FRANCHISE DISCLOSURE DOCUMENT

SOLA FRANCHISE, LLC
a Colorado limited liability company
300 Union Boulevard, Suite 600
Lakewood, Colorado 80228
Phone: 303-351-0121
hello@solasalonstudios.com
www.solasalonstudios.com

As a Sola Salons franchisee, you will operate a franchised business that licenses individual turn-key salon studios to independent salon professionals under the "Sola Salon Studios" and "Sola Salons" trade name and business system.

The total investment necessary to begin operation of a Sola Salons franchised business ranges from $808,143 to $2,134,517. This includes between $55,582 to $64,382 that must be paid to the franchisor or its affiliate(s).

The total investment necessary to begin operation of a Sola Salons multi-unit development business ranges from $1,581,286 to $4,434,034. This includes the development fee, which ranges from $20,000 to $220,000 based on the number of units to be developed in addition to your initial unit, and between $55,582 to $64,382 in connection with your initial unit as noted above, that must be paid to the franchisor or its affiliate(s). You must purchase a minimum of two units to begin a multi-unit development business. If you execute a multi-unit development agreement, you will be required to execute a franchise agreement concurrently therewith.

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 the disclosure document at least 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Ben Jones, at 300 Union Boulevard, Suite 600, Lakewood, Colorado 80228; and (303)-884-8647.

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

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

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

Issuance Date: April 27, 2022

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E.
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 A 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 Sola 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 Sola franchisee?	Item 20 or Exhibit E 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 D.

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 multi-unit development agreement requires you to resolve any disputes with the franchisor by mandatory face-to-face negotiation, non-binding mediation, and/or arbitration. These proceedings to negotiate, mediate and/or arbitrate will take place in Colorado. Out-of-state face-to-face negotiation, mediation and arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to negotiate, mediate or arbitrate with us in Colorado than in your home state.

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

3. **Mandatory Minimum Payments.** You must make minimum royalty and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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.

NOTICE REQUIRED BY THE STATE OF MICHIGAN

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

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

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

(b) A requirement that the 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 terms 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 six (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 or under similar circumstances. This section does not require a renewal provision.

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise Unit
525 W. Ottawa Street
G. Mennen Williams Building, 1st Floor
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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

To simplify the language in this franchise disclosure document ("Disclosure Document"), the terms "we", "us", "our", "Sola Salon Studios," "Sola Salons," "Sola," and "Franchisor" mean Sola Franchise, LLC. The term "You" means the person or entity that buys the franchise (the "Franchisee"). If an entity is the Franchisee, "you" includes the Franchisee's owners.

The Franchisor, any Parents, Predecessors and Affiliates

We are a Colorado limited liability company formed on January 2, 2018. We do not do business under any other name. Our principal business address is 300 Union Boulevard, Suite 600, Lakewood, Colorado 80228. We offer franchised businesses ("Sola Franchise(s)") under the name "Sola Salon Studios" or "Sola Salons". Our agent for service in Colorado is Ben Jones with a principal address of 300 Union Boulevard, Suite 600, Lakewood, Colorado 80228. Our agents for service of process for other states are listed in Exhibit D to this Disclosure Document. We began offering Sola Franchises in February 2018. We have never offered franchises in any other line of business. We operate the Sola Salons owned by our affiliates Sola Salon Studios LLC and Sola Salon Studios California, LLC. We have not engaged in any other type of business activity.

We have one predecessor and one parent company. Our predecessor and former parent, Sola Franchise Corporation n/k/a Let's Ride Corporation ("SFC"), was incorporated under the laws of Colorado on March 31, 2005. SFC's principal place of business is 8 Sunrise Drive, Cherry Hills Village, CO 80113. SFC offered Sola Franchises from March 2005 until December 31, 2017. We acquired substantially all of SFC's franchise assets and assumed all of SFC's existing franchise agreements on January 19, 2018.

Our parent company, Radiance Holdings, LLC f/k/a Sola Holdco, LLC, is a Delaware limited liability company formed on August 30, 2018 ("Radiance Holdings"). Sola Holdco, LLC changed its name to Radiance Holdings, LLC on August 25, 2020. Radiance Holdings shares our principal business address. Effective October 5, 2018, membership interest of Sola Franchise, LLC and the membership interest of our affiliate, Sola Salon Studios LLC, was acquired by Radiance Holdings. Radiance Holdings does not offer franchises in this or any other line of business.

Our affiliate, Style Direct LLC, is a Delaware limited liability company formed on November 22, 2019. Style Direct LLC shares our principal business address. Style Direct LLC has never offered franchises in this business or any other line of business.

Our affiliate, Radiance Distribution LLC, is a Colorado limited liability company formed on December 3, 2021. Radiance Distribution LLC shares our principal business address. Radiance Distribution LLC has never offered franchises in this business or any other line of business.

Our affiliate, Sola Salon Studios LLC ("SSS LLC"), is a Colorado limited liability company formed on August 25, 2003. SSS LLC shares our principal business address. SSS LLC has never offered franchises in this or any other line of business. SSS LLC owns 17 Sola Salons in Colorado, 10 Sola Salons in Maryland, and 9 Sola Salons in Virginia similar to the franchise described in this Disclosure Document. We (or our predecessor) have operated the Sola Salons on behalf of SSS LLC since 2004.

Our affiliate, Sola Salon Studios California, LLC ("SSS CA LLC"), a Colorado limited liability company formed on July 17, 2018, is a wholly owned subsidiary of SSS LLC. SSS CA LLC shares our principal business address. SSS CA LLC has never offered franchises in this or any other line of business. SSS CA LLC owns 23 Sola Salons in California similar to the franchise described in this Disclosure Document. We have operated the Sola Salons on behalf of SSS CA LLC since January 2019.

We have two wholly owned subsidiaries: Sola Salon Studios International, LLC ("Sola International") and Sola Salon Studios Canada, Inc. ("Sola Canada").

Sola International is a Colorado limited liability company formed on July 28, 2017. Sola International shares our principal business address. Sola International offers Sola Franchises outside of the United States and Canada. As of December 31, 2021, there was one opened franchise location in Rio de Janeiro, Brazil.

Sola Canada is a Canadian corporation organized under the laws of the province of Quebec on June 9, 2016. The principal business address of Sola Canada is 1 Place Ville-Marie #4000, Montreal, Quebec, Canada H3B 4M4. Sola Canada offers Sola Franchises similar to the franchise described in this Disclosure Document in Canada. As of December 31, 2021, there were four opened franchise locations in Canada.

Radiance Holdings is also the parent company of Woodhouse Gatherings, LLC, which is a Delaware limited liability company formed on June 11, 2020. Woodhouse Gatherings, LLC's principal business address is 300 Union Boulevard, Suite 600, Lakewood, Colorado 80228. Woodhouse Gatherings, LLC has never offered franchises in any line of business. On July 2, 2020, Woodhouse Gatherings, LLC acquired all of the equity ownership interests in The Woodhouse SPAS, LLC ("Woodhouse SPAS"), f/k/a The Woodhouse SPAS Corporation. Woodhouse SPAS was incorporated as a Texas corporation on March 21, 2003, and converted to a Texas limited liability company effective June 29, 2020. Woodhouse SPAS shares our principal business address. Woodhouse SPAS is the franchisor of day spa businesses that do business under the mark "The Woodhouse Day Spa." Woodhouse SPAS began offering franchises in August 2003. As of December 31, 2021, there were 74 Woodhouse Day Spas in the United States (72 franchised and 2 company owned). Woodhouse SPAS is not engaged in any other businesses and has never offered franchises in any other lines of business.

Description of the Franchise

We offer franchises for the operation of a business providing build-out and lease of turn-key salon studios to salon professionals under the Sola trademarks, trade names, service marks, and logos ("Marks"). Throughout this Disclosure Document, your franchised business will also be referred to as your "location" or your "unit". As a franchisee, you will typically purchase or lease existing building space ranging from 4,200 to 9,000 square feet and convert or remodel the purchased or leased space into individualized size salon studios (typically 8 feet by 12 feet) which are then licensed to independent salon professionals. As a franchisee, you will provide general salon management, maintenance inside the studios and common areas, wireless internet, parties and gatherings, some marketing/branding and a website page for each salon professional. Each salon professional will control his/her business and schedule his/her own appointments.

The Sola Franchise is operated under a business format that includes our valuable know how, information, trade secrets, methods, Manual, standards, designs, methods of trademark usage, copyrightable works, rental space sources and specifications, software, confidential electronic and other communications, methods of Internet usage, marketing programs, and research and development connected with the operation and promotion of the Business (collectively, the "System") owned and developed by us and known as Sola Salons ("Business" or "Salon"). We are designed to support you in your ongoing business efforts. We reserve the right to change or otherwise modify the System and add, modify, or delete any of our designs, lease processes, or services at any time in our sole discretion.

You must operate your Sola Franchise in accordance with our standard business operating practices and sign our standard franchise agreement ("Franchise Agreement"), which is attached to this Disclosure Document as Exhibit B.

Multi-Unit Development Business

We also offer, to qualified applicants, the opportunity to develop additional units by purchasing either a group of two (2), a group of three (3), a group of six (6), or a group of twelve (12) Sola Franchises. You will be required to sign our multi-unit development agreement ("Multi-Unit Development Agreement" or "MUDA") at the same time you execute the Initial Franchise Agreement and you will be required to develop these additional units within a fixed time period. (See Exhibit I). The Initial Franchise Agreement will count as the first unit developed as part of your MUDA. You must sign our then-current franchise agreement for each additional unit opened under the terms of the MUDA. These franchise agreements may not be the same as the initial Franchise Agreement that you will sign for your first Franchise ("Initial Franchise Agreement").

The Market and Competition

The Sola Franchise targets its services to salon, beauty, and wellness professionals, such as stylists, nail techs, estheticians and massage therapists. The services we provide are not seasonal in nature. You may have to compete with other businesses including franchised operations, national chains, and independently owned companies offering similar services to customers. We feel that the market for a centralized salon studio rental business is, in many areas of the country, moderately developed and moderately competitive. However, there are certain areas of the country where the concept is a mature concept, is well developed and highly competitive. The market for commercial leasing services around the country is well developed and highly competitive. You will also face other normal business risks that could have an adverse effect on your Sola Franchise. These may include industry developments, such as pricing policies of competitors, and supply and demand.

Regulations

Some states may have regulations that apply to barbers and cosmetologists. As a franchisee, you may be subject to general business, employment and other laws and regulations. You should consult with your attorney and local, state and federal government agencies before buying your Sola Franchise or any business to determine all legal requirements and consider their effects on you and cost of compliance. It is your sole responsibility, to investigate, satisfy and remain in compliance with all local, state and federal laws, since they vary from place to place and can change over time.

Many states and local jurisdictions have enacted laws, rules, regulations and ordinances that may apply to the operation of your business. For example, some states may have real estate rental laws that govern the rental of space in your Salon. Your Salon must also comply with various health standards and regulations. You must also comply with laws that apply generally to all businesses. You should investigate these laws.

General

This Disclosure Document sets forth the terms on which we currently offer Sola Franchises. We may have offered Sola Franchises individually or under Multi-Unit Development Agreements in the past or may currently offer Sola Franchises in other states or countries, on economic and/or other terms which differ from those offered by this Disclosure Document and there may be instances where we have varied, or will vary, the terms on which we offer Sola Franchises to suit the circumstances of a particular transaction. We strongly urge you to carefully review all documents with independent advisors who can provide legal, business and/or economic guidance, such as a lawyer and/or accountant.

We retain the right, in our business judgment, to award, or not award, a Sola Franchise to you, regardless of the stage of the franchise award process, costs expended by you or otherwise.

You should understand that every detail of your Sola Franchise will be important not only to you, but to us and to all Sola Franchisees in order to: (a) maintain high and uniform operating standards based on the Sola core operating values; (b) increase the demand for the products and services sold by Sola Franchises; and (c) maintain a reputation for offering uniform and high quality products and services, ethical business practices and integrity. A fundamental requirement of your joining and remaining part of the Sola System will be your commitment to the operation of your Sola Franchise consistent with the then-current Sola System standards. During the term of the Franchise Agreement, you must, at all times, develop and operate your Sola Franchise in compliance with all Sola System standards, as we may modify in the future.

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer: Christina K. Russell

Ms. Russell has served as our Chief Executive Officer since June 2019. She has also served as the Chief Executive Officer for our parent company, Radiance Holdings, our subsidiary, Sola International, and our affiliates, SSS LLC and SSS CA LLC, since June 2019. Ms. Russell has served as Chairman of the Board of our subsidiary, Sola Canada, since June 2019. In addition, she has served as Chief Executive Officer of our affiliate, Woodhouse SPAS, since July 2020, and our affiliate, Radiance Distribution LLC, since December 2021. Prior to joining us, Ms. Russell served as the Chief Executive Officer for Pure Barre, located in Denver, Colorado, from March 2018 until December 2018. From July 2014 until March 2018, she served as President for Camp Bow Wow, located in Broomfield, Colorado.

Chief Legal Counsel and Chief Development Officer: Ben Jones

Mr. Jones has served as our Chief Legal Counsel since July 2020 and as our Chief Development Officer since January 2020. Mr. Jones has also served as Chief Legal Counsel of SSS LLC, SSS CA LLC, and Sola International since July 2020. He has also served as Vice President, Assistant Treasurer, and Secretary to us, Radiance Holdings, SSS LLC, SSS CA LLC, and Sola International since October 2018. Since December 2021, he has also served as Vice President, Assistant Treasurer, and Secretary of Radiance Distribution LLC. Mr. Jones has served as President of our subsidiary, Sola Canada, since its inception in June 2016. In addition, since July 2020, he has served as Chief Legal Counsel, Chief Development Officer, President, Treasurer, and Secretary of our affiliate, Woodhouse SPAS. Previously, Mr. Jones served as our General Counsel from January 2018 to July 2020, General Counsel of Sola International from July 2017 to July 2020, General Counsel of SSS LLC from June 2012 to July 2020, and General Counsel of SSS CA LLC from July 2018 to July 2020. From January 2018 to October 2018, Mr. Jones served as our Chief Development Officer. From July 2017 to October 2018, Mr. Jones served as General Counsel and Chief Development Officer of our predecessor and former parent company, SFC. He also served as SFC's Co-Chief Executive Officer from January 2015 until July 2017.

Chief Financial Officer, Treasurer: Nathan Jensen

Mr. Jensen has served as our Chief Financial Officer and Treasurer since August 2019. He has also served as the Chief Financial Officer and Treasurer for our parent company, Radiance Holdings, our subsidiaries, Sola International and Sola Canada, and our affiliates, SSS LLC and SSS CA LLC, since August 2019. Since December 2021, he has also served as Vice President, Treasurer, and Assistant Secretary of Radiance Distribution LLC. In addition, since July 2020, he has served as Chief Financial Officer of our affiliate, Woodhouse SPAS. Prior to joining us, Mr. Jensen served as the Chief Financial Officer for Infinite Care LLC, located in Englewood, Colorado, from August 2016 until August 2019.

Director of Franchise Development: Lori Merrall

Ms. Merrall has served as our Director of Franchise Development since December 2019. In addition, since July 2020, she has served as Director of Franchise Development for Woodhouse SPAS. Prior to joining us, Ms. Merrall served as Senior Director of Franchise Development for BrightStar Care Franchising, located in Gurnee, Illinois, from August 2016 until October 2019.

Director of Franchise Development: Karen Garrett

Ms. Garrett has served as our Director of Franchise Development since March 2022. Since March 2022, she has also served as Director of Franchise Development for Woodhouse SPAS. Prior to joining us, Ms. Garrett served as Director of Franchise Development for BrightStar Care Franchising, located in Gurnee, Illinois, from October 2019 until March 2022. From June 2011 to October 2019, Ms. Garrett served as Manager of Franchise Development at Winmark Corporation located in Minneapolis, Minnesota.

Chief Operating Officer: Jordan Levine

Mr. Levine has served as our Chief Operating Officer since December 2020. He has also served as Chief Operating Officer for our subsidiaries, Sola International and Sola Canada, and our affiliates, SSS LLC and SSS CA LLC, since December 2020. Prior to joining us, Mr. Levine served as Vice President of Operations for Amazing Lash Studio, located in Phoenix, Arizona, from January 2019 until December 2020. From November 2016 until December 2018, he was self-employed as a franchise consultant in Phoenix, Arizona.

Unless otherwise stated above, each of the individuals listed in Item 2 maintains an office at our headquarters located in Lakewood, Colorado.

ITEM 3
LITIGATION

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

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee

The Initial Franchise Fee for a franchisee who has not previously purchased a Franchise and is not open for business ("New Franchisee") is $55,000. At any time after you have purchased a Franchise and are open for business ("Existing Franchisee"), you may purchase additional individual Franchises at a discounted Initial Franchise Fee of $41,000. The Initial Franchise Fee is due in a lump sum when you sign the Franchise Agreement; provided, in certain instances during the past fiscal year, we agreed to allow certain Franchisees to pay the Initial Franchise Fee in two or more installments upon the parties' agreement, and we reserve the right to consider whether unique circumstances may justify payment of the Initial Franchise Fee in installments in the future. There are no refunds of the Initial Franchise Fee under any circumstances.

