyle store, Buyers shall convert such Store to the then-current design for Smartstyle stores, by engaging Seller's designated vendor (which may be Seller or its affiliate) to provide construction management services and furniture, fixture, and equipment coordination services pursuant to Seller's designated vendor's then-current standard agreement and fee. Buyer will be responsible for all costs and expenses of such Store conversion. Buyer will complete such conversion process to Franchisor's current standards within 90 days of the Closing Date for such Store.

C. Buyer confirms that it remains subject to the Non-Disclosure Agreement between Buyer and Regis Corporation dated __________________________, pursuant to which it has agreed to hold confidential all Confidential Information (as defined thereby), including the existence of this Agreement and the transaction contemplated thereby.

D. Buyer agrees to attend, complete, and pass the Franchisor's orientation training to be held in Seller's corporate office after the Closing Date.

E. Buyer agrees that it will complete a Full Remodel of Store(s) #____ as required by the Master Lease.

1.6 Prorations. All operating costs relating to the business conducted at the Store(s), including, but not limited to, rent, shall be allocated between Seller and Buyer based upon the Closing Date, such that Seller shall pay that portion of the operating costs and receive that portion of the income pertaining to that period of time up to, and, including the day prior to the Closing Date and Buyer shall pay that portion of the operating costs and receive that portion of the income on and after the Closing Date.

2. The Closing. The transaction provided for herein shall be closed by overnight delivery of documents, and payment of the purchase price and any fees due under the Franchise Agreements and Construction Management Services Agreement, on the Closing Date. The Closing Date shall occur within one hundred eighty (180) days of the date of this Agreement at a mutually agreed upon date between the parties (the "Closing Date"). Seller and Franchisor have no obligation to close the transaction contemplated under this Agreement unless and until Buyer and its Affiliates are in good standing, including having paid all amounts owed, under all other agreements with Seller, Franchisor, and their respective affiliates.

3. Instruments of Transfer; Further Assurances. On the Closing Date, upon receipt of the purchase price, Seller shall deliver to Buyer a Bill of Sale transferring to Buyer its interest in the Assets.

4. Condition. Buyer acknowledges and agrees that this Agreement and the Franchise Agreements are conditioned upon Seller and/or Franchisor obtaining Walmart's prior written approval to sublease the store locations to Buyer.

5. Representations and Warranties of Seller. Seller represents and warrants to Buyer that Seller is a corporation duly organized and validly existing under the laws of the State of Minnesota, with all requisite power to own, operate and lease its property and to execute and deliver this Agreement. Except for this warranty, Seller and Franchisor make no other representations or warranties whatsoever. The Assets are sold "as-is".

6. Representations and Warranties of Buyer.

(a) Buyer represents and warrants to the Seller that Buyer is a ________________________________ duly organized and validly existing under the laws of the State of _________________________, with all requisite power to own, operate and lease its property.

(b) Buyer represents and warrants to Seller and Franchisor that Buyer has all right, power, and authority to execute and deliver this Agreement on its own behalf and on behalf of its Affiliates as defined in Section 10(e) below.

(c) Buyer's Federal Employer Identification Number (FEIN) is _____ - _____________.

7. Financial Representations. Neither Seller nor its parent and/or affiliates including Franchisor make any representation, warranty, guarantee, covenant, commitment, or other promise as to the future performance of the Store. Any profit or loss experienced by the Buyer at the Store(s) may vary from any profit or loss experienced by the Seller at the Store(s).

8. Termination. Seller will have the right to terminate this Agreement if the closing does not occur within the terms of Paragraph 2.

9. Covenants of Seller.

(a) Seller shall use commercially reasonable efforts to conduct business at the Store(s) in the ordinary course consistent with past practices until the Closing Date. Seller agrees to use its best efforts to cause the transactions contemplated by this Agreement to be consummated.

(b) Seller will cause Franchisor to enter into the Franchise Agreements for the Stores with Buyer.

10. Covenants of Buyer.

(a) Buyer will faithfully perform on a timely basis all of its obligations required herein.