During our fiscal year ended December 31, 2021, the range of actual Initial Franchise Fees paid to us was $0 to $55,000. The factors that influenced our decision to adjust the Initial Franchise Fee included the number of locations to be opened by the franchisee, if it is an additional location for a franchisee, the length

of time the franchisee had been associated with any affiliate of ours, and the size of the Development Area. We reserve the right to take these and other factors into consideration when offering adjustments to the Initial Franchise Fee in the future.

Development Fee for Multi-Unit Development

If you choose and we agree, you may purchase multiple Sola Franchises. You may purchase multiple units in a group of two (2), three (3), a group of six (6), or a group of twelve (12). You will be required to sign our Multi-Unit Development Agreement ("MUDA") (Exhibit I) and agree to open your additional Salons upon a set schedule. There are no refunds of the Development Fee under any circumstances.

If you execute a MUDA, you will be required to execute a Franchise Agreement concurrently therewith. The Franchise Agreement signed concurrently with the MUDA will be for the first unit in the MUDA.

Two (2) Unit MUDA: In addition to and at the same time you pay the Initial Franchise Fee of $55,000 (or $41,000 if you are an Existing Franchisee) for the first unit, you will pay a Development Fee for the one (1) additional unit you agree to develop.

The Development Fee for a New Franchisee will be $20,000 for the one (1) additional unit you agree to develop for a total of $75,000 for two (2) units (an Initial Franchise Fee of $55,000 for the first unit and a Development Fee of $20,000 for the additional unit). The Development Fee for an Existing Franchisees will be $20,000 for the one (1) additional unit you agree to develop for a total of $61,000 for two (2) units (an Initial Franchise Fee of $41,000 for the first unit and a Development Fee of $20,000 for the additional unit).

You will pay the Initial Franchise Fee and Development Fee in a lump sum; provided, in certain instances during the past fiscal year, we agreed to allow certain Franchisees to pay the Initial Franchise Fee and Development Fee in two or more installments upon the parties' agreement, and we reserve the right to consider whether unique circumstances may justify payment of the Initial Franchise Fee and Development Fee in installments in the future. There are no additional Initial Franchise Fees required for the two additional units (You will pay the Initial Franchise Fee for the first unit). You will agree to open the first unit within 18 months and the second unit within 30 months. In no event, will the opening of all of the units exceed 30 months, or 2.5 years.

Three (3) Unit MUDA: In addition to and at the same time you pay the Initial Franchise Fee of $55,000 (or $41,000 if you are an Existing Franchisee) for the first unit, you will pay a Development Fee for the two (2) additional units you agree to develop.

The Development Fee for a New Franchisee will be $45,000 for the two (2) additional units you agree to develop for a total of $100,000 for three (3) units (an Initial Franchise Fee of $55,000 for the first unit and a Development Fee of $45,000 for the additional two units). The Development Fee for an Existing Franchisees will be $40,000 for the two (2) additional units you agree to develop for a total of $81,000 for three (3) units (an Initial Franchise Fee of $41,000 for the first unit and a Development Fee of $40,000 for the additional two units).

You will pay the Initial Franchise Fee and Development Fee in a lump sum; provided, in certain instances during the past fiscal year, we agreed to allow certain Franchisees to pay the Initial Franchise Fee and Development Fee in two or more installments upon the parties' agreement, and we reserve the right to consider whether unique circumstances may justify payment of the Initial Franchise Fee and Development Fee in installments in the future. There are no additional Initial Franchise Fees required for the two additional units (You will pay the Initial Franchise Fee for the first unit). You will agree to open the first unit within 18 months, the second unit within 30 months and the third unit within 42 months. In no event, will the opening of all of the units exceed 42 months, or 3.5 years.

Six (6) Unit MUDA: In addition to and at the same time you pay the Initial Franchise Fee of $55,000 (or $41,000 if you are an Existing Franchisee) for the first unit, you will pay a Development Fee for the five (5) additional units you agree to develop.

The Development Fee for a New Franchisee will be $120,000 for the five (5) additional units you agree to develop for a total of $175,000 for six (6) units (an Initial Franchise Fee of $55,000 for the first unit and a Development Fee of $120,000 for the additional five (5) units). The Development Fee for an Existing Franchisee will be $100,000 for the five (5) additional units you agree to develop for a total of $141,000 for six (6) units (an Initial Franchise Fee of $41,000 for the first unit and a Development Fee of $100,000 for the additional five units).

You will pay the Initial Franchise Fee and Development Fee in a lump sum; provided, in certain instances during the past fiscal year, we agreed to allow certain Franchisees to pay the Initial Franchise Fee and Development Fee in two or more installments upon the parties' agreement, and we reserve the right to consider whether unique circumstances may justify payment of the Initial Franchise Fee and Development Fee in installments in the future. There are no additional Initial Franchise Fees required for these five (5) additional units (You will pay the Initial Franchise Fee for the first unit). You will agree to open the first unit within 18 months, the second unit within 30 months, the third unit within 42 months, the fourth unit within 54 months and the fifth and sixth units within 66 months. In no event, will the opening of all of the units exceed 66 months, or 5.5 years.

Twelve (12) Unit MUDA: In addition to and at the same time you pay the Initial Franchise Fee of $55,000 (or $41,000 if you are an Existing Franchisee) for the first, you will pay a Development Fee for the eleven (11) additional units you agree to develop.

The Development Fee for a New Franchisee will be $220,000 for the eleven (11) additional units you agree to develop for a total of $275,000 for twelve (12) units (an Initial Franchise Fee of $55,000 for the first unit and a Development Fee of $220,000 for the additional eleven (11) units). The Development Fee for an Existing Franchisee will be $220,000 for the eleven (11) additional units you agree to develop for a total of $261,000 for twelve (12) units (an Initial Franchise Fee of $41,000 for the first unit and a Development Fee of 220,000 for the additional eleven (11) units).

You will pay the Initial Franchise Fee and Development Fee in a lump sum; provided, in certain instances during the past fiscal year, we agreed to allow certain Franchisees to pay the Initial Franchise Fee and Development Fee in two or more installments upon the parties' agreement, and we reserve the right to consider whether unique circumstances may justify payment of the Initial Franchise Fee and Development Fee in installments in the future. There are no additional Initial Franchise Fees required for these eleven (11) additional units (You will pay the Initial Franchise Fee for the first unit only).

You will agree to open the first unit within 18 months, the second unit within 30 months, the third and fourth units within 42 months, the fifth and sixth units within 54 months, the seventh and eighth units within 66 months, the ninth and tenth units within 78 months, and the eleventh and twelfth units within 90 months. In no event, will the opening of all of the units exceed 90 months, or 7.5 years.

During our fiscal year ended December 31, 2021, the range of Development Fees paid to us was $20,000 to $120,000.

Design Services

If you purchase cabinetry from Kaemark Incorporated or any other approved cabinet vendor other than Sympateco, then you must purchase initial design services from us. If Sympateco stops offering approved design services, then you must purchase initial design services from us. Otherwise, you currently may obtain initial design services from Sympateco, in which case you would pay $0 to us for design services.

If you obtain initial design services from us, we will charge you an additional fee for these services. The additional fees will vary depending on the complexity and size of your project. We estimate these fees will be between $3,200 and $5,000. You must pay us for the Design Services at the time the first fixture plan is provided to you. The fee for Design Services is deemed fully earned once paid and is non-refundable. If the Design Agreement is terminated for convenience of the franchisee, you will pay an early termination fee equal to 25% of the total fee for the Design Services.

Rent Manager Property Management Software

You are required to subscribe to the Rent Manager Property Management Software by way of a month-to-month sublicense for the software that we will make available to you. You will incur a one-time set-up fee per account and an additional monthly fee per account. The set-up fee is currently $150 per account. Our current month-to-month sublicense fee is $72 per month for a single-user sublicense. The fee increases if you request multiple concurrent users. Currently, there is an additional $50 per month fee if you elect to utilize text messaging services available through Rent Manager. For example, for your first 6 months of activation for one account, you would pay either $582 ($150 set-up fee plus $72 per month sublicense fee for six months) or $882 if you elect optional text messaging services ($150 set-up fee, $72 per month sublicense fee for six months, plus $50 per month fee for text messaging services for six months). We will automatically deduct these fees in the same manner that we deduct your royalty payments. We reserve the right to increase the fees at any time.

Site Selection Assistance Fee

We may provide you with one site visit to conduct an evaluation for a proposed location for your Business. However, if you request us to travel to multiple proposed locations and/or to conduct multiple on-site evaluations you will pay us a site selection assistance fee in the amount of $2,500 plus $500 per day that we are on-site ("Site Selection Assistance Fee"); for example, the Site Selection Assistance Fee would be $3,500 if we are on site for two days. You will also be required to pay our travel, meals and living expenses. If incurred, the Site Selection Assistance Fee is due in accordance with our invoice prior to opening your Business.

The initial fees described above are not refundable under any circumstances.

ITEM 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	5.5% of Gross Revenue, minimum of $500 per month (Note 2)	Due on the 10th of each month	Required of all Franchisees. Franchisees who signed franchise agreements or development agreements prior to 2020 may pay a lower monthly Royalty Fee.

Type of Fee	Amount	Due Date	Remarks
National Marketing Fund ("NMF")	Up to 2% of Gross Revenue per month, currently 1.5% of Gross Revenue (Note 2).	Due on the 10th of each month	Required monthly contribution to NMF is currently 1.5% of Gross Revenue. You may also be required to participate, at your expense, in Multi-Area Marketing Programs. We may increase the required contribution to NMF up to 2% of Gross Revenue per month, provided your requirement to contribute to NMF and participate in any Multi-Area Marketing Programs will not exceed a combined amount of 2% of Gross Revenue per month. All salons, including franchisee-, Company-, and affiliate-owned locations, will contribute equally to the NMF.
Initial Training for Additional Persons	$200 per person per day (Note 3)	As incurred	Training for two persons is included in the Initial Franchise Fee.
Additional Assistance at Your Sola Franchise	$500 per day (two-day minimum) plus travel and living expenses (Note 4)	As incurred	Additional charges only incurred for on-site assistance beyond the initial training.
Transfer Fee	$7,500 and any broker fees associated with such sale. (Note 5)	Prior to acceptance of transfer	Payable before you sell your franchise.
Lead Fee	10% of the sales price between Franchisee and transferee for the interest transferred not to exceed $50,000	Prior to acceptance of transfer	Payable if you sell your franchise to a transferee that is a lead of Franchisor.
Audit	Cost of audit plus 1% interest per month on understatement	30 days after billing	We pay all audit costs unless the audit shows an understatement of at least 2% of Gross Revenue for any month. Also payable for failure to submit required reports.
Late Payments and Interest	$100 per day (up to a maximum of $500 in any calendar month), plus 1% per month	Immediately	Franchisees must pay interest on late payments in the amount of 1% per month, or the maximum interest rate allowed by applicable law, whichever is less.
Franchise Renewal Fee	$7,500	30 days prior to renewal	Initial franchise term is 10 years. The renewal term is 10 years.
Computer and Communications Equipment Upgrades and Maintenance	Varies, but usually no more than $1,000 per year.	As incurred or as agreed	You must purchase upgrades and pay for maintenance for your computer and communications equipment, when we require you to do so.
Technology Fee	Then-current fee (we do not currently charge this fee)	Due on the 10th of each month	We reserve the right to charge you a monthly fee for software, email, communications or other custom technology for use in your Business.
Supplier/Vendor Inspection Fee	$2,500 plus the actual costs we incur in inspecting and testing your proposed supplier or vendor (estimated to be $1,000 - $2,000)	Upon invoice	Payable when you ask us to approve a new supplier or vendor and prior to our conducting any investigation, inspection and testing of such supplier or vendor and its products and services.

Type of Fee	Amount	Due Date	Remarks
Insurance Policies	Cost of insurance premiums plus a 20% administration fee (Note 6)	Upon Invoice	If you fail to obtain insurance, we may obtain insurance for you and you must reimburse us for the cost of insurance obtain plus 20% of the premium as an administration cost of obtaining the insurance.
Conference Fee	$100 - $500	Upon Invoice	We reserve the right to charge a fee for attendees and guests of our annual franchisee conference. We reserve the right to charge this fee regardless of whether or not you or a member of your franchisee group attend the annual conference in any given year.
Additional Training Conferences	$400	Upon Invoice	If we host and you attend any trainings/ conferences (other than the annual conference), we reserve the right to require a fee based upon the direct costs to us of retaining speakers and other direct expenses associated with the conference, We estimate this cost to be no more than $400 per person excluding your travel and living expenses.
Failure to Submit Required Report Fee	$100 per day that the failure remains outstanding	Upon Invoice	Payable if you fail to submit any required report of financial statement or information when due. You will continue to incur this fee until you submit the required report.
Multi-Unit Development Agreement – Extension Fee	$5,000	As incurred	Payable if you request to extend your development schedule during the term of your multi-unit development agreement.
Marketing Cooperative	As established by Marketing Cooperative, but not to exceed 2% of monthly Gross Revenue	As established by Marketing Cooperative	See Note 7 regarding Marketing Cooperatives.
Rent Manager Property Management Software	$72 per month for single-user sublicense	Due on the 10th of each month	See Note 8 regarding Rent Manager Property Management Software
Non-Compliance Fee	$50 per day that a violation remains uncured.	On demand, following your failure to cure a violation of our standards, specifications, or procedures.	If you fail to operate your location in compliance with Franchisor's standards, specifications or procedures, Franchisor may charge you a fee up to $50 for each day that you remain in violation following written notice of your default.
Additional Design Services	Then-current fee (currently $3,200 - $5,000)	As incurred	Payable for all design services obtained from us.

Notes:

(1) We or our affiliates impose all the fees in this table, you pay them to us or our affiliate, and we (or our affiliate) do not refund them. All fees in this Item 6 are uniformly imposed unless otherwise noted.

(2) "Gross Revenue" means the total of all receipts derived from gross rental receipts and other revenue, whether the receipts are evidenced by cash, credit, checks, services, property, or other means of exchange. Gross Revenue excludes only sales tax receipts that you must by law collect from customers and that you actually pay to the government, promotional or discount coupons to the extent that Franchisee realizes no revenue, and employee receipt of services, if free, or any portion not paid for by an employee.

(3) Training for you and your Manager is included in the Initial Franchise Fee. Additional charges are only applied if you choose to train more than two people. Training fees can be increased or decreased by us at any time in our discretion.

(4) Ongoing assistance by telephone is included. We will charge you the Additional Assistance fee only if you require additional assistance at your Sola Franchise location. Fees for additional assistance can be increased or decreased by us at any time in our discretion.

(5) No Transfer Fee is required if you transfer your Sola Franchise to a corporation in which you are the majority stockholder, or if you transfer the Sola Franchise to your child, parent, sibling, or spouse.

In all other cases, you must pay a Transfer Fee of $7,500 if you transfer the Sola Franchise.

(6) You must maintain insurance policies in amounts as specified by us periodically in the Manual. Insurance coverage must include general liability, combined single limit, bodily injury and property damage insurance for premises operations, and all other occurrences against claims of any person, employee, customer, agent, or otherwise.

(7) We may establish and require a marketing cooperative in a geographic area in which two or more Sola Salons are located ("Marketing Cooperative"). The Marketing Cooperative's members will include all Sola Salons operating in the geographic area, including those operated by us and our affiliates, if applicable. We may require you to join a Marketing Cooperative existing or established in a geographic area encompassing your Sola Salon Studio. All material decisions of the Marketing Cooperative, including contribution levels, will require the affirmative vote of at least 51% of all Sola Salons operating within the Marketing Cooperative's area (including those that we and our affiliates operate, if any), with each Sola Salon Studio receiving one vote. We may collect Marketing Cooperative fees and transfer those fees to the Marketing Cooperative, or the Marketing Cooperative may collect the fees directly, as we determine. If a Marketing Cooperative is established in your geographic area, the members of the Marketing Cooperative will establish your required contribution to the Marketing Cooperative, provided your required contribution to the Marketing Cooperative will not exceed 2% of your Sola Salon Studio's monthly Gross Revenue. We may form, modify, change, dissolve, or merge Marketing Cooperatives. As of the date of this Disclosure Document, there are cooperatives in existence in certain geographic areas, but these existing cooperatives are elective and are voluntarily formed and managed by the franchisees participating in the cooperative.

(8) We require you to use Rent Manager Property Management Software we designate under our national account. You will purchase from us a sublicense to use the Rent Manager Property Management Software. There is a one-time set-up fee of $150 per account. Our current month-to-month sublicense fee is $72 per month for a single-user sublicense. The fee increases if you request multiple concurrent users. Most franchisees elect to maintain one account for their location(s) and activate that account 3-6 months prior to opening their first location. Currently, there is an additional $50 per month fee if you elect to utilize text-messaging services available through Rent Manager. We will automatically deduct the fees for this sublicense in the same manner that we deduct your royalty payments. We reserve the right to increase the fees at any time.