(b) Contemporaneously with the execution of this Agreement, Buyer agrees to enter into the Franchise Agreements and personal guarantees thereof for the Store(s) with Franchisor.

(c) Buyer agrees that the standard form of Smartstyle Franchise Agreement will require Buyer to purchase all hair care products, supplies, and merchandise, including, without limitation, all retail inventory, backbar and shop supplies (the "Products"), that Buyer needs for use and resale at each Store, exclusively from Seller's designated or approved suppliers (which may include Seller and its affiliates).

(d) Buyer, on its own behalf and on behalf of all of its parents, subsidiaries, affiliates, joint ventures, and partners (collectively, the "Affiliates") that are, as of the Closing Date, parties to franchise agreements with Franchisor and its affiliates under any brand, agrees that:

(i) effective as of the Closing Date, Buyer and its Affiliates will purchase exclusively from Seller's designated or approved suppliers (which may include Seller and its affiliates) all Products for use and resale at all of their respective hair salons (regardless of brand) that are the subject of existing franchise agreements with Franchisor and its affiliates as of the Closing Date (the "Existing Franchise Agreements");

(ii) the Existing Franchise Agreements are hereby amended to require Buyer and its Affiliates to purchase all Products exclusively from Seller's designated or approved suppliers (which may include Seller and its affiliates);

(e) Buyer's and its Affiliates' obligations under Sections 10(c) and 10(d) shall survive the closing of the transaction contemplated by this Agreement.

(f) Buyer represents that it has the authority delegated from each and all of its Affiliates to agree on their behalf to the Product purchasing restrictions specified in Sections 10(c) and 10(d) for the Existing Franchise Agreements and acknowledges that Seller and Franchisor are proceeding with the transaction contemplated by this Agreement in reliance on such representations. In addition, if the parties agree that Buyer's Affiliate(s) will enter into any Franchise Agreement described in Sections 10(c) and/or 10(d), then Buyer represents and warrants that it has the authority to bind its Affiliates to the restrictions in Sections 10(c) and 10(d). Any failure by Buyer and its Affiliates to comply with these Product purchasing restrictions will be deemed a breach of all the Franchise Agreements and Existing Franchise Agreements.

11. Entire Agreement. This Agreement supersedes all previous agreements among the parties and contains the entire understanding and agreement among them with respect to its subject matter. This Agreement cannot be amended, modified or supplemented in any respect except by a subsequent written agreement entered into by all parties. Without limiting the generality of the foregoing, in the event of a conflict between the terms of this Agreement and the terms of any Franchise Agreement, any Existing Franchise Agreement, or any Future Franchise Agreement, in particular with respect to the Product purchasing restrictions, the terms of this Agreement will prevail.

12. Waivers and Notices. Any failure by any party to this Agreement to comply with any of its obligations, agreements or covenants hereunder may be waived by Seller in the case of a default by Buyer and by Buyer in the case of a default by Seller. The failure of any party to insist in any instance upon performance of any term or condition of this Agreement shall not be construed as a waiver of any future performance. All waivers under this Agreement and all notices, consents,

demands, requests, approvals and other communications which are required or may be given hereunder or thereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed certified first class mail, postage prepaid:

(a) If to Buyer:

(b) If to Seller:
The Barbers, Hairstyling for Men & Women, Inc.
3701 Wayzata Blvd., Suite 500
Minneapolis, MN 55416
Attention: President

or to such other person or persons at such address or addresses as may be designated by written notice to the other parties hereunder.

13. Benefits. All the terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their successors and assigns.

14. Arbitration. All disputes between the parties relating to (i) this Agreement; (ii) the transaction contemplated thereby; or (iii) negotiations leading up to execution of this Agreement, shall be resolved by arbitration in Minneapolis, Minnesota, pursuant to the rules of the American Arbitration Association then in effect. The arbitrators shall have the power to award costs, including reasonable attorneys' fees, as they deem appropriate. This Agreement shall be construed in accordance with the laws of the State where the Stores are located, excluding any franchise laws.

15. Expenses. Whether or not the transactions contemplated hereby are consummated, each of the parties hereto shall pay his or their own expenses incurred in connection with the authorization, preparation, execution or performance of this Agreement and all transactions contemplated hereby, including without limitation, all fees and expenses of agents, representatives, legal counsel and accountants.

16. Facsimile Signatures; Counterparts. This Agreement may be executed and delivered by electronic signature (e.g., DocuSign). The delivery of an executed copy of this Agreement or of any amendment hereto, made by facsimile or electronic transmission (e.g. DocuSign) or as a .pdf attachment to an email by any party to an authorized recipient of the other party hereto shall constitute effective delivery of such document by such transmitting party to such receiving party,

and any executed facsimile or emailed copy so delivered shall be deemed equivalent to an executed original. This Agreement and any amendments thereto may be signed in two or more counterparts, and all counterpart signatures, taken together, shall constitute one executed original.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SELLER:

REGIS CORP.

____
By: Amanda Rusin
Its: SVP, General Counsel

FRANCHISOR:

THE BARBERS, HAIRSTYLING FOR MEN & WOMEN, INC.

____
By: Scott Sullivan
Its: Vice President – Law

BUYER:

____
on its own behalf and on behalf of all of its Affiliates

____
By: __________________________
Its: __________________________

____
By: __________________________
Its: __________________________

EXHIBIT A

The Stores

Old Store #	New Store #	Location

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT N: CONSTRUCTION MANAGEMENT SERVICES AGREEMENT

BUILDPOINT SOLUTIONS GROUP INC.
SERVICE AGREEMENT

This Consulting Services Agreement (this "Agreement") is made as of September 16, 2021 by and between BuildPoint Solutions Group Inc. ("BSG") and the Client/Owner set forth below ("Client").

1. BASIC INFORMATION

Client/Owner Name:
Address:
City/State/Zip:
Phone:

Project Address:
City/State/Zip:

Select One or Both of the Following, By Checking the Applicable Box and Initialing Adjacent Thereto:

☐ _____ Construction Management Services as described in ***Exhibit A – Basic Package***

☐ _____ Post-Construction Services as described in ***Exhibit B- Standard Package***

2. SCOPE OF SERVICES: BSG will perform the services indicated in the box checked above and described in Exhibits A and B attached hereto. Exhibit A and Exhibit B as applicable, are hereby incorporated into this Agreement. Client agrees to sign any contracts BSG receives from outside vendors unless the contract varies materially in scope of work or cost adversely to Client from an applicable estimate.

3. PAYMENT:

   (a) Construction Management Services. Client shall pay BSG (i) a non-refundable payment of $5,500 upon execution of this Agreement.

   (b) Post-Construction Services. Client shall pay BSG a non-refundable payment of $2,000 upon execution of this Agreement.

4. DEVELOPMENT COSTS: Client is solely responsible for payment of all fees, costs, and expenses associated with: (a) architectural services, plans, and specifications for the premises; (b) building, utility, sign, health, business, and other required permits, licenses, and approvals; (c) construction, decoration, materials, and services; (d) FFE, inventory, signs, freight, insurance, and installation charges; and (e) all other costs and expenses incurred in developing the store/location.

5. TRAVEL AND EXPENSES: Client shall reimburse BSG for all reasonable expenses related to the performance of any services that require BSG to travel. Client must approve all travel in advance and reimburse upon the submission of appropriate receipts and invoices.