(9) We may require you to purchase additional design services from us or an approved vendor for any required renovations, upgrades, or modernization of your Franchise. If you obtain design services from us, you must pay our then-current design services fee. Under our current design services fee structure, we estimate these fees will be between $3,200 and $5,000.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT
SINGLE FRANCHISE AGREEMENT

Type of Expenditure	Amount (Low)	Amount (High)	Method of payment	When due	To whom payment is to be made
Initial Franchise Fee (Note 1)	$55,000	$55,000	Lump sum	Upon signing Franchise Agreement	Us
Travel and Living Expenses	$2,500	$4,000	As incurred	During training	Airfare, lodging, food and miscellaneous expenses while traveling to and from as well as during training.
Site Selection Assistance (Note 2)	$0	$3,500	As incurred	Per Invoice	Us
Rent Manager Property Management Software (6 months) (Note 3)	$582	$882	As incurred and Monthly	Per Invoice	Us
Architectural Fees	$15,000	$20,000	As incurred	Per Invoice	Vendors/Suppliers
Rent or Real Estate (Note 4)	$22,400	$82,000	As determined by Lessor	Prior to opening	Lessor
Design Services (Note 5)	$3,200	$5,000	As incurred	Prior to opening	Vendors/Suppliers or Us
Improvements/Conversions (Note 6)	$504,000	$1,440,000	As incurred	Prior to opening	Vendors/Suppliers
Furniture & Fixtures (Note 7)	$147,000	$405,000	As determined by Vendors	Prior to opening or as arranged with Vendors	Vendors
Signage	$10,000	$20,000	As determined by Vendors	Prior to opening or as arranged with Vendors	Vendors
Utilities (Note 8)	$3,906	$5,970	As incurred	Prior to opening	Suppliers, Utilities, etc.
Operating Supplies (Note 9)	$1,000	$3,000	As incurred	Prior to opening	Approved Suppliers

Type of Expenditure	Amount (Low)	Amount (High)	Method of payment	When due	To whom payment is to be made
Advertising/Marketing (Note 10)	$10,900	$20,000	As determined by Vendors.	Prior to opening and during first twelve months once opened	Vendors, or directly to social media or advertising platforms
Insurance (Yearly basis)	$5,000	$10,000	As determined by Insurance Company	Prior to opening or as arranged with Insurance Company/Agent	Insurance Company/Agent
Computer Equipment and Software (Note 11)	$1,300	$2,300	As determined by Vendors	Prior to opening or as arranged with Vendors	Vendors
Repairs and Maintenance (Note 12)	$6,355	$7,865	As determined by Vendors	As incurred or as arranged with Vendors	Vendors
Additional Funds for Initial three (3) Months (Note 13)	$20,000	$50,000	As incurred	As incurred	Suppliers, Utilities
TOTALS (Note 14)	**$808,143**	**$2,134,517**			

Notes:

(1) The Initial Franchise Fee for a New Franchisee is $55,000. If you are an Existing Franchisee, you may purchase additional individual Franchises at a discounted Initial Franchise Fee of $41,000. We will not refund the Initial Franchise Fee(s) or any other fees paid to us or our affiliates under any circumstances. Neither we nor our affiliates offer any other financing. (See Items 10 and Item 11). We describe the Initial Franchise Fee in Item 5.

(2) Site Selection Assistance: We may charge the Site Selection Assistance Fee if you request us to send a representative more than once to conduct on-site evaluations of proposed location(s) for your Business. The high estimate of $3,500 includes a $2,500 flat fee plus two days on-site at a rate of $500 per day. If we are on-site for more than two days, you will pay $500 for each additional day. You must also pay our travel, meals and living expenses.

(3) Rent Manager Property Management Software: We require you to use Rent Manager Property Management Software under our national account. You will purchase from us a sublicense to use the Rent Manager Property Management Software. You will incur a one-time set-up fee per account and an additional monthly fee per account for as long as your account is active. You will incur additional costs if you choose to maintain more than one account and depending on when you decide to activate your account. Most franchisees elect to maintain one account for their location(s) and activate that account 3-6 months prior to opening their first location. You may also incur additional monthly fees if you elect to utilize text messaging services available through Rent Manager.

The Rent Manager Property Management Software expenditure low estimate includes a $150 set-up fee and a $72 per month fee for your first 6 months of activation for one account. The Rent Manager Property Management Software high estimate includes a $150 set-up fee, a $72 per month

fee for your first 6 months of activation, and an additional $50 per month fee for text messaging services for your first 6 months of activation for one account. You will continue to incur the monthly fee for so long as you have an active account. These amounts are subject to change.

(4) Rent/Real Estate: If you do not own adequate space, you must lease the space for your Business. Generally, your pre-opening lease expenses will include prepayment of your first months' rent and a security deposit equal to one month's rent payment. The numbers provided are based on our collective experience in the salon business and real estate industry. Typical Franchises are located in commercial centers, strip centers or buildings on commercial streets with heavy traffic, malls and office buildings. Generally, Sola Salons are located in an existing shopping center with a minimum of 4,200 square feet and we base our low-end estimate for Rent or Real Estate on the assumption that the gross annual rental rate will be $22 per square foot for the 4,200 square feet with the landlord requiring a security deposit equal to one month's rent and pre-payment of one month's rent. The high-end estimate assumes 9,000 square feet with a gross annual rental rate of $50 per square foot with a security deposit equal to one month's rent and pre-payment of one month's rent. The terms and conditions of all agreements relating to the purchase, lease, and alteration of the property will be negotiated solely by you; however, we require you to include certain lease provisions as set forth in Section 10.03 of the Franchise Agreement. Legal fees of $7,000 are included in our estimates for leasing the premises but not for the purchase of real estate. Legal fees may vary. The purchase of real estate may have additional legal expenses.

(5) Design Services: If you purchase cabinetry from Sympateco, Inc., then Sympateco, Inc., for an additional fee, will prepare your initial design plans (in which case you would pay $0 to us for design services). If you purchase cabinetry from Kaemark Incorporated or other approved cabinet vendor, then you must purchase, for a fee, initial design services from us. We estimate the fees for design services will be between $3,200 and $5,000. You must also procure final design plans, mechanical, HVAC, plumbing, electrical, and any other drawings required by any applicable codes, regulations, rules or laws from engineers, architects, or other design professionals. In either case, these additional fees will vary depending on the complexity and size of your project.

(6) Improvements/Conversions: The numbers provided cover the interior build out of a location and are based on our collective experience in the salon business and our combined years in the real estate industry. These estimates are based on the build out of one location. If you purchase multiple franchises at one time, you will incur additional expenses for each location purchased. Franchise locations typically range from 18 studios to 43 studios (4,200 to 9,000 square feet). The average location size is approximately 6,000 square feet. Your location will typically be leased, although some franchisees own their locations. These costs are the same regardless of whether you buy a building or lease space. Franchisees can choose whether to office from home, maintain onsite offices or lease other space. This is not a Sola requirement. Our low-end estimate assumes that the construction build-out will cost $120 per square foot for a 4,200 square feet location. Our high-end estimate assumes that the construction build-out will cost $160 per square foot for a 9,000 square feet location. The costs will vary widely and may be significantly higher than projected in this table depending on such factors as property size, property location, population density, economic climate, prevailing interest rates and other financing costs, conditions of the property and extent of alterations required for the property. You should investigate all of these costs in the area where you wish to establish a Sola Franchise.

(7) Furniture & Fixtures: Franchise locations typically range from 18 studios to 43 studios (4,200 to 9,000 square feet). The average location size is approximately 6,000 square feet. Common area spaces should be equipped with an entrance logo, seating, sconces, individual studio signs, digital directory, and interior decor. Individual Studios should be equipped with cabinets, mirrors, styling chair, and sliding doors. Our low-end estimate assumes that the furniture and fixtures will cost $35 per square foot for a 4,200 square feet location. Our high-end estimate assumes that furniture and

fixtures will cost $45 per square foot for a 9,000 square feet location.

(8) Utilities: Includes utility costs for the initial 3 months of operations of your Franchise location.

(9) Operating Supplies: You must purchase an initial inventory of cleaning supplies and other operating supplies.

(10) Advertising/Marketing: The advertising and marketing expenditure includes local marketing of $300 per month for 3 months, which represents a quarter of the annual requirement of $3,600 per year in local marketing expenditure. You must market and promote the Business for at least two months prior to opening the Business and during each of the first two months after opening the Business. We also recommend you spend an additional minimum of $10,000 towards pre-opening and post-opening marketing in your individual market during the first year of operation.

(11) Computer Equipment and Software: You will be required to purchase or license computer equipment and software for the operation of your Sola Franchise, including, but not limited to, a sublicense from us for the Rent Manager Property Management Software. While we do not require any specific vendors for computer, Internet, and communications equipment, we require that you meet certain minimum standards established periodically in the Manual.

(12) Repairs and Maintenance: The estimated cost of repairs and maintenance, including janitorial services, can vary widely. Our low and high estimates are for three months of initial operations.

(13) Additional Funds: Based on our experience with our Affiliate locations, this estimates your initial startup expenses for an initial three-month period, not including payroll costs, and does not include any revenue generated by the operation of your Business. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting your Business. If you have had prior experience with successfully developing commercial real estate, then your additional fees are likely to be lower than if you do not have prior experience with successfully developing commercial real estate.

(14) We relied on our collective experience in the salon business and combined years in the real estate industry to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not provide financing arrangements for you. If you obtain financing from others to pay for some of the expenditures necessary to establish and operate the franchise, the cost of financing will depend on your creditworthiness, collateral, lending policies, financial condition of the lender, regulatory environment, and other factors.

YOUR ESTIMATED INITIAL INVESTMENT
MULTI-UNIT DEVELOPMENT AGREEMENT

Type of Expenditure	2-Unit MUDA Amount (Low)(High)	3-Unit MUDA Amount (Low)(High)	6-Unit MUDA Amount (Low)(High)	12-Unit MUDA Amount (Low)(High)	Method of payment	When due	To whom payment is to be made
Multi-Unit Development Fee (Note 1)	$20,000	$40,000 - $45,000	$100,000 - $120,000	$220,000	Lump sum	Upon signing First Franchise Agreement and MUDA	Us
Initial Investment for 1st Unit (Note 2)	$808,143 - $2,134,517	$808,143 - $2,134,517	$808,143 - $2,134,517	$808,143 - $2,134,517	As indicated in Item 7 table above	As indicated in Item 7 table above	As indicated in Item 7 table above
Initial Investment for each additional unit (Note 2)	$753,143 - $2,079,517	$753,143 - $2,079,517	$753,143 - $2,079,517	$753,143 – $2,079,517	As indicated in Item 7 table above	As indicated in Item 7 table above	As indicated in Item 7 table above
TOTALS (Note 3)	**$1,581,286 - $4,234,034**	**$1,601,286 - $4,259,034**	**$1,661,286 - $4,334,034**	**$1,781,286 - $4,434,034**			

Notes:

(1) The Development Fee is for the purchase of one additional unit, two additional units, five additional units, or eleven additional units, and is in addition to the Initial Franchise due from or paid by Franchisee under a Franchise Agreement signed concurrently herewith for a total of two (2), three (3), six (6) units, or twelve (12) units purchased. For an Existing Franchisee, the Development Fee will be $20,000 for a two-unit MUDA, $40,000 for a three-unit MUDA, $100,000 for a 6-unit MUDA, and $220,000 for a 12-unit MUDA. For a New Franchisee, the Development Fee will be $20,000 for a two-unit MUDA, $45,000 for a three-unit MUDA, $120,000 for a 6-unit MUDA, and $220,000 for a 12-unit MUDA. You must sign our MUDA at the same time you sign the Franchise Agreement for the first Franchise of the MUDA. We describe the Development Fee in Item 5.

(2) Multi-Unit Developers will incur the expenses listed in the preceding Item 7 table for the first unit. The estimated initial investment for each subsequent franchise purchased under the MUDA does not include the Initial Franchise Fee or the MUDA fee, as these fees are paid at the time you sign the initial Franchise Agreement in conjunction with the MUDA.

(3) The Total Estimated Initial Investment for the MUDA includes the Development Fee you must pay at the time you enter into the MUDA, the Initial Franchise Fee and estimated range of fees and costs you will incur to open and operate your first franchised unit for a period of three (3) months, and estimated range of fees and costs you will incur to open and operate your first additional (i.e., second overall) franchised unit for a period of three (3) months. This total does not include the cost to open and operate the additional units beyond the first additional (i.e., second overall) franchise unit purchased under the MUDA.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

We require that you establish and operate your franchised location in compliance with your Franchise Agreement. You must strictly follow our specifications as set forth in the operations manual we provide to you or other written materials from us (collectively, the "Manual"), which we may modify from time to time, and which may be in print or electronic format. We reserve the right to require you to use an electronic version of the Manual and to require you to access the document using the Internet or an intranet created and supported by us. Our standards and specifications have been prescribed in order to maintain a uniform standard of high quality, value, tenant recognition, advertising support and availability to be furnished to the public in connection with our Marks. In operating the Sola Franchise, all fixtures, furniture, and equipment and all salon designs must conform to our standards and specifications, which have been established through years of experience. In the future, we may modify our fixtures, furniture, and equipment and salon design specifications.

You are not currently required to purchase beauty supplies, hair care products, or salon or spa inventory and there are currently no specifications for these items. We currently do not derive any revenues from these purchases, but may in the future.

You must purchase the cabinetry, doors, and interior signage and design services from our approved supplier(s). Currently, our only approved suppliers for cabinetry are Sympateco, Inc. and Kaemark Incorporated. Currently, our only approved supplier for interior studio doors is Sympateco, Inc. Currently, our only approved suppliers of the approved interior signage bearing our trademark logo are Sympateco, Inc. and Woodland Manufacturing. Our only approved vendor for design services is Sympateco, Inc., unless you purchase the cabinetry from Kaemark Incorporated. If you are purchasing cabinetry from Kaemark Incorporated, then you must use our in-house design service and pay us the design fee. The amount of this additional fee will vary depending on the complexity and size of your project, but we estimate it to be between $3,200 and $5,000. In addition, you must also purchase additional design services from us or an approved vendor in connection with any renovations, upgrades, or modernizations of your Franchise. If we provide these services, you must pay our then-current design services fees. We estimate these fees will be between $3,200 and $5,000 under our current fee structure.

You are required to subscribe to the Rent Manager Property Management Software by way of a month-to-month sublicense for the software that we will make available to you. There is a one-time set-up fee of $150 per account. Our current month-to-month sublicense fee is $72 per month for a single-user sublicense. The fee increases if you request multiple concurrent users. Currently, there is an additional $50 per month fee if you elect to utilize text-messaging services available through Rent Manager. We will automatically deduct the fees for this sublicense in the same manner that we deduct your royalty payments. We reserve the right to increase the fees at any time.

You must subscribe to a commercial lease management software by way of a sublicense for the software that we will make available to you through our master account. Currently, we make this available to you without charging a fee. We reserve the right to charge you a fee for this sublicense in the future.

You must subscribe to sales management software by way of a sublicense for the software that we will make available to you through our master account. Currently, the National Marketing Fund funds this without any additional charge to you. The National Marketing Fund may cease doing so in the future. We reserve the right to charge you a fee for this sublicense in the future.

You must purchase digital signage and music for your locations from a supplier we have approved. Currently, we have one approved supplier (Rockbot Inc.) for these services.

At the present time, except as set forth above, neither we nor any affiliate of ours is an approved or designated supplier of required goods or services. In the future, we or an affiliate of ours may be designated as an approved or sole supplier of goods or services to franchisees.

We and our affiliates may derive revenue or other material benefit from required purchases or leases by Franchisees. According to our audited financial statements, in our fiscal year ended December 31, 2021, we had total revenues $15,178,884, of which $37,500 (approximately 0.25% of our total revenue) came, directly or indirectly, from or in connection with required purchases or leases of products and services by Franchisees. In our fiscal year ended December 31, 2021, no affiliate of ours derived revenue or other material benefit from required purchases or leases of products and services by Franchisees.

In the fiscal year ended December 31, 2021, we collected $138,250 in sponsorships for our annual franchisee conference from vendors and suppliers to the System. These sponsorships were used to offset the costs incurred to plan and convene the annual conference.

We estimate that the cost of the salon equipment, cabinetry, doors, interior signage and design services that must be purchased from designated or approved suppliers or in accordance with our specifications will represent approximately between 25% and 35% of your total purchases in connection with the establishment of your business and will represent from 2% to 5% of your ongoing expenses.

Some of our officers have an indirect ownership interest in us. Otherwise, there are no approved suppliers in which any of our officers own an interest.

We and our affiliates may receive rebates from suppliers and vendors based on your purchases of products and services, promotional allowances, volume discounts and other programs. In the fiscal year ended December 31, 2021, we received $16,155.83 in rebates from Conquest Graphics, of which the entire amount was contributed to the National Marketing Fund described in Item 11.

If you would like to purchase required items from another supplier (other than our designated supplier), you may request our "Supplier Approval Criteria and Request Form." Based on the information and samples you supply to us, we will test the items supplied and review the proposed supplier's business reputation, delivery performance, credit rating and other information. You will be required to pay our Supplier/Vendor Inspection Fee in the amount of $2,500 plus actual costs incurred by us in investigating the supplier or vendor. The additional costs are estimated to be between $1,000 and $2000 but may be more. The costs will include time, travel and materials associated with our reasonable efforts to investigate, inspect, test and do reasonable due diligence on the proposed supplier or vendor. We expect to complete our review and advise you of our decision within 30 days after you submit the required information. The specifications and standards for these required purchases are in the Manual. We reserve the right to disapprove any previously approved vendor whose performance falls below our standards. We will make any approvals of new vendors or revoke approval of vendors in writing based on the vendor's credit worthiness, delivery standards, and cost and will incorporate our decision in the Manual. The specifications and standards for these required purchases are in the Manual.

We do not have any purchasing or distribution cooperatives as of the date of this Disclosure Document. We may implement a centralized purchasing system in the future and we may negotiate purchase arrangements with suppliers and distributors, including price terms, for the benefit of the Sola Salons system as a whole, including us, our affiliates, and our Franchisees, in the future. We may receive rebates or volume discounts from our purchase of salon equipment, beauty supplies, hair care products or salon or spa inventory that we resell to you. We do not provide material benefits, such as renewing or granting additional franchises, to Franchisees based on their use of designated or approved suppliers.

Site Selection/Construction

You must obtain our prior written approval of your proposed business site. You must use an architect approved by us for architectural services related to the development of your Salon. We must approve the general contractor that you select to construct the improvements for your Salon. You may not remodel or make significant modifications to the Salon without our prior written approval.

Insurance

You must, at all times, maintain insurance as follows:

A. If you have employees, workers' compensation insurance in amounts prescribed by law in your territory but not less than $500,000 in coverage.

B. Fire and lightening, extended coverage, theft, vandalism and malicious mischief, flood (if the Sola Franchise is in a Designated Flood Hazard Area), and sprinkler leakage insurance on the Sola Franchise and all fixtures, equipment, supplies and other property used in the operation of the Sola Franchise, for not less than 100% of the replacement value of the same, except that an appropriate deductible clause will be permitted.

C. Comprehensive general liability insurance and product liability insurance coverage in such amounts and upon such terms as may from time to time be customary for a salon studio rental business located in your Protected Territory, but not less than $1,000,000, insuring both you and Sola against all claims, suits, obligations, liabilities and damage, including attorneys' fees, based upon or arising out of actual or alleged personal injuries or property damage relating to the use or condition of the Sola Franchise.

D. Professional liability insurance must be maintained at all times in amounts not less than $1,000,000 per occurrence. It must protect the Sola Franchise against all professional related claims. If renters of said Sola Franchise have operations that are excluded on professional liability policy, Franchisee is responsible for ensuring that the excluded operation is covered under a separate policy.

E. Cyber insurance providing coverage for responses and defense in the case of a data breach must be maintained at all times in an amount of not less than $100,000 per occurrence.

F. Such additional insurance as may be required by the terms of any lease or mortgage for the Sola Franchise.

G. If you do not maintain the required insurance, then we may obtain it for you and you will owe us the cost of the insurance premium plus 20% of the premium amount as an administrative fee.

H. Franchisor may, from time-to-time, designate one or more approved suppliers or brokers for the required insurance coverage, and Franchisee must purchase the required insurance coverage and otherwise comply with the requirements to use such approved suppliers and/or brokers, to the extent permitted by applicable law.

Computer Requirements

We require you to use Rent Manager Property Management Software under our national account. You will purchase from us a sublicense to use the Rent Manager Property Management Software. We do not currently require you to purchase any other particular computer hardware brand to establish or operate the Business, but we do specify the standards for computer and communication equipment and Internet access. You will be required to purchase or lease certain software to use in the operation of your Sola Franchise as

prescribed periodically in the Operations Manual. We reserve the right, to require you in the future, to use computer hardware or software, and other communications equipment, and to specify other computer-related and communications standards.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this Disclosure Document.

	Obligation	Section in Franchise Agreement	Section in MUDA	ITEM in Disclosure Document
A	Site selection and acquisition/lease if any	Sections 8.02 & 10.02	Section 3	ITEM 11
B	Pre-opening purchases/leases	Sections 10.02 & 12.06	Section 3	ITEM 11
C	Site development and other pre-opening requirements	Sections 10 & 12	Section 3	ITEM 11
D	Initial and ongoing training	Sections 8.05 & 8.06	Not Applicable	ITEM 11
E	Opening	Section 8.07	Section 3.1 Attachment A	Not Applicable
F	Fees	Section 5	Section 2	ITEM 5, 6, & 7
G	Compliance with standards and policies/Manual	Section 7.04, 12.02, 12.03, 12.04 & 12.05	Section 4.4	ITEM 11
H	Trademarks and proprietary information	Section 6 & 7	Not Applicable	ITEM 13 & 14
I	Restrictions on products and services offered	Sections 8.04, 12.06	Not Applicable	ITEM 8 & 16
J	Warranty and customer service requirements	Section 12.08	Not Applicable	Not Applicable
K	Territorial development and sales quotas	Section 4 and Attachment I	Section 3 Attachment A	ITEM 11 & 12
L	Ongoing product and service purchases	Section 12	Not Applicable	ITEM 8 & 16
M	Maintenance, appearance and remodeling requirements	Sections 10.01, 10.04 12.02, 12.03	Not Applicable	Not Applicable
N	Insurance	Section 12.07	Not Applicable	ITEM 8
O	Advertising	Section 9	Not Applicable	ITEM 11
P	Indemnification	Section 12.12	Section 7.2	Not Applicable
Q	Owner's participation/management staffing	Sections 12.04	Not Applicable	ITEM 15
R	Records and reports	Section 7	Not Applicable	Not Applicable
S	Inspections and audits	Section 11	Not Applicable	Not Applicable
T	Transfer	Section 14	Section 6	ITEM 17
U	Renewal	Section 3	Not Applicable	ITEM 17
V	Post-termination obligations	Sections 3.07, 13.03, 13.04	Not Applicable	ITEM 17
W	Non-competition covenants	Sections 7.05, 15.01	Not Applicable	ITEM 17
X	Dispute resolution	Section 16	Section 8	ITEM 17
Y	Guarantee	Section 2.03, Attachment V	Not Applicable	ITEM 10

	Obligation	Section in Franchise Agreement	Section in MUDA	ITEM in Disclosure Document
Z	Other	Not Applicable	Not Applicable	Not Applicable

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or any other obligation.

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

Single Unit Franchise Agreement

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

Pre-Opening Obligations. Before you begin your Business, we will:

1. Designate your Protected Territory in writing and approve, if it meets our standards and specifications for approval, the franchise selected solely by you to be used for the operation of the Sola Franchise. (See Sections 4 and 10 of the Franchise Agreement).

2. Provide you with access to an electronic copy of our confidential operating Manual, which contains mandatory and suggested specifications, standards, operating procedures and rules. The Manual is confidential and remains our property. We may modify the Manual from time to time, but the modification will not alter your status and rights under the Franchise Agreement. (See Section 7.04 of the Franchise Agreement). We have included a copy of the Table of Contents of our Manual as Exhibit G to this Disclosure Document. The Manual contains 135 pages.

3. Provide advice about selecting and analyzing a site for the Franchise. Your site must be at least 3,200 square feet. Site selection is your responsibility, but we will assist you in the franchise selection process by considering population density, traffic patterns, and proximity of the proposed site to other Sola Salons or any other reasonable criteria. We will approve or disapprove your proposed site within 30 days after we receive notice from you of your proposed site. (See Section 8.02 and 10.02 of the Franchise Agreement). If you enter into a Multi-Unit Development Agreement ("MUDA") with us, then upon execution the MUDA, we will designate a non-exclusive Development Area within which you will develop and establish franchised locations. You must execute our then-current form of franchise agreement for each franchised location to be developed under a MUDA. For each franchised location under a Franchise Agreement executed pursuant to a MUDA, we will approve the site, and provide the site selection assistance, in accordance with such Franchise Agreement as summarized in this Item 11 and in Item 12. (See Sections 1.1 and 3.1 of MUDA.)

4. Upon your request, provide you advice about the negotiation of the lease or purchase of a location for your Sola Franchise, which will be leased or purchased by you from independent third parties. We do not own premises that are then leased to you. (See Section 8.02 and 10.02 of the Franchise Agreement)

5. Provide information regarding our pre-approved salon equipment vendors, design firms and beauty supplies for your opening inventory and supplies used in the Business. We do not deliver to or install any of these items in your Business.

6. Within 60 days of your signing the Franchise Agreement, or any other time as may be mutually agreed upon, train you as follows:

TRAINING PROGRAM

Franchisee Onboarding & Development Training

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Orientation and Overview	Minimum of 1 Hour	None	Lakewood, Colorado; or virtual
Site Selection, Commercial Leasing, Design, and Construction	Minimum of 3 Hours	None	Lakewood, Colorado; or virtual
Marketing and Promotion	Minimum of 1 Hour	None	Lakewood, Colorado; or virtual
Operations and Sourcing	Minimum of 30 Minutes	None	Lakewood, Colorado; or virtual
TOTALS	**Minimum of 5.5 Hours**		

7. Within 60 days of your selecting a site for your Sola Franchise, or any other time as may be mutually agreed upon, train you and a Manager as follows:

Sales & Operations Training

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Orientation and Overview	Minimum of 15 Minutes	None	Lakewood, Colorado; or Virtual
Construction and Design	Minimum of 30 Minutes	None	Lakewood, Colorado; or Virtual
Marketing and Promotion	Minimum of 1.5 Hours	None	Lakewood, Colorado; or Virtual
Operations and Sales	Minimum of 5 Hours	None	Lakewood, Colorado; or Virtual
Back Office Systems and Technology Platforms	Minimum of 1 Hours	None	Lakewood, Colorado; or Virtual
TOTALS	**Minimum of 8 Hours**		

Our training is administered and directed by Sarah Russell (Sola's Training Manager), who has more than 16 years' experience in various capacities relating to education and training. Ms. Russell will be assisted by other members of Sola's staff who have at least 12 months of experience in their field of work.

Training materials will consist of the Operations Manual, handouts, webinars or e-learning, and live instruction. We conduct our training program every twelve weeks, but we reserve the right to hold training more or less often. You or your designated Manager must attend training, but we do not charge an additional fee for this training or service unless more than two persons are attending. You will, however, be required to pay the travel and living expenses for you, your designated Manager, and your employee(s) who attend training. All training, except any on-site training, will be held at our corporate headquarters in Lakewood, Colorado, virtually, or at another designated location. You must complete this training to our satisfaction or repeat this training, at no cost, prior to commencing operation of your Sola Franchise. After satisfactorily completing this initial training, there is no mandatory training requirement, however, you may be required to attend mandatory conferences and participate in any continuing advanced training that we may choose to offer in the future (See Item 11 and Sections 8.04 and 8.05, Franchise Agreement).

8. We may also provide to you on-site initial training at your Sola Franchise location and assistance with respect to opening activities within the first four weeks of the operation of your Franchise at no additional cost to you. (See Section 8.07, Franchise Agreement).

9. Approve, if it meets our standards and specifications for approval, plans submitted for the design of your Franchise. Construction or remodeling, if needed, should begin as soon as possible after signing the Franchise Agreement, but, in any case, will not begin later than twelve months after signing the Franchise Agreement. You must purchase cabinetry, doors and interior signage, and design services from our approved supplier(s) (See Item 8). We must approve your exterior signage. You must pay for construction or remodeling and all other costs associated with compliance and permits. Our approval means that the site and plans meet minimum specifications and is not a warranty for their appropriateness. (See Section 10 of the Franchise Agreement).

10. Unless otherwise agreed to in writing by the parties, you must open your Initial Franchise unit no later than eighteen (18) months after you sign a Franchise Agreement. The factors that affect this time are the ability to obtain a building or lease, obtain general business permits, training, financing or building permits, zoning and local ordinances, weather conditions, shortages, and installation of equipment, fixtures and signs. Our assistance does not include conforming the premises to local ordinances and building codes or obtaining any required permits. Unless otherwise agreed to in writing by the parties if you do not make reasonable efforts to open your franchise by the end of eighteen (18) months we may terminate the Franchise Agreement and retain all monies received. (See Section 10.01, Franchise Agreement).

Schedule for Opening

It is estimated that the length of time between the signing of the Initial Franchise Agreement and the opening of your Business will usually be about nine to eighteen months. Factors affecting this length of time include financing arrangements, property lease terms, construction or conversion requirements, and scheduling and completion of the training program.

If you enter into a Multi-Unit Development Agreement ("MUDA") with us and unless otherwise agreed to in writing, you will be required to sign our MUDA (Exhibit I) and agree to open your additional units upon a set schedule. Your failure to meet the development schedule is a default under your MUDA.

Two (2) Unit MUDA: You agree to open the first unit within 18 months and the second unit within 30 months. In no event, will the opening of all of the units exceed 30 months, or 2.5 years.

Three (3) Unit MUDA: You agree to open the first unit within 18 months, the second unit within 30 months and the third unit within 42 months. In no event, will the opening of all of the units exceed 42 months, or 3.5 years.

Six (6) Unit MUDA: You agree to open the first unit within 18 months, the second unit within 30 months, the third unit within 42 months, the fourth unit within 54 months and the fifth and sixth units within 66 months. In no event, will the opening of all of the units exceed 66 months, or 5.5 years.

Twelve (12) Unit MUDA: You agree to open the first unit within 18 months, the second unit within 30 months, the third and fourth units within 42 months, the fifth and sixth units within 54 months, the seventh and eighth units within 66 months, the ninth and tenth units within 78 months, and the eleventh and twelfth units within 90 months. In no event, will the opening of all of the units exceed 90 months, or 7.5 years.

During the operation of the franchised business, we will:

1. Offer you a reasonable amount of continuing advisory services by telephone during normal business hours. We may also provide additional trainings or conferences, for which you may incur a fee. We may also provide to you visits by our field representative, but any additional on-site consultation or advisory services you request may incur a fee. (See Sections 8.01, 8.05, and 8.06 of the Franchise Agreement).

2. We will include information about your Sola Franchise on our website. (See Section 8.11 of the Franchise Agreement).

3. Provide marketing, promotional materials, and services to you. Materials provided may include video and photography, copy-ready print marketing materials, posters, mailers, banners social media graphics and copy, digital advertising collateral, and miscellaneous items. You will receive one sample of each at no charge. If you want additional copies you must pay duplication costs. We may use both outside advertising and marketing agencies and internal staff to create advertising. You may develop marketing materials for your own use, at your own cost. We must approve the marketing materials in advance and in writing within fifteen days from receipt. We reserve the right to utilize marketing and photography/videography developed by you for the use of all Franchisees without any payment or other compensation to you. (See Section 9.02 of the Franchise Agreement).

4. We may hold periodic regional or national conferences to discuss on-going changes in the industry, operational techniques, studio rental developments, training, bookkeeping, accounting, advertising programs and new service procedures. We may require you to attend these conferences. We do not currently charge a conference fee, but we may do so in the future. If we charge a conference fee, you will be required to pay the fee regardless of your attendance at the conference (See Item 6). You must pay all of the travel and living expenses for you and any other employees who attend. These conferences will be held at our corporate headquarters or at another location chosen by us. We estimate the cost of the travel and living expenses to attend the conferences to be between $1,500 and $3,000. We may provide other trainings/conferences from time to time, and you may be required pay an Additional Training Conference fee for attending these additional trainings/ conferences based upon the direct costs to us of retaining speakers and other direct expenses associated with the conference. You must pay all of the travel and living expenses for you and any other employees who attend. We will not receive any net income from these conferences. (See Section 8.05 of the Franchise Agreement).

5. You are also required to participate in any continuing advanced training which we may choose to offer in the future ("Continuing Advanced Training"). The Continuing Advanced Training may be provided by various methods, including by telephone, SKYPE type video, e-mail, or webinars or

distance learning. We do not charge any fee for the Continuing Advanced Training. (See Section 8.05 of the Franchise Agreement).

Marketing Programs

Local

At the present time, you are required to market on a local basis as an individual Sola Franchise or by local marketing agencies hired by you. You are required to spend a minimum of three thousand six hundred dollars ($3,600) on local advertising, marketing, and promotion on an annual basis in your Protected Territory. Marketing and promotion costs include but are not limited to: mailers to potential customers, advertising, and social media and digital marketing. (See Section 9.02 of the Franchise Agreement). In addition to your annual local marketing and promotion requirement, you must market and promote your Business for two (2) months prior to opening and during the first two (2) months after opening your Business. We recommend you spend an additional minimum of $10,000 towards pre-opening and post-opening marketing in your individual market during the first year of operation. (See Item 7). We are not required to spend any amount on advertising in your Protected Territory or Development Area.

There are no restrictions on your marketing, except that you may not advertise independently on the World Wide Web (See Sections 4.03 and 9.01 of the Franchise Agreement) and any advertising or marketing materials must be approved by us prior to your use of such materials. We will include your Business on our website.