6. CLIENT ACKNOWLEDGEMENT. Client acknowledges that BSG's obligation under this Agreement shall be limited to providing the services designated in the applicable Exhibit to this Agreement in coordination with Client's selected and approved architect and general contractor. Client acknowledges and agrees that BSG is not responsible for and shall not be liable for the performance, acts, omissions, or breaches of contract of any party providing goods or services to the project, including, any architect, contractor, vendor, or supplier, and BSG is not responsible for the actual construction of the project, the installation of FFE therein, delays of any kind (including delays in obtaining permits, licenses, approvals, construction, installation, or delivery) errors or omissions in construction, installation, or design, cost overruns or change orders, or any incidental or consequential costs, expenses, losses, liabilities, injuries, or damages whatsoever. BSG will not provide services if this project is not under contract with, and under the direct supervision and control of a general contractor licensed to work or where general contractor's license has expired in the city and state where the project is located. Client understands and acknowledges that BSG's services are not intended to provide a "turn-key" service to Client. BSG is not responsible for ensuring that the Store/Site to be renovated/constructed complies with applicable building standards or legal requirements, including, but not limited to, architectural, structural, mechanical, electrical, plumbing, accessibility (including without limitation those under the Americans with Disabilities Act), and other related standards. Client understands that any estimate with regard to cost of the project or a portion thereof provided by BSG is only a non-binding estimate and such shall not constitute a representation or warranty of any kind. Client shall be responsible for all charges even if such charges exceed an applicable estimate.

7. NO WARRANTY: Client agrees and understands that BSG makes no warranties, express or implied, regarding this project, the leased premises, or its development and construction. BSG does not assume any responsibility for construction cost overruns or costs associated with delays (including, without limitation, rent commencement). All costs, late fees, rent, rent commencement charges, and the like associated with the project and the premises are the sole responsibility of the Client. Nothing contained in this Agreement is intended, nor shall the same be deemed or construed, to make the BSG in any way responsible for any debts, obligations, or losses of Client.

8. LIMITATION OF LIABILITY: Each party waives any claims for indirect, consequential, special, punitive, or exemplary damages, including, without limitation, lost revenue or profit, even if a party has knowledge of the possibility of such damages. In no event shall BSG's liability to Client with respect to the project or this Agreement exceed an amount equal to the lesser of the fee paid by Client and Five Thousand Dollars ($5,500.00).

9. OTHER AGREEMENTS AND SUBLEASE: Nothing in this Agreement shall be construed to abrogate or modify the obligations of the Client under any other agreement, including any Franchise Agreement, or any Sublease associated with Client's premises.

10. TO PROCEED: Sign, date and scan this Agreement and return via e-mail to: dspaulding@buildpointusa.com

IN WITNESS WHEREOF the parties hereto have executed this Agreement effective as of the date first above written.

CLIENT:	**BuildPoint Solutions Group Inc.:**
Signed: ____________________	Signed: ____________________
Print Name: ____________________	Print Name: ____________________
Title: ____________________	Title: ____________________
Date: ____________________	Date: ____________________

Exhibit "A"

Construction Management Services

BSG's "Construction Management Services" include the following:

1. Determine communication strategy based on project scope and timelines.

2. Provide Client with a preliminary construction estimate based on the initial information received and historical data.

3. Consult with the Client on construction related lease requirements, if any.

4. Consult with the Client on the sign package requirements and the sign review/approval process.

5. Advise the Client as to how to set up utilities for the premises (gas, electric, water, sewer, etc.). It is the responsibility of the Client to transfer all applicable utilities into their name and pay all associated fees. Utilities need to be set up prior to construction start.

6. The Project Manager shall recommend qualified general contractors to bid the project, review construction bids with the Client and consult in selecting a general contractor for the project. Selection is based on pricing, reputation, ability to perform, etc. The actual selection of the general contractor is the responsibility of the Client. The Client shall sign a contract directly with the selected general contractor. *Note: BSG recommends utilizing AIA (American Institute of Architects) contract documents.*

7. Provide Client with a revised construction estimate based on general contractor pricing, vendor quotes, and additional information.

8. Consult with the Client to obtain the required building permit(s) from state and local authorities. Client's architect or general contractor shall submit all required documents to the applicable jurisdiction(s) for review and manage the permit approval process. Once the permit is approved by the jurisdiction(s), it is the responsibility of the Client or the general contractor to pay all fees required to secure such permit(s). Failure to do so may delay the start of construction.

9. The Project Manager shall regularly review site conditions and work progress with the Client and general contractor in an effort to avoid non-compliance with the approved plans, construction delays, or additional costs. Means of review will be by photos provided by the general contractor. Review will also include regular phone conversations and e-mail communication with the Client, general contractor and other parties (if required).