Multi-Area Marketing Programs

You must participate, at your sole cost and expense, in any national, international, regional, and/or multi-area marketing programs we require (collectively, "Multi-Area Marketing Program(s)" or "MAM Program(s)"). MAM Programs will be administered and/or directed by our marketing and accounting staff. In any given month, your combined expenditures in connection with a MAM Program and required monthly contribution to the National Marketing Fund (discussed below) will not exceed 2% of your Gross Revenue. MAM Programs may require your cooperation and participation, including refraining from certain channels of marketing and distribution, and payment of commissions, referral fees, or other amounts to us, our affiliates, or third parties. We reserve the right to require you to pay a fee to us, in an amount we determine at our sole option subject only to the combined monthly cap noted above, in connection with MAM Programs. Any such fee will be due at the same time and manner as the Royalty Fee. We will use and direct amounts collected in connection with a MAM Program in our sole determination and we may use such amounts to reimburse our costs and expenses incurred in administering or directing such MAM Program. We have no fiduciary duty to you regarding any MAM Program or your expenditures or payments in connection with any MAM Program. We have no obligation to ensure that any particular franchisee benefits directly or pro rata from any MAM Programs or that any expenditures related to MAM Programs are equivalent or proportionate to any individual franchisee's payments or expenditures related to such MAM Programs.

National Marketing Fund

You must contribute to the National Marketing Fund ("Fund") in an amount we designate (currently 1.5% of Gross Revenue), which contribution amount will not exceed 2% of your Gross Revenue. Your combined total of contributions to the Fund and any required expenditures in connection with a MAM Program will not exceed 2% of your Gross Revenue in any given month. Your monthly contribution to the Fund is due at the same time and manner as the Royalty Fee. We will hold contributions to the Fund in a separate bank account. The Fund will be administered by Sola's marketing and accounting staff. All company-owned and affiliate-owned Sola Salons will be required to contribute to the Fund on the same basis as franchisees. We will spend the contributions to the Fund in our discretion. We have no fiduciary duty to you regarding

the Fund or your contributions to the Fund. We have no obligation to make expenditures for franchisees in their area or territory or that are equivalent or proportionate to any individual franchisee's contribution to the Fund or ensure that any particular franchisee benefits directly or pro rata from the placement of advertising or deployment of marketing purchased with money from the Fund. If the Fund operates at a deficit or require additional funds at any time, we reserve the right to loan such funds to the Fund on any terms we determine. An unaudited annual financial statement of the Fund will be prepared within 120 days of the close of our fiscal year and will be available to any Franchisee upon written request.

The Fund is intended to maximize general public recognition and acceptance of the Sola brand, increase business, and enhance the collective success of all salons operating under the System. We will administer contributions to the National Marketing Fund in our sole determination for the creation and development of marketing, advertising, promotions, and related programs and materials, including electronic, print, and internet media, as well as the planning and purchasing of national, regional, and/or local advertising. We will direct all advertising and marketing programs funded by the Fund, including but not limited to research methods, branding, creative concepts and materials, sponsorships, and endorsements, selection of geographic and media markets, and media placement and allocation thereof. We may reimburse our self from the Fund for its expenses in administering the Fund or any MAM Program(s), including expenses related to third-party services, in-house services, contractors, employees and other costs related to the managing the Fund and the collecting Fund contributions. The Fund or any MAM Program(s) may be used to satisfy any and all costs of maintaining, administering, directing and preparing advertising or marketing, including, without limitation, (a) the costs or preparing and conducting marketing campaigns intended to enhance the brand, including marketing, advertising, or promotions that are directed at consumers, salon professionals or general business professionals such as lenders to franchisees, landlords and beauty industry participants, (b) digital marketing, (c) social media marketing, (d) in-store and point of purchase marketing, (e) public relations activities or events, intended to enhance the brand, that are directed at consumers, salon professionals or general business professionals such as lenders to franchisees, landlords and beauty industry participants, (f) employing or engaging advertising and/or marketing personnel, contractors or agencies, (g) development, enhancement and maintenance of Sola-sponsored or promoted websites and mobile applications, (h) costs incurred by Sola for personnel and other departmental costs for marketing purposes, (i) Sola programs and differentiators relating to education and support, (j) technologies and platforms used by Sola franchisees and Customers, and (k) other internal or administrative costs, expenses, or overhead caused by or related to the collecting, administering and managing the Fund or any MAM Program(s) or creating, preparing, distributing, monitoring and managing marketing related marketing or advertising programs or campaigns, websites and mobile applications.

We will not use the Fund or any MAM Program(s) for advertising that is principally a solicitation for the sale of Sola Franchises, but we reserve the sole right to pursue any franchisee or business opportunity that results from any MAM Program or any use of the Fund, including marketing, promotional, public relations, and advertisement activities. We reserve the right to include notations in any advertisement or marketing platform, including websites or mobile applications, that Sola Franchises are available (or similar phrasing) along with contact forms or informational pages.

In the fiscal year ending December 31, 2021, we spent approximately 28.59% of the Fund on acquisition based marketing efforts, including asset creation, technology, social media and digital advertising, and local marketing direct support; 42.42% of the Fund on cross-platform marketing strategies, including the Sola website management and hosting, asset creation, community events, Sola Pro app and live education (the Sola Sessions); 7.12% of the Fund on retention marketing efforts, including social media, communications, brand ambassador engagement (Faces of Sola) and digital education; 5.83% of the Fund on national marketing efforts, including ongoing PR and paid industry media, digital and social media advertising, consulting and strategy; 3.23% of the Fund on franchisee marketing support; and 2.93% of the Fund on SolaGenius marketing efforts and BookNow efforts, and 9.88% of the Fund on Administrative Overhead and payroll. Of the total Fund spend set forth above, 25% of the Fund was spent to offset employee salaries

of personnel involved in administering the Fund and is allocated between each of the categories set forth above. Any unspent contributions to the Fund are rolled over to the next fiscal year.

Regional Advertising Cooperative

We may establish a Marketing Cooperative in a geographic area in which two or more Sola Salons are located. The Marketing Cooperative's members include all Studios operating in the geographic area, including those operated by us and our affiliates, if applicable. We may require you to join a Marketing Cooperative existing or established in a geographic area encompassing your Sola Salon Studio. We will determine how any Marketing Cooperative is organized and governed, but the Marketing Cooperative's members are responsible for its administration and determination of contribution levels, provided your required contribution to the Marketing Cooperative will not exceed 2% of your Sola Salon Studio's location's monthly Gross Revenue. Each Marketing Cooperative will operate under written governing documents prepared by us or our designee. Such documentation will be made available to members of the Marketing Cooperative upon reasonable request. All material decisions of the Marketing Cooperative, including contribution levels, will require the affirmative vote of at least 51% of all Sola Salons operating within the Marketing Cooperative's area (including those that we and our affiliates operate, if any), with each Sola Salon Studio receiving one vote. We may form, modify, change, dissolve, or merge Marketing Cooperatives. Funds contributed to a Marketing Cooperative will not be utilized to solicit new franchise sales. Any fees you pay to a Marketing Cooperative will count towards your minimum local advertising obligation, though the fees imposed by the Marketing Cooperative may exceed your required minimum local advertising obligation.

Other Advertising Information

We have the right to form, change, dissolve, or merge franchisee advisory council(s). We have formed and periodically meet with a council of Sola franchisees, the Sola Franchise Advisory Board ("SFAB")"to provide us with general input. Members of the SFAB are elected by existing Franchisees. We give due consideration to all input from the council but we retain the ultimate decision-making authority and responsibility for all matters. If we submit a matter for approval by the SFAB and that matter is approved by a majority vote of the SFAB, that approval will be fully binding on you.

We have formed and periodically meet with a council of Sola franchisees ("Sola Marketing Committee") to provide us with input on marketing and advertising. Members of the Sola Marketing Committee are selected by the SFAB. We give due consideration to all input from the SFAB, but we retain the ultimate decision-making authority and responsibility for all matters.

Computer Systems, Proprietary Software, and Internet Access

We do not currently require you to purchase any particular brand of computer hardware to establish or operate the Business, but we do specify the standards for computer and communication equipment and Internet access. The minimum hardware requirement is a PC with 4 GB RAM and 128 GB Hard Drive. This hardware may be obtained from any computer reseller such as Staples, Office Depot or Best Buy and will cost from $1,000 to $2,000.

We also require you to purchase a month-to-month sublicense to use the Rent Manager Property Management Software under our national account for the software that we will make available to you. There is a one-time set-up fee of $150 per account. Our current month-to-month sublicense fee is $72 per month for a single-user sublicense. The fee increases if you request multiple concurrent users. Currently, there is an additional $50 per month fee if you elect to utilize text messaging services available through Rent Manager. We will automatically deduct the fees for this sublicense in the same manner that we deduct your royalty payments. We reserve the right to increase the fees at any time. You must provide us access to the information contained in the software over the Internet. However, we will be restricted to the

information relating only to your Sola Franchise. Sola has the contractual right to pull the necessary data from your computer, but as a practical matter would be unable to do so without your cooperation. Sola will not have the right to access other types of data on your computer and does not have the ability to access it independently. Neither we nor our affiliates have any obligation to provide ongoing maintenance, repair, upgrades or updates to any computer system or software.

We reserve the right to specify computer hardware or software standards in the future. You must have access to the Internet, have an electronic mail address and periodically check your electronic mailbox and the portion of our website devoted to franchise owners. We have the sole right to market and sell on the Internet and use the Marks on the Internet, including all use of websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media. You may not separately register any domain name, or any portion of a domain name containing the Marks or participate or market on any website or other form of electronic media (including social technology, social media and social networking platforms) using the Marks unless you first obtain written approval from us. Your general conduct on the Internet or other forms of electronic media, including your use of the Marks or any advertising, is subject to the terms and conditions of the Franchise Agreement and any other rules, requirements or policies that we may identify from time to time.

You may be required to upgrade your hardware and/or software in order to utilize the computerized system as technological advances require. You will be responsible for the cost of such upgrades. You will not be required to upgrade your hardware or software more often than once a year, at a maximum cost of $1,000.

You are solely responsible for protecting yourself from viruses, computer hackers, and other communications and computer-related problems, and you may not sue us for any harm caused by such computer-related problems. You must also take reasonable steps to verify that any person or entity upon whom you rely is reasonably protected. This may include establishing firewalls, access code protection, anti-virus systems, and use of backup systems.

Sola Pro

We may provide access to our Sola Pro application which functions as a business tool and educational resource exclusive for beauty professionals operating their businesses in Sola Franchise locations. The Sola Pro application offers product deals, educational videos, tools, and resources for beauty professionals. There is currently no charge for these features. There is no requirement that any beauty professionals or franchisees use this application.

ITEM 12
TERRITORY

If you execute a MUDA, you will be assigned a geographic area ("Development Area") within which you will be granted the right and obligation to develop and establish the agreed-upon number of franchised locations under a prescribed Development Schedule. The size of your Development Area may range from a portion of a city or an unincorporated area to a single or multi-county or single state area, and will be determined based on the number of franchised locations we grant you the right to develop and establish under the MUDA, and the demographics of the general geographic area where we mutually agree you will be opening these locations. Your Development Area will be defined in Attachment A to the MUDA. You must execute our then-current form of franchise agreement for each franchised unit to be developed under the MUDA within the Development Area. We will review and approve the site for each franchised unit to be developed in accordance with the Franchise Agreement for such franchised unit and our then-current site selection criteria, as summarized below.

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

Franchisor will offer you one of three different protected territories ("Protected Territory"): a one-half (.5) mile radius around your unit; a one (1) mile radius around your unit; or a two (2) mile radius around your unit. The Protected Territory will be determined by us, in our sole determination, based on several factors, including population density, number of households and businesses in the area, and other geographic features of the area. Your Protected Territory will be defined in Attachment I of the Franchise Agreement.

Each Franchised unit purchased will operate from one location approved by us and must receive our permission before relocating. We will grant approval to relocate if you are in compliance with the Franchise Agreement and/or the MUDA, you have paid all money owed to us and/or our affiliates, and the proposed location meets our site selection criteria as specified in the Manual. You must submit proposals for the location within ten (10) months of signing the Franchise Agreement. We will approve or disapprove your proposed site within thirty (30) days after we receive notice from you of your proposed site. You may also request our site selection services and pay the Site Selection Assistance Fee (See Items 5 and 7).

Neither Sola, nor any affiliate, will operate, a Salon using the Marks you are authorized to use nor grant franchisees the right to operate a Salon using the Marks you are authorized to use within your Protected Territory, but Sola, its affiliate and its franchisees have the right to operate a Business using the Marks anywhere outside your Protected Territory. Neither Sola, nor any affiliate currently plan to operate or franchise a business under a different trademark that sells or will sell goods or services similar to those you will offer. Unless otherwise agreed to in writing by the parties, the boundaries of your Protected Territory will not be adjusted during the Term regardless of whether the population of your Protected Territory increases or decreases over time.

Your Protected Territory does not extend to, and you may not advertise independently on, the Internet or World Wide Web. We will maintain Sola Salon Studio web pages that will include information regarding your Sola Franchise. You may not solicit or advertise to customers of another Sola Salons franchisee (other than general solicitation through direct mail and social media advertising across large, multiple geographic areas) and your advertising must be approved by us and cannot be used without the express written permission of Franchisor.

There is no minimum sales quota; however, there is a minimum royalty fee to encourage development of business in your territory. The minimum monthly royalty fee of $500 is required. Failure to pay the royalties or minimum royalty is a material breach of the Franchise Agreement and may result in termination.

You do not receive the right to acquire additional franchises within your area or any contiguous area by this agreement alone. Each Franchise Agreement is a separate and distinct transaction between you and us. We intend to develop a strong system of multi-unit owners. You are encouraged to purchase franchise rights to operate additional franchises within or outside your local trade area. You do not receive any rights to use any other channel of distribution for our products or services without our written consent.

We and our affiliates may sell products under the Marks within and outside your Protected Territory through any method of distribution other than a dedicated Sola location, including, sales through such channels of distribution as the Internet, catalog sales, telemarketing, or other direct marketing sales (together, "alternative distribution channels"). You may not use alternative distribution channels to make sales outside or inside your Protected Territory except as described in the following paragraph and you will receive no compensation for our sales through alternative distribution channels except as described in the following paragraph.

We and our affiliates can use alternative distribution channels to make sales within your Protected Territory of products or services under trademarks different from the Marks you will use under the Franchise Agreement.

We reserve the right, among others:

1. to own, franchise, or operate Sola Franchises at any location outside of the Protected Territory, regardless of the proximity to your Franchised unit;

2. to use the Marks and the System to sell any goods or services, including salon equipment or services, or beauty supplies similar to those which you will sell, through any alternative distribution channels within or outside of the Protected Territory. This includes, but is not limited to, other channels of distribution such as television, mail order, catalog sales, wholesale sale to unrelated franchises, or over the Internet. We exclusively reserve the Internet as a channel of distribution for us, and you may not independently market on the Internet or conduct e-commerce;

3. to purchase or be purchased by, or merge or combine with, any businesses, including a business that competes directly with your Franchise, wherever located; and

4. to implement multi-area marketing programs which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs.

5. to use, license and franchise the use of trademarks or service marks that are not the same or similar to the Marks, whether in alternative channels of distribution or at any location including within the Protected Territory, in association with operations that are the same as, similar to, or different than Sola Franchises.

ITEM 13
TRADEMARKS

The Franchise Agreement grants you a license to operate a Sola Franchise under the Mark "Sola Salon Studios," "Sola Salons," and to use other future Marks we authorize.

SSS LLC owns the following Marks on the Principal Register of the United States Patent and Trademark Office ("USPTO"). SSS LLC has renewed or intends to renew the registrations for the Marks listed below. All required affidavits have been filed.

Mark	Registration Number	Registration Date
Sola Salon Studios	3,139,111	September 5, 2006
Your Life, Your Style	4,589,764	August 19, 2014

Mark	Registration Number	Registration Date
Sola Salon Studios	4,718,816	April 14, 2015
Sola	4,718,817	April 14, 2015
	4,788,561	August 11, 2015
	4,784,450	August 4, 2015
SOLAGENIUS	5,452,423	April 24, 2018
RUN YOUR SOLA LIKE A BOSS	5,772,511	June 11, 2019

SSS LLC owns and is in the process of registering the following Marks on the Principal Register:

Mark	Serial Number	Application Filing Date
Sola SALONS	97021629	September 10, 2021
	97334433	March 28, 2022

At this time, SSS LLC does not have federal registrations for the Marks listed above. The applications are pending. These Marks do not have the same legal benefits and rights as federally registered trademarks. If our right to use these Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

There is no currently effective determination of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of this state or any court, or any pending interference, opposition, or cancellation proceeding, or any pending material litigation involving the Marks that is relevant to your use of these Marks.

No currently effective litigation affects our use or ownership rights in a trademark. There are no currently effective agreements that significantly limit our rights to use or license the use of the Marks listed in this section in a manner material to the franchise.

Our predecessor, SFC, assigned to us its unrestricted, perpetual, exclusive right and license from SSS LLC to use the Mark "Sola Salon Studios" and any other future Marks owned by SSS LLC (Trademark License Agreement). The Trademark License Agreement grants us the right to use the Marks for the purpose of sublicensing the Marks to our franchisees and fulfilling our obligations under the Franchise Agreement. You must indicate, as required in the Franchise Agreement and specified in the Manual, that you are an independent operator of the Sola Franchise and will use the appropriate Marks as indicated by us. The Trademark License Agreement may be terminated only for failure to cure any default under the Trademark License Agreement. However, in the event of such termination, you will still be allowed to use the Marks until the end of the term and any renewal term of your Franchise Agreement.

You must follow our rules when you use any of the Marks. You may not use any of the Marks alone or with modifying words, designs or symbols as part of a corporate name or in any form on the Internet, including, but not limited to URLs, domain names, email addresses, locators, links, metatags or search techniques except as we license to you. You may not use any of the Marks in connection with the sale of an unauthorized product or service or in a manner not authorized by us in writing. Guidelines regarding proper trademark use and notices are set forth in the Manual and will be updated from time to time in our discretion.

We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you. You must notify us within three days of when you learn about an infringement of or challenge to your use of our Marks. We will take the action necessary, in our sole and absolute discretion, to protect the unauthorized use of our Marks, which may include payment of reasonable costs associated with the action.

We will indemnify you for any claims of infringement or challenges from use of Marks and will be solely for the defense and the cost thereof.

You must modify or discontinue the use of a Mark if we modify or discontinue use. The use of a new or modified trademark may be required, and you may be required to replace existing signs using new signs displaying our new or modified trademark. If this happens, we will reimburse you for your tangible cost of compliance (for example, changing signs). You must not directly or indirectly contest our right to our Marks, trade secrets or business techniques that are part of our business.

We do not know of any infringing uses that could materially affect your use of our Marks. You should understand that there could be other businesses using trademarks, trade names, or other commercial symbols similar to our Marks with superior rights to our rights. Before starting your Sola Franchise, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise in order to avoid the possibility of having to change your Sola Franchise name.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents and Copyrights

There are no pending patent applications that are material to the franchise. We hold no patents and have no pending patent applications. We have registered no copyright with the United States Copyright Office. However, we claim copyrights on certain forms, advertisements, promotional materials and other written materials. We also claim copyrights and other proprietary rights in the Sola's Confidential Operating Manual.

There are no agreements currently in effect that significantly limit your right to use any of our copyrights. Also, there are no currently effective determinations of the USPTO, the U.S. Copyright Office (Library of Congress) or any court pertaining to or affecting any of our copyrights discussed above. As of the date of this Disclosure Document, we are unaware of any infringing uses of or superior previous rights to any of our copyrights, which could materially affect your use of them in any state.

Your and our obligations to protect your rights to use our copyrights are the same as the obligations for Marks described in Item 13 of this Disclosure Document.

Confidential Information

You may never, during the Initial Term, any Renewal Term, or after the expiration or earlier termination of the Franchise Agreement, reveal any of our confidential information to another person or use it for any other person or business. You may not copy any of our confidential information or give it to a third party except as we authorize. All persons affiliated with you who perform work for the business or who have access to our confidential information must first sign our then-current form of Nondisclosure and Noncompetition Agreement, the current form of which is attached to this Disclosure Document as Exhibit H.

Our confidential information will include services, technologies and procedures relating to the operation of a Sola Salon Studio; systems of operation, services, programs, products, procedures, policies, standards, techniques, requirements and specifications which are part of the Sola System; the Manual: methods of advertising and promotion: instructional materials; and other matters.

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

You or a fully trained and qualified manager ("Manager"), who has completed our training program, must directly supervise and participate in the actual day-to-day operation the Sola Franchise on a full-time basis. Neither you nor your Manager may have an interest or business relationship with any of our business competitors. If you are an entity, we do not require that your designated Manager own an equity interest in such entity. You are responsible for ensuring that your Manager, employees and contractors do not disclose our confidential information. Each of your officers, directors, partners, shareholders or members (and, if you are an individual, immediate family members) who perform work for the business or who have access to our confidential information must execute our then-current form of Nondisclosure and Non-Competition Agreement, the current form of which is attached to this Disclosure Document as Exhibit H. Other than the above, we make no other recommendations and have no other requirements regarding employment or other written agreements between you and your employees.

If you are a business entity, each of your officers, directors, shareholders, partners, and members, plus any individual who owns, directly or indirectly, a 20% or greater interest in you must also sign the Guaranty and Assumption of Franchisee's Obligations assuming and agreeing to discharge all of your obligations and comply with all restrictions under the Franchise Agreement. The Franchisor Requires that Spouses of the Franchisee, who may not be involved in the franchised business or Multi-Unit Development Agreement must be bound to the Franchise Agreement by signing the Guaranty and Assumption of Franchisee's Obligations (See Attachment V to the Franchise Agreement).

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You will offer to license salon studio spaces, rooms, or studios to salon professionals for only those services that are authorized and approved by Sola. You are not restricted in your selection of the salon professionals to whom you may offer studio space, booths, rooms, or other rentals provided such individuals are properly licensed in your state. You and your salon professionals will offer only those products and services that are authorized and approved by Sola. Sola reserves the right, in its sole discretion, to change the types of authorized products and services that you may offer upon reasonable notice to you. There are no contractual limits on Sola's right to make any such changes, but Sola will not make changes lightly. Sola reserves the right to set maximum prices for use with multi-area marketing and special price promotions.

If we require you to purchase salon equipment and beauty supplies, you must do so from our designated suppliers. Sola reserves the right to designate alternative vendors from whom you will purchase salon equipment and beauty supplies.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

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.

THE FRANCHISE RELATIONSHIP

	Provision	Section in Franchise Agreement	Summary For Franchise Agreement
A	Length of the franchise term	Section 3.01	10 years.
B	Renewal or extension of term	Section 3.02	If you are in good standing, you can renew for one successive period of ten 10 years.
C	Requirements for franchisee to renew or extend	Section 3	Sign new agreement, give timely notice of intent to renew, not be in default, not have been in material breach previously, be current in payments, pay the Renewal Fee. You may be asked to sign a new Franchise Agreement with materially different terms and conditions than your original contract, but the boundaries of the territory will remain the same, and the Continuing Royalty on renewal will be no greater than Royalties that we impose on similarly-situated renewing franchisees.
D	Termination by franchisee	Section 13.01	Breach by us of material provision and failure to cure following proper notice (subject to state law).
E	Termination by franchisor without cause	None	None
F	Termination by franchisor with cause	Section 13.02(a) & (b)	We can terminate if you commit any one of several violations with a written 30 days' notice and for certain violations without any notice. We will not terminate your franchise agreement based on the default or termination of a separate agreement between you and us.
G	"Cause" defined - curable defaults	Section 13.02(a)	You have 30 days to cure, including failure to comply with the System, failure to timely open and begin operating, non-payment of fees and other obligations, failure to comply with federal, state or local laws or regulations, certain breaches of the agreement, failure to complete training as required, loss of possession of your business, affecting an unapproved transfer, or liquidating or consolidating without our approval.

	Provision	Section in Franchise Agreement	Summary For Franchise Agreement
H	"Cause" defined - non-curable defaults	Section 13.02(b)	Non-curable defaults include misrepresentation by you, failure to complete initial training, bankruptcy, insolvency, or appointment of receiver, abandonment, trademark misuses, unauthorized disclosure, unapproved transfers, or repeated noncompliance. (Termination upon bankruptcy may not be enforceable under U.S. Bankruptcy Law.)
I	Franchisee's obligations on termination/nonrenewal	Sections 3.07, 13.03, 13.04	Obligations include complete de-identification, non-competition, return of confidential or critical business information, payment of amounts due, and, upon Franchisor's election, cooperation regarding assignment of the lease of the premises, equipment, or trade fixtures, and/or sale of Franchise's assets.
J	Assignment of contract by franchisor	Section 14	No restriction on our right to assign.
K	"Transfer" by franchisee - defined	Sections 1.23, 14.03	Includes transfer of contract or assets or ownership change.
L	Franchisor approval of transfer by franchisee	Sections 14.04-14.08	We have the right to approve all transfers but will not unreasonably withhold approval.
M	Conditions for franchisor approval of transfer	Section 14.04	Franchise must be open for business to the general public at the Premises, New Franchisee qualifies, Transfer Fee paid, purchase agreement approved, training arranged, general release signed by you, and current agreement signed by new Franchisee. Any brokers' fees or commissions that arise because of the transfer must be paid by the Franchisee.
N	Franchisor's right of first refusal to acquire franchisee's Business.	Section 14.09	We can match any offer for your Business.
O	Franchisor's option to purchase franchisee's Business	Section 14.09	We may purchase the Business pursuant to our Right of First Refusal to match any offer for your Business.
P	Death or disability of franchisee	Section 14.08	Franchise must be assigned by estate to approved transferee within 120 days.
Q	Non-competition covenants during the term of franchise	Section 15.01	No involvement in competing business anywhere in U.S. (subject to state law).
R	Non-competition covenants after the franchise is terminated or expires	Section 15.01	No competing business for 2 years within 20 miles from the boundary of your Protected Territory or from another Sola Salons franchise, company-owned Franchise, or on the Internet (including after assignment) (subject to state law).

	Provision	Section in Franchise Agreement	Summary For Franchise Agreement
S	Modification of agreement	Sections 7.04, 8.10, 18.02	No modifications generally but Manual and the System are subject to change.
T	Integration/merger clause	Section 18.01	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and the Franchise Agreement may not be enforceable. Nothing in this agreement or in any related agreement is intended to disclaim any of the representations made in the disclosure document.
U	Dispute resolution by arbitration or mediation	Section 16	Except for certain claims, all disputes must be arbitrated (subject to state law).
V	Choice of forum	Section 16.06	Arbitration and actions for injunctive relief, claims based on the Marks, or on covenants not to compete must be in the State of Colorado (subject to state law).
W	Choice of law	Section 16.06	Colorado law applies (subject to state law).

See Exhibit F, the state specific addenda to the Franchise Agreement and Disclosure Document for special state disclosures.

THE MULTI-UNIT DEVELOPER RELATIONSHIP

This table lists certain important provisions of the Multi-Unit Development Agreement and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

	Provision	Section in MUDA Agreement	Summary For MUDA Agreement
A	Length of the MUDA term	Section 4.1	Date of execution and, unless earlier terminated, end on the last day of the calendar month that the final Location is required to be developed and opened under the Development Schedule
B	Renewal or extension of term	Not Applicable	Not Applicable
C	Requirements for franchisee to renew or extend	Not Applicable	Not Applicable
D	Termination by franchisee	Section 4.2	Termination by Franchisee for any reason with 60 days prior written notice (subject to state law).
E	Termination by franchisor without cause	None	Not Applicable
F	Termination by franchisor with cause	Section 1.3, 4.3 and 4.4	We can terminate if you commit any one of several violations immediately upon notice or with 30-day notice.

	Provision	Section in MUDA Agreement	Summary For MUDA Agreement
G	"Cause" defined - curable defaults	Section 1.3 and 4.4	You have 30 days to cure, including Failure to Maintain Standards, Deceptive Practices, Failure to Obtain Consent, Failure to Comply with Manual, Failure to Timely Develop your Salons in accordance with the MUDA and Breach of your Lease(s)
H	"Cause" defined - non-curable defaults	Section 4.3	Immediate termination upon receipt of notice. Non-curable defaults include Abandonment, Insolvency, Assignments, Unsatisfied Judgments, Levy, Foreclosure, Criminal Conviction, Failure to Make Payments, Misuse of Marks, Unauthorized Disclosure, Violation of Restrictive Covenants, Repeated Noncompliance, Unauthorized Transfer, Termination of Franchise Agreement for cause. (Termination upon bankruptcy may not be enforceable under U.S. Bankruptcy Law.)
I	Franchisee's obligations on termination/nonrenewal	Franchise Agreement ("FA") Sections 3.7, 13.03, 13.04	Obligations include complete de-identification, non-competition, return of confidential or critical business information, payment of amounts due, and, upon Franchisor's election, cooperation regarding assignment of lease.
J	Assignment of contract by franchisor	Section 6.1	No restriction on our right to assign.
K	"Transfer" by franchisee - defined	Section 6.2	Includes transfer of contract or assets or ownership change. Transfer must be to an "Approved Affiliate".
L	Franchisor approval of transfer by franchisee	Section 6.2	Transfers are not permitted. except to an "Approved Affiliate" we have the right to approve all transfers in our sole discretion.
M	Conditions for franchisor approval of transfer	Section 6.2	One of the individual owners of the Approved Affiliate or the Franchisee, if the Franchisee is the parent of the Approved Affiliate, who has a minimum of 33% of the ownership interest in the Approved Affiliate or the Franchisee, shall be designated by the Franchisee to supervise and direct the operations of the Location and each other Location developed hereunder ("Managing Owner"); and general release signed by you, and current agreement signed by new Franchisee.
N	Franchisor's right of first refusal to acquire franchisee's Business.	FA Section 14.07	We can match any offer for your Business.

	Provision	Section in MUDA Agreement	Summary For MUDA Agreement
O	Franchisor's option to purchase franchisee's Business	FA Section 14.07	We may purchase the Business pursuant to our Right of First Refusal to match any offer for your Business.
P	Death or disability of franchisee	FA Section 14.06	Franchise must be assigned by estate to approved transferee within 120 days.
Q	Non-competition covenants during the term of franchise	MUDA Section 5; FA Section 15.01	No involvement in competing business anywhere in U.S. (subject to state law).
R	Non-competition covenants after the franchise is terminated or expires	MUDA Section 5; FA Section 15.01	No competing business for 2 years within 20 miles from the boundary of your Protected Territory or from another Sola Salons franchise, company-owned Franchise, or on the Internet (including after assignment) (subject to state law).
S	Modification of agreement	MUDA Section 9.4; FA Sections 7.04, 8.10, 18.02	No modifications generally but Manual and System are subject to change.
T	Integration/merger clause	Section 9.5	Only the terms of the MUDA Agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and the MUDA may not be enforceable. Nothing in this agreement or in any related agreement is intended to disclaim any of the representations made in the disclosure document.
U	Dispute resolution by arbitration or mediation	Section 8.1	Except for certain claims, all disputes must be arbitrated (subject to state law).
V	Choice of forum	Section 8.2	Arbitration and actions for injunctive relief, claims based on the Marks, or on covenants not to compete must be in the State of Colorado (subject to state law).
W	Choice of law	Section 8.2	Colorado law applies (subject to state law).

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

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

OCCUPANCY

The figures below represent the median and average occupancy reported in accordance with the typical monthly royalty and occupancy reporting procedure for the month of December 2021 by Sola Salons franchise locations that satisfied the Occupancy Reporting Criteria. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

The following table includes information regarding the total number of Sola Salons franchise locations in the United States that met or exceeded all of the following criteria as of December 31, 2021 ("Occupancy Reporting Criteria"): (a) operated in the United States under a Franchise Agreement; (b) had been open for at least 13 months; and (c) submitted all required occupancy reports under the Franchise Agreement during 2021. The Occupancy Reporting Criteria excludes any Sola Salons locations (i) located outside the United States, (ii) owned, operated, or under contract to purchase by Franchisor or any of its affiliates at any time during 2021, and (iii) reporting over one hundred percent (100%) occupancy (as such reporting may suggest an error in the data).

The median and average occupancy information was prepared from the records and reports, as reported by Franchisees of each of the Sola Salons franchise locations satisfying the Occupancy Reporting Criteria. We have relied solely on the information reported to us by Franchisees. We do not know of an instance, nor do we have reason to believe, that any Franchisee would misstate its information.

To calculate the median and average Occupancy, we analyzed occupancy records and reports for the month of December 2021, as reported by Franchisees of each of the Sola Salons franchise locations satisfying the Occupancy Reporting Criteria as of December 31, 2021. We then provided the lowest occupancy percentage and the highest occupancy percentage.

Some outlets have achieved this amount. Your individual results may differ. There is no assurance that you'll achieve as much.

We do not furnish or authorize our salespersons to furnish any oral or written information concerning the actual or potential sales, income, costs, or profits of a Sola Salons location other than that disclosed here.

HISTORICAL OCCUPANCY DATA

Median and Average Occupancy for Franchise Locations Satisfying the Occupancy Reporting Criteria as of December 31, 2021

	Percentage
Median Occupancy	96%
Average Occupancy	91%
Highest Occupancy Percentage in Range	100%
Lowest Occupancy Percentage in Range	19%

Notes

(1) As of December 31, 2021, we had 555 Sola Salons locations open and operating in the United States. Of this total, 427 (77%) met the Occupancy Reporting Criteria and 128 (23%) Sola Salons locations did not meet the Occupancy Reporting Criteria. No franchised outlet, which had been open for more than 12 months, closed during 2021. No franchised outlet closed during 2021 after being open less than 12 months.

(2) Of the Sola Salons that met the Occupancy Reporting Criteria as of December 31, 2021, 214 (50%) Sola Salons met or exceeded the Median Occupancy for the month of December 2021 and 280 (66%) Sola Salons met or exceeded the Average Occupancy for the month of December 2021.