10. Consult with the Client on processing general contractor payment applications. Payments should be disbursed per the construction contract guidelines.

11. Consult with the Client on FFE operation, maintenance, and troubleshooting.

12. Consult with the Client to produce a punch list indicating all shortcomings and deficiencies in relation to the approved plans, addenda, change orders, and construction contract. The Project Manager shall review all punch list items with the Client and general contractor. It is the Client's responsibility to ensure that the general contractor completes all punch list items prior to leaving the premises after construction completion.

13. Consult with the Client in obtaining the final approvals from the necessary agencies for premises occupancy. The general contractor is responsible for contacting all required agencies to make final inspections for the purpose of obtaining the occupancy certificate (or equal documentation).

14. Consult with the Client regarding construction warranty work the general contractor may be required to provide. For FFE warranty information, the Client should contact the Project Coordinator for a period of 12 months following completion.

15. Consult with the Client to verify that the proper documentation is received from the general contractor (lien releases, inspection reports, warranty statements, etc.) prior to project closeout.

<u>Exhibit "B"</u>

<u>Post-Construction Services</u>

BSG's "<u>Post-Construction Services</u>" include the following:

1. Schedule call with Client for closeout process, and assist in collection of any Tennent Improvement Allowance

2. Work with general contractors to ensure that specific closeout requirements are achieved. Further, BSG will review all costs, processes and information presented to ensure contract terms have been met.

3. Prior to the expiration of a general contractor's warranty, BSG will interview management/staff to review completed construction so to determine whether there are any current material defects or workmanship issues that should be addressed by warranty. BSG will also seek confirmation that warranty inspections have been completed, that warranty maintenance procedures have been adhered to and operational and that any maintenance manuals are in place and updated.

GENERAL NOTES RELEVANT TO ALL SERVICES

1. All design changes to the construction documents shall be made prior to obtaining final bids and signing the construction contract. Changes made after signing the contract may result in additional costs. NO CHANGES ARE TO BE MADE WITHOUT NOTIFYING THE PROJECT MANAGER AND OBTAINING WRITTEN APPROVAL FROM THE BSG, AND IF REQUIRED BY THE MASTER LEASE, THE LANDLORD.

2. All locally furnished and approved FFE should be made available to the general contractor as needed to maintain the construction schedule. No unapproved FFE will be installed.

3. Construction costs can be influenced by local governing regulations and requirements, Landlord's design criteria, and actual site conditions. The general contractor shall include all known items in the final bid. However, because of timing, unforeseen circumstances, inspector requirements, etc., some items may be added to the total construction cost via approved change orders.

4. If your Project Manager needs to visit the premises during the construction process, additional costs may be incurred.

5. BSG and its affiliates may from time to time receive allowances, discounts and/or benefits from certain suppliers and/or service providers.

BuildPoint Solutions Group

PROJECT MANAGEMENT & BID PACKAGE PROGRAMS

There are two options to choose from.

❑The Standard Package provides comprehensive project management from beginning to end and offers the best value.

❑The Basic Package covers the basics and handles the day-to-day tasks to ensure your project is built right, for the right price.