(3) Of the Sola Salons that met the Occupancy Reporting Criteria as of December 31, 2021, 157 (37%) Sola Salons met the Highest Occupancy Percentage for the month of December 2021 and 1 (0.2%) Sola Salon Studio met the Lowest Occupancy Percentage for the month of December 2021.

GROSS REVENUE

The figures below represent the median and average Gross Revenue for each quarter and full year during calendar years 2019, 2020, and 2021 reported by Sola Salons franchise locations that satisfied the 2019 Reporting Criteria, 2020 Reporting Criteria, or 2021 Reporting Criteria, as applicable and as defined below. Written substantiation for the financial performance representation will be made available to the prospective franchisee upon its reasonable written request.

The following table includes 2019 Gross Revenue information regarding the Sola Salons franchise locations in the United States that met or exceeded all of the following criteria as of December 31, 2019 ("2019 Reporting Criteria"): (a) operated in the United States under a Franchise Agreement; (b) had been open for at least 13 months; and (c) submitted all required revenue reports during 2019. The 2019 Reporting Criteria excludes any Sola Salons locations (i) located outside the United States, or (ii) owned, operated, or under contract to purchase by Franchisor or any of its affiliates at any time during 2019.

The following table includes 2020 Gross Revenue information regarding the Sola Salons franchise locations in the United States that met or exceeded all of the following criteria as of December 31, 2020 ("2020 Reporting Criteria"): (a) operated in the United States under a Franchise Agreement; (b) had been open for at least 13 months; and (c) submitted all required revenue reports during 2020. The 2020 Reporting Criteria excludes any Sola Salons locations (i) located outside the United States, or (ii) owned, operated, or under contract to purchase by Franchisor or any of its affiliates at any time during 2020.

The following table includes 2021 Gross Revenue information regarding the Sola Salons franchise locations in the United States that met or exceeded all of the following criteria as of December 31, 2021 ("2021 Reporting Criteria"): (a) operated in the United States under a Franchise Agreement; (b) had been open for at least 13 months; and (c) submitted all required revenue reports during 2021. The 2021 Reporting Criteria excludes any Sola Salons locations(i) located outside the United States, or (ii) owned, operated, or under contract to purchase by Franchisor or any of its affiliates at any time during 2021.

The median and average information for Gross Revenue was prepared from the records and reports, as reported by Franchisees of each of the Sola Salons locations satisfying the 2019 Reporting Criteria, 2020 Reporting Criteria, or 2021 Reporting Criteria, as applicable. We have relied solely on the information reported to us by Franchisees. We do not know of an instance, nor do we have reason to believe, that any Franchisee would misstate its information.

To calculate the median and average Gross Revenue, we analyzed information, as reported by Franchisees of each of the Sola Salons franchise locations satisfying the 2019 Reporting Criteria, 2020 Reporting Criteria, or 2021 Reporting Criteria, as applicable. We then provided the lowest Gross Revenue amount and the highest Gross Revenue amount for such franchised locations for each quarter of the calendar years 2019, 2020 and 2021. Pursuant to the Franchise Agreement, "Gross Revenue" includes the total of all income derived from gross sales and gross receipts, whether the income is received by cash, credit, checks, services, property, or other means of exchange and excludes only those sales taxes that a Franchisee must by law collect from customers and that Franchisee pays to the government, promotional or discount coupons to the extent that Franchisee realizes no income, and employee or lessee receipt of services, if free, or any portion not paid for by an employee or studio lessee. The term "Average" refers to the sum of all data points in a set, divided by the number of data points in that set. The term "Median" refers to the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event that the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the two numbers in the middle, adding them together, and dividing by two. As a result, in all cases when a median number is stated, approximately 50% of the Studios met or exceeded the stated median.

Some outlets have sold or achieved this amount. Your individual results may differ. There is no assurance that you'll sell or achieve as much.

We do not furnish or authorize our salespersons to furnish any oral or written information concerning the actual or potential sales, income, costs, or profits of a Sola Salon Studio other than that disclosed here.

FRANCHISED SOLA SALONS AVERAGE AND MEDIAN GROSS REVENUE FOR 2019, 2020, AND 2021

	Average			Median		
	2019	**2020**	**2021**	**2019**	**2020**	**2021**
Q1	$87,734.96	$80,425.62	$96,346.33	$84,097.00	$78,605.00	$91,732.57
Q2	$92,953.04	$38,274.11	$102,810.30	$88,714.00	$37,111.00	$99,501.17
Q3	$97,654.94	$84,951.46	$105,244.11	$94,731.00	$82,390.00	$101,493.14
Q4	$94,941.65	$92,516.17	$106,549.87	$92,770.00	$89,085.00	$103,750.00
Full Year	$373,284.58	$296,167.36	$410,950.61	$361,351.75	$284,446.00	$399,254.07

	Highest in Range			Lowest in Range		
	2019	**2020**	**2021**	**2019**	**2020**	**2021**
Q1	$235,220.00	$213,661.00	$421,094.00	$4,320.00	$4,000.00	$25,437.00
Q2	$238,451.00	$95,905.50	$264,984.00	$4,680.00	$0.00	$28,679.00
Q3	$265,871.00	$218,529.00	$412,590.00	$6,442.00	$6,720.00	$16,790.00
Q4	$243,145.00	$204,243.00	$282,901.00	$12,007.00	$16,800.00	$17,225.00
Full Year	$949,923.00	$643,798.50	$980,328.00	$27,449.00	$53,450.00	$107,815.00

Notes

(1) As of December 31, 2019, we had 459 Sola Salons franchised locations open and operating in the United States. Of this total, 395 (86%) Sola Salons locations met the 2019 Reporting Criteria and 64 (14%) Sola Salons locations did not meet the 2019 Reporting Criteria. One (1) franchised outlet closed during 2019, which had been open for more than 12 months.

(2) As of December 31, 2020, we had 512 Sola Salons franchised locations open and operating in the United States. Of this total, 451 (88%) Sola Salons locations met the 2020 Reporting Criteria and 61 (12%) Sola Salon Studio locations did not meet the 2020 Reporting Criteria. One (1) franchised outlet closed during 2020, which had been open for more than 12 months.

(3) As of December 31, 2021, we had 555 Sola Salon Studio franchise locations open and operating in the United States. Of this total, 474 (85%) Sola Salons locations met the 2021 Reporting Criteria and 81 (15%) Sola Salons locations did not meet the 2021 Reporting Criteria. No franchised outlets closed during 2021.

(4) Of the 395 Sola Salons that met the 2019 Reporting Criteria, 179 (45%) met or exceeded the Average Gross Revenue for the first quarter of 2019. Of the 451 Sola Salons that met the 2020 Reporting Criteria, 214 (47%) met or exceeded the Average Gross Revenue for the first quarter of 2020. Of the 474 Sola Salons that met the 2021 Reporting Criteria, 217 (46%) met or exceeded the Average Gross Revenue for the first quarter of 2021.

(5) Of the 395 Sola Salons that met the 2019 Reporting Criteria, 179 (45%) met or exceeded the Average Gross Revenue for the second quarter of 2019. Of the 451 Sola Salons that met the 2020 Reporting Criteria, 215 (48%) met or exceeded the Average Gross Revenue for the second quarter of 2020. Of the 474 Sola Salons that met the 2021 Reporting Criteria, 214 (45%) met or exceeded the Average Gross Revenue for the second quarter of 2021.

(6) Of the 395 Sola Salons that met the 2019 Reporting Criteria, 182 (46%) met or exceeded the Average Gross Revenue for the third quarter of 2019. Of the 451 Sola Salons that met the 2020 Reporting Criteria, 213 (47%) met or exceeded the Average Gross Revenue for the third quarter of 2020. Of the 474 Sola Salons that met the 2021 Reporting Criteria, 217 (46%) met or exceeded the Average Gross Revenue for the third quarter of 2021.

(7) Of the 395 Sola Salons that met the 2019 Reporting Criteria, 186 (47%) met or exceeded the Average Gross Revenue for the fourth quarter of 2019. Of the 451 Sola Salons that met the 2020 Reporting Criteria, 204 (45%) met or exceeded the Average Gross Revenue for the fourth quarter of 2020. Of the 474 Sola Salons that met the 2021 Reporting Criteria, 213 (45%) met or exceeded the Average Gross Revenue for the fourth quarter of 2021.

(8) Of the 395 Sola Salons that met the 2019 Reporting Criteria, 183 (46%) met or exceeded the Average Gross Revenue for 2019. Of the 451 Sola Salons that met the 2020 Reporting Criteria, 207 (46%) met

or exceeded the Average Gross Revenue for 2020. Of the 474 Sola Salons that met the 2021 Reporting Criteria, 220 (46%) met or exceeded the Average Gross Revenue for 2021.

COMPANY-OWNED SOLA SALONS AVERAGE AND MEDIAN GROSS REVENUE AND OPERATING PROFIT FOR 2021

The following tables include 2021 Gross Revenue, Operating Profit, and operating expenses figures regarding the company-owned Sola Salons locations in the United States that met or exceeded all of the following criteria as of December 31, 2021 ("Company Reporting Criteria"): (a) had been open for at least 13 months; (b) operated continuously throughout 2021; and (c) was not under contract to purchase by Franchisor or any of its affiliates at any time during 2021. At the end of our most recent fiscal year ended December 31, 2021, we had a total of 39 company-owned Sola Salons locations. Of those, 28 (72%) met the Company Reporting Criteria. The company-owned Sola Salons locations that met the Company Reporting Criteria operate in Colorado (15) and California (13). No company-owned Sola Salons locations closed in 2021.

Some outlets have sold or achieved this amount. Your individual results may differ. There is no assurance that you'll sell or achieve as much.

Company-Owned Sola Salons Average and Median Gross Revenue and Operating Profit for 2021	
Number of Sola Salons that met the Company Reporting Criteria	28
Average Gross Revenue	$471,233
Number/Percentage that met or exceeded Average Gross Revenue	12 / 43%
Median Gross Revenue	$423,627
Highest Gross Revenue	$743,206
Lowest Gross Revenue	$269,692
Average Operating Profit (2)	$170,881
Number/Percentage that met or exceeded Average Operating Profit	12 / 43%
Median Operating Profit	$154,393
Highest Operating Profit	$328,377
Lowest Operating Profit	$59,699

The following table includes 2021 Gross Revenue and operating expenses data regarding the company-owned Sola Salons locations in the United States that met the Company Reporting Criteria.

Some outlets have sold or achieved this amount. Your individual results may differ. There is no assurance that you'll sell or achieve as much.

Company-Owned Sola Salons Average Gross Revenue and Gross Operating Expenses for 2021		
	Dollars	**Percent of Gross Revenue**
Average Gross Revenue	$471,233	100%
Marketing Expense (3)	$1,525	0.32%
Utility Expense	$24,663	5.23%
Repairs and Maintenance Expense	$27,668	5.87%
Royalty and National Marketing Fund Contribution Expense (4)	$30,576	6.49%
Lease Expense (5)	$213,604	45.33%
Labor Expense (6)	$2,154	0.46%
General and Administrative	$61,004	12.95%

(1) Company-owned Sola Salons offer and sell the same or substantially the same products and services as offered and sold by franchised Sola Salons. Except as noted below, in our experience, there are not material differences, whether from economies of scale or otherwise, in the costs or expenses incurred or paid by company-owned Sola Salons locations as compared to franchised Sola Salons locations.

(2) "Operating Profit" means Gross Revenue minus all ordinary and recurring operating expenses before the deduction of expenses for interest, income taxes, depreciation, and amortization. "Gross Revenue" has the same definition as set forth above regarding Sola Salons franchised locations.

(3) Company-owned Sola Salons marketing expense does not include the fees, wages, or salaries of employees or agencies providing marketing services for these locations. You may choose to hire an agency or employee to assist you with marketing your Sola Salons. Some franchise owners elect to provide their own marketing services or have a general manager perform marketing services. You are required to spend a minimum $3,600 per year on local marketing. We also recommend you spend an additional minimum of $10,000 towards pre-opening and post-opening marketing in your individual market during the first year of operation.

(4) The Royalty Fee for company-owned Sola Salons is 5% of Gross Revenue. By contrast, the Royalty Fee for franchisees under the current form of Franchise Agreement is 5.5% of Gross Revenue. Company-owned Sola Salons locations contribute to the National Marketing Fund on the same basis as franchisees: 1.5% of Gross Revenue. At the same Royalty Fee paid by new franchisees (5.5% of Gross Revenue) plus the National Marketing Fund contribution paid by franchisees and company-owned Sola Salon locations (1.5% of Gross Revenue), the combined average Royalty and National Marketing Fund Expense for these company-owned Sola Salons locations would have been approximately $32,986.31 in 2021.

(5) Your Lease Expense will vary greatly depending on the area of the country that your Sola Salons is located. These company-owned Sola Salons locations that met the Company Reporting Criteria operate in Colorado (15) and California (13) and have an average of 6,147 square feet. Sola Salons locations typically range from 4,200 square feet to 9,000 square feet, and the average Sola Salons franchised location is approximately 6,000 square feet.

(6) Company labor costs does not include wages or salaries of the personnel managing these locations. For both company-owned Sola Salons and franchised Sola Salons, a single employee may manage one or multiple Sola Salons. Multiple company-owned Sola Salons are managed by a single, shared employee. Some franchise owners elect to serve as the manager of their Sola Salons franchised location(s); whether or how much such franchise owners paid themselves for such managerial role is left to their sole discretion. If each company-owned Sola Salons location were managed by a single site-specific employee, the additional imputed annual labor cost for such manager would be at least $36,000. Your labor costs will vary depending on the number of employees you hire to manage your location(s) as well as prevailing wage rates in your area of the country.

(7) You may incur additional costs not described above, including, for example, regarding insurance. Insurance expenses for us and our affiliates (including regarding company-owned Sola Salons) are shared and distributed among various affiliates. Your insurance expense will be between $5,000-$10,000 annually for a single location.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years 2019 to 2021 (As of December 31 of each year)

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change (+ or -)
Franchised	2019	413	459	+46
	2020	459	512	+53
	2021	512	555	+43
Company-Owned	2019	13	25	+12
	2020	25	30	+5
	2021	30	39	+9
Total Outlets	**2019**	**426**	**484**	**+58**
	2020	**484**	**542**	**+58**
	2021	**542**	**594**	**+52**

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years 2019 to 2021 (As of December 31 of each year)

STATE	YEAR	NUMBER OF TRANSFERS
Arizona	2019	0
	2020	3
	2021	0
Arkansas	2019	2
	2020	0
	2021	0
California	2019	0
	2020	0
	2021	2
Colorado	2019	0
	2020	3
	2021	0
Georgia	2019	1
	2020	0
	2021	0
Iowa	2019	0
	2020	0
	2021	1
Kansas	2019	0
	2020	3
	2021	3
Kentucky	2019	0
	2020	0
	2021	4
Minnesota	2019	0
	2020	3
	2021	0

Missouri	2019	0
	2020	1
	2021	0
Nebraska	2019	0
	2020	0
	2021	2
Oklahoma	2019	2
	2020	0
	2021	1
South Carolina	2019	0
	2020	0
	2021	3
South Dakota	2019	0
	2020	0
	2021	1
Tennessee	2019	0
	2020	0
	2021	2
Texas	2019	0
	2020	0
	2021	1
TOTAL	**2019**	**5**
	2020	**13**
	2021	**20**

Table No. 3
Status of Franchised Locations
For years 2019 to 2021 (As of December 31 of each year)

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINA-TIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS - OTHER REASONS	OUTLETS AT END OF YEAR
Alabama	2019	8	0	0	0	0	0	8
	2020	8	0	0	0	0	0	8
	2021	8	0	0	0	0	0	8
Arizona	2019	8	0	0	0	0	0	8
	2020	8	2	0	0	0	0	10
	2021	10	0	0	0	0	0	10
Arkansas	2019	5	0	0	0	0	0	5
	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
California	2019	84	13	0	0	12	0	85
	2020	85	8	0	0	0	0	93
	2021	93	8	0	0	8	0	93
Colorado	2019	6	1	0	0	0	0	7
	2020	7	2	0	0	3	0	6
	2021	6	1	0	0	0	0	7
Connecticut	2019	4	0	0	0	0	0	4
	2020	4	1	0	0	0	0	5
	2021	5	1	0	0	0	0	6
Delaware	2019	1	0	0	0	0	0	1
	2020	1	1	0	0	0	0	2
	2021	2	0	0	0	0	0	2

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINA-TIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS - OTHER REASONS	OUTLETS AT END OF YEAR
Florida	2019	26	5	0	0	0	0	31
	2020	31	0	0	0	0	0	31
	2021	31	3	0	0	0	0	34
Georgia	2019	11	0	0	0	0	0	11
	2020	11	2	0	0	0	0	13
	2021	13	1	0	0	0	0	14
Idaho	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
Illinois	2019	11	3	1	0	0	0	13
	2020	13	4	0	0	0	1	16
	2021	16	2	0	0	0	0	18
Indiana	2019	11	1	0	0	0	0	12
	2020	12	0	0	0	0	0	12
	2021	12	1	0	0	0	0	13
Iowa	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Kansas	2019	9	1	0	0	0	0	10
	2020	10	0	0	0	0	0	10
	2021	10	0	0	0	0	0	10
Kentucky	2019	4	1	0	0	0	0	5
	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
Louisiana	2019	5	0	0	0	0	0	5
	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
Maryland	2019	11	1	0	0	0	0	12
	2020	12	6	0	0	0	0	18
	2021	18	0	0	0	0	0	18
Massachusetts	2019	4	2	0	0	0	0	6
	2020	6	0	0	0	0	0	6
	2021	6	1	0	0	0	0	7
Michigan	2019	12	2	0	0	0	0	14
	2020	14	0	0	0	0	0	14
	2021	14	4	0	0	0	0	18
Minnesota	2019	13	0	0	0	0	0	13
	2020	13	1	0	0	0	0	14
	2021	14	1	0	0	0	0	15
Mississippi	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Missouri	2019	5	1	0	0	0	0	6
	2020	6	0	0	0	0	0	6
	2021	6	0	0	0	0	0	6
Montana	2019	1	1	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINA-TIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS - OTHER REASONS	OUTLETS AT END OF YEAR
Nebraska	2019	2	1	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	1	0	0	0	0	4
Nevada	2019	7	2	0	0	0	0	9
	2020	9	1	0	0	0	0	10
	2021	10	0	0	0	0	0	10
New Hampshire	2019	0	1	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
New Jersey	2019	0	3	0	0	0	0	3
	2020	3	1	0	0	0	0	4
	2021	4	2	0	0	0	0	6
New Mexico	2019	2	0	0	0	0	0	2
	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
New York	2019	10	1	0	0	0	0	11
	2020	11	4	0	0	0	0	15
	2021	15	1	0	0	0	0	16
North Carolina	2019	23	3	0	0	0	0	26
	2020	26	1	0	0	0	0	27
	2021	27	0	0	0	0	0	27
North Dakota	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Ohio	2019	13	2	0	0	0	0	15
	2020	15	1	0	0	0	0	16
	2021	16	2	0	0	0	0	18
Oklahoma	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Oregon	2019	5	1	0	0	0	0	6
	2020	6	0	0	0	0	0	6
	2021	6	2	0	0	0	0	8
Pennsylvania	2019	8	3	0	0	0	0	11
	2020	11	6	0	0	0	0	17
	2021	17	7	0	0	0	0	24
South Carolina	2019	6	1	0	0	0	0	7
	2020	7	2	0	0	0	0	9
	2021	9	1	0	0	0	0	10
Rhode Island	2019	0	0	0	0	0	0	0
	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
South Dakota	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Tennessee	2019	11	0	0	0	0	0	11
	2020	11	4	0	0	0	0	15
	2021	15	0	0	0	0	0	15

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINA-TIONS	NON-RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS - OTHER REASONS	OUTLETS AT END OF YEAR
Texas	2019	32	5	0	0	0	0	37
	2020	37	4	0	0	0	0	41
	2021	41	4	0	0	0	0	45
Utah	2019	3	0	0	0	0	0	3
	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
Vermont	2019	1	0	0	0	0	0	1
	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
Virginia	2019	16	0	0	0	0	0	16
	2020	16	4	0	0	0	0	20
	2021	20	1	0	0	0	0	21
Washington	2019	13	2	0	0	0	0	15
	2020	15	1	0	0	0	0	16
	2021	16	2	0	0	0	0	18
Wisconsin	2019	9	2	0	0	0	0	11
	2020	11	1	0	0	0	0	12
	2021	12	4	0	0	0	0	16
Total Outlets	**2019**	**413**	**59**	**1**	**0**	**12**	**0**	**459**
	2020	**459**	**57**	**0**	**0**	**3**	**1**	**512**
	2021	**512**	**51**	**0**	**0**	**8**	**0**	**555**

Table No. 4
Status of Company-Owned Outlets
For years 2019 to 2021 (As of December 31 of each year)

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEES	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEES	OUTLETS AT END OF YEAR
California	2019	0	0	12	0	0	12
	2020	12	2	0	0	0	14
	2021	14	0	8	0	0	22
Colorado	2019	13	0	0	0	0	13
	2020	13	0	3	0	0	16
	2021	16	1	0	0	0	17
Total Outlets	**2019**	**13**	**0**	**12**	**0**	**0**	**25**
	2020	**25**	**2**	**3**	**0**	**0**	**30**
	2021	**30**	**1**	**8**	**0**	**0**	**39**

These “Company Owned” locations are owned by our affiliates, SSS LLC and SSS CA LLC, but operated by us.

Table No. 5
Projected Openings as of December 31, 2021

STATE	FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPEN	PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR	PROJECTED NEW COMPANY-OWNED OUTLETS IN THE CURRENT FISCAL YEAR
Alabama	1	1	0
Arizona	3	3	0
California	11	11	2
Colorado	3	3	0
Connecticut	1	1	0
Delaware	1	1	0
Florida	6	6	0
Georgia	1	1	0
Idaho	1	1	0
Illinois	2	2	0
Kansas	1	1	0
Kentucky	1	1	0
Louisiana	1	1	0
Maryland	3	3	0
Massachusetts	4	4	0
Michigan	1	1	0
New Jersey	3	3	0
New Mexico	1	0	0
New York	4	4	0
Oklahoma	1	1	0
Pennsylvania	4	8	0
South Carolina	0	1	0
Tennessee	1	2	0
Texas	2	3	0
Utah	2	2	0
Virginia	1	2	0
Washington	2	2	0
West Virginia	1	1	0
Wisconsin	2	2	0
TOTAL	**65**	**72**	**2**

Exhibit E lists (i) the names of all current Sola Salons franchisees and the addresses and telephone numbers of their outlets as of the date of this Disclosure Document, and (ii) the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within ten weeks of the issuance date of this Disclosure Document. If you buy a

Sola Salons franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Confidentiality Agreements

During the last three fiscal years, current and former franchisee have signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with the Sola Salons franchise system. 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.

Associations and/or Organizations

We formed the Sola Franchise Advisory Board ("SFAB"), which is an advisory council consisting of current Franchisees whose members are elected by current Franchisees. The contact information for the SFAB is: 300 Union Boulevard, Suite 600, Lakewood, Colorado 80228; jordan@solasalonstudios.com; (617) 308-9684.

The following independent franchisee organization has asked to be included in this Disclosure Document: Studio Salon Franchisee Association, Inc., 1701 Barrett Lakes Boulevard, Suite 180, Kennesaw, GA 30144; (678)797-5160; info@ssfamember.com; https://ssfamember.com.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Disclosure Document as Exhibit A are our audited financial statements as of December 31, 2021, December 31, 2020, and December 31, 2019, and related statements of operations, members' equity, and cash flows for the years then ended. In addition, we have included unaudited financial statements for the period beginning January 1, 2022 through March 31, 2022. Our fiscal year ends December 31st.

ITEM 22
CONTRACTS

Attached to this Disclosure Document are the following contracts:

Exhibit B	Franchise Agreement (including Attachments)
Exhibit H	Nondisclosure and Noncompetition Agreement
Exhibit I	Multi-Unit Development Agreement
Exhibit J	Design Agreement

ITEM 23
RECEIPTS

Attached as the last two pages of this Disclosure Document are duplicate Receipts to be signed by you. Keep one for your records and return the other one to us.

EXHIBIT A

SOLA FRANCHISE, LLC

FINANCIAL STATEMENTS

Sola Franchise, LLC and Subsidiaries

(a wholly owned subsidiary of Radiance Holdings, LLC)

Consolidated Financial Report

December 31, 2021

Sola Franchise, LLC and Subsidiaries

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Independent Auditor's Report

To the Board of Directors
Sola Franchise, LLC and Subsidiaries

Opinion

We have audited the consolidated financial statements of Sola Franchise, LLC and Subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2021, 2020, and 2019 and the related consolidated statements of operations, member's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021, 2020, and 2019 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 within one year after the date that the consolidated financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audits of the Consolidated 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 audits conducted in accordance with 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.

PRAXITY
Empowering Business Globally

To the Board of Directors
Sola Franchise, LLC and Subsidiaries

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Plante & Moran, PLLC

April 20, 2022

Sola Franchise, LLC and Subsidiaries

Consolidated Balance Sheet

December 31, 2021, 2020, and 2019

	2021	2020	2019
Assets			
Current Assets			
Cash	$ 270,224	$ 2,415,617	$ 570,342
Accounts receivable:			
Trade	1,996,756	1,591,432	1,560,298
Affiliates (Note 8)	-	5,745,377	425,506
Prepaid expenses and other current assets	22,240	15,000	31,419
Total current assets	2,289,220	9,767,426	2,587,565
Property and Equipment - Net (Note 4)	350,396	479,675	602,405
Goodwill - Net (Note 5)	22,791,129	26,167,593	29,544,057
Intangible Assets - Net (Note 5)	32,957,750	35,490,750	38,023,750
Other Assets			
Loans and notes receivable (Note 3)	75,000	75,000	367,640
Affiliate receivable (Note 8)	12,810,609	-	-
Deposits	36,069	36,069	36,029
Prepaid franchise costs	1,742,256	1,424,819	400,610
Other assets	305,120	305,120	-
Total other assets	14,969,054	1,841,008	804,279
Total assets	**$ 73,357,549**	**$ 73,746,452**	**$ 71,562,056**
Liabilities and Member's Equity			
Current Liabilities			
Accounts payable	$ 75,977	$ 158,154	$ 363,641
Bank line of credit (Note 6)	2,000,000	3,250,000	-
Current portion of long-term debt (Note 6)	382,500	382,500	360,000
Current portion of deferred revenue	116,688	114,684	51,804
Accrued and other current liabilities	750,845	684,496	510,872
Total current liabilities	3,326,010	4,589,834	1,286,317
Long-term Debt - Net of current portion (Note 6)	33,624,156	34,040,182	34,186,584
Other Long-term Liabilities			
Deferred revenue - Net of current portion	6,803,565	5,340,478	2,455,248
Deferred rent	33,430	33,430	33,547
Total liabilities	43,787,161	44,003,924	37,961,696
Member's Equity	29,570,388	29,742,528	33,600,360
Total liabilities and member's equity	**$ 73,357,549**	**$ 73,746,452**	**$ 71,562,056**

See notes to consolidated financial statements.

Sola Franchise, LLC and Subsidiaries

Consolidated Statement of Operations

Years Ended December 31, 2021, 2020, and 2019

	2021	2020	2019
Net Sales			
Service revenue	$ 11,237,737	$ 7,272,345	$ 8,052,717
Franchise fees	383,409	128,572	92,801
Franchise marketing fees	3,454,038	2,246,862	2,479,106
Other revenue	103,700	287,854	119,000
Total net sales	15,178,884	9,935,633	10,743,624
Operating Expenses	13,446,391	11,408,375	11,433,000
Operating Income (Loss)	1,732,493	(1,472,742)	(689,376)
Nonoperating Income (Expense)			
Interest income	-	12,480	12,480
Business management fees	745,185	516,442	322,102
Interest expense	(2,649,818)	(2,914,012)	(2,441,714)
Total nonoperating expense	(1,904,633)	(2,385,090)	(2,107,132)
Consolidated Net Loss	**$ (172,140)**	**$ (3,857,832)**	**$ (2,796,508)**

See notes to consolidated financial statements.

Sola Franchise, LLC and Subsidiaries

Consolidated Statement of Member's Equity

Years Ended December 31, 2021, 2020, and 2019

Balance - January 1, 2019	$ 40,162,671
Consolidated net loss	(2,796,508)
Distributions	(3,765,803)
Balance - December 31, 2019	33,600,360
Consolidated net loss	(3,857,832)
Balance - December 31, 2020	29,742,528
Consolidated net loss	(172,140)
Balance - December 31, 2021	**$ 29,570,388**

See notes to consolidated financial statements.

Sola Franchise, LLC and Subsidiaries

Consolidated Statement of Cash Flows

Years Ended December 31, 2021, 2020, and 2019

	2021	2020	2019
Cash Flows from Operating Activities			
Net loss	$ (172,140)	$ (3,857,832)	$ (2,796,508)
Adjustments to reconcile net loss to net cash from operating activities:			
Amortization	5,909,464	5,909,464	5,909,464
Depreciation	109,530	103,125	48,890
Amortization of debt costs	236,098	236,098	236,098
Changes in operating assets and liabilities that (used) provided cash:			
Accounts receivable - Trade	(405,324)	(31,134)	(306,123)
Loans and advances to affiliates	(7,065,232)	(5,319,871)	(425,506)
Prepaid expenses	(7,240)	16,419	630
Notes receivable	-	(12,480)	(12,480)
Prepaid franchise costs	(317,437)	(1,024,209)	(400,610)
Deposits	-	(40)	(24,898)
Accounts payable	(82,177)	(205,487)	291,084
Accrued other	117,769	(27,769)	(137,020)
Deferred rent	-	-	33,547
Deferred revenue	1,465,091	2,947,993	1,718,219
Tenant improvement allowance	-	252,813	-
Net cash (used in) provided by operating activities	(211,598)	(1,012,910)	4,134,787
Cash Flows Used in Investing Activities - Purchase of fixed assets	(31,671)	(31,815)	(561,295)
Cash Flows from Financing Activities			
Payments on notes payable	(652,124)	(360,000)	(360,000)
Distributions	-	-	(3,765,803)
Payments on revolving credit facilities	(5,250,000)	(1,000,000)	-
Proceeds from revolving credit facility	4,000,000	4,250,000	-
Net cash (used in) provided by financing activities	(1,902,124)	2,890,000	(4,125,803)
Net (Decrease) Increase in Cash	(2,145,393)	1,845,275	(552,311)
Cash - Beginning of year	2,415,617	570,342	1,122,653
Cash - End of year	**$ 270,224**	**$ 2,415,617**	**$ 570,342**
Supplemental Cash Flow Information - Cash paid for interest	$ 2,649,818	$ 2,914,012	$ 2,672,386

See notes to consolidated financial statements.

Note 1 - Nature of Business

Sola Franchise, LLC (the "Company" or SF LLC) is a limited liability company organized under the laws of the State of Colorado in January 2018 and is a wholly owned subsidiary of Radiance Holdings, LLC (Holdco f/k/a Sola Holdco, LLC). The Company is a franchisor organized to sell and administer a franchise program that provides a unique system of build-out and lease of turnkey salon studios to salon professionals designed by the Company under the trade name Sola Salon Studios.

The franchise agreements offered under the Company's franchise disclosure document generally have a term of 10 years, with a right to renew the contract at the end of the initial term for a renewal fee of $7,500. Initial franchise fees are generally $55,000. A multiunit development agreement is offered enabling the franchisee to purchase rights to develop 3, 6, or 12 locations. The fees for the multiunit development agreement are currently $75,000 for 2 locations, $100,000 for 3 locations, $175,000 for 6 locations, and $275,000 for 12 locations. As of December 31, 2021, 2020, and 2019, there were 555, 512, and 459 opened franchised locations, respectively. In addition, Sola Salon Studios, LLC (SSS) and Sola Salon Studios California, LLC, entities related through common ownership, operate 39 locations in Colorado and California.

Note 2 - Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries: Sola Salon Studios Canada, Inc. and Sola Salon Studios International, LLC. All material intercompany accounts and transactions have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The Company has elected to adopt certain accounting alternatives for private companies developed by the Private Company Council, including the accounting alternative related to goodwill and acquired intangibles.

Trade Accounts Receivable

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. Management considers all accounts receivable collectible, and, therefore, an allowance for doubtful accounts has not been recorded at December 31, 2021, 2020, and 2019.

Goodwill

The recorded amounts of goodwill from prior business combinations are based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition.

The Company has elected to apply the private company accounting alternative for goodwill developed by the Private Company Council. Under the accounting alternative, goodwill is amortized on a straight-line basis over a 10-year period. Additionally, goodwill is assessed for potential impairment if events occur or circumstances change that indicate the fair value of the Company may be less than its carrying value. The Company has elected to test goodwill for impairment at the entitywide level.

No impairment charge was recognized during the years ended December 31, 2021, 2020, and 2019.

Note 2 - Significant Accounting Policies (Continued)

Intangible Assets

Acquired intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets. Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. Assets not subject to amortization are tested for impairment at least annually.

	Useful Life - Years
Trademarks	Indefinite
Franchisee relationships	10

Property and Equipment

Property and equipment are recorded at cost, net of accumulated depreciation. Depreciation is provided utilizing the straight-line method over the estimated useful lives for owned assets, from three to seven years, and the shorter of the estimated economic life or related lease terms for leasehold improvements. Maintenance and repairs are expensed as incurred, and improvements are capitalized.

Debt Issuance Costs

Debt issuance costs were incurred by the Company in connection with obtaining certain debt. These costs are recorded as a reduction in the recorded balance of the outstanding debt. The costs are amortized over the term of the related debt and reported as a component of interest expense.

Revenue Recognition

The Company's revenue mainly consists of franchise fees, royalty income, and marketing fees. The Company sells individual franchisees the right to operate a franchised salon within a defined territory using the franchise name. The initial term of franchise agreements is typically