5 PHASES OF SUPPORT		*BASIC PACKAGE	*STANDARD PACKAGE
DESIGN PHASE	Coordinate site survey / property condition assesment to verify lease space dimensions and conditions.		✓
	Coordinate construction documents with preferred vendor architect.		✓
	Coordinate approvals & permits with landlord & the governing authorities		✓
BID PHASE	Source and vett general contractors	✓	✓
	Issue Request For Proposal and answer contractor questions.	✓	✓
	Qualify bids and provide comparative summary analysis for Owner review.	✓	✓
CONTRACT PHASE	Issue AIA contract and coordinate execution between GC and Owner.	✓	✓
	Assist with SBA financing documents and requirements between Bank, Owner and GC for inclusion into final AIA contract.	✓	✓
CONSTRUCTION PHASE	Lead weekly construction update meetings between GC, Owner and Spec'd vendors.	✓	✓
	Provide weekly photos, budget and progress updates thru Job Tracker.	✓	✓
	Review all change orders with owner and provide additional detail and impacts as needed.	✓	✓
	Assist in the coordination of all required vendor installs, including Owner Supplied Items.	✓	✓
	Review and approve GC payment applications and distribute to owner/bank.	✓	✓
	Ensure all contract, construction and compliance requirements are met.	✓	✓
PROJECT CLOSE-OUT	Assist in final project compliance signoff.		✓
	Collect all final lien waivers and warranty paperwork from GC.		✓
	Collect all paperwork for Operation and Maintenace manuals (O&M).		✓
	Provide all required closeout documents to Landlord to ensure payment of Tenant Improvement Allowance.		✓
	Ensure all payments are made to all parties to complete project.		✓
		$5,500	$7,500

EXHIBIT O

OPERATIONS MANUAL

TABLE OF CONTENTS

SMARTSTYLE OPERATIONS MANUAL

BOOK 1 CONTENTS

Book 2 contents

Book 3 Contents

BOOK 4 CONTENTS

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT P: STATE EFFECTIVE DATES

SMARTSTYLE

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	November 11, 2022
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of November 11, 2022.

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.

SMARTSTYLE®

FRANCHISE DISCLOSURE DOCUMENT

<u>EXHIBIT Q: RECEIPTS</u>

RECEIPT

SMARTSTYLE®
THE BARBERS, HAIRSTYLING FOR MEN & WOMEN, INC.

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If The Barbers, Hairstyling For Men & Women, Inc. ("The Barbers") offers you a franchise, The Barbers 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. However, some state franchise laws may require The Barbers to provide this disclosure document to you at the first personal meeting held to discuss the franchise sale or at least 10 business 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 The Barbers does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit J.

Issuance Date: **November 11, 2022**

The following franchise sellers for this offering have a principal business office of 3701 Wayzata Boulevard, Suite 500, Minneapolis, Minnesota 55416 with a contact number of 952-947-7777. If any of these franchise sellers have had or will have dealings with you, the name of that person will appear below.

____

____

The Barbers authorizes the respective state agents identified on Exhibit J to receive service of process for it in the particular states.

I received a disclosure document from The Barbers. dated as of November 11, 2022 that included the following exhibits:

Exhibit A:	List of Operational Salons	Exhibit H:	Franchisee Questionnaire
Exhibit B:	List of Franchisees that have Left the System	Exhibit I:	State Specific Addenda
Exhibit C-1:	Guarantee of Regis Corporation	Exhibit J:	State Agencies and Agents for Service of Process
Exhibit C-2:	Financial Statements	Exhibit K:	Point of Sale System Rental Agreement
Exhibit D:	Franchise Agreement	Exhibit L	Gift Card Participation Agreement
Exhibit E:	Development Agreement	Exhibit M:	Agreement for Purchase and Sale of Assets
Exhibit F:	Regis Sublease for Walmart Sites	Exhibit N:	Construction Management Services Agreement
Exhibit G:	Wal-Mart Master Lease Agreement	Exhibit O:	Smartstyle Operations Manual Table of Contents
		Exhibit P:	State Effective Dates
		Exhibit Q:	Receipts

Signed: ______________________________________
Print Name: ___________________________________
Address: _____________________________________
City: ________________ State/Zip: ______________
Telephone: __(________)________________________
Dated:_ _______

Signed: ______________________________________
Print Name: ___________________________________
Address: _____________________________________
City: ________________ State/Zip: ______________
Telephone: __(________)________________________
Dated: _

RECEIPT

SMARTSTYLE®
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Signed: ______________________________________
Print Name: ___________________________________
Address: _____________________________________
City: ________________ State/Zip: ______________
Telephone: __(________)________________________
Dated:_ _______

Signed: ______________________________________
Print Name: ___________________________________
Address: _____________________________________
City: ________________ State/Zip: ______________
Telephone: __(________)________________________
Dated: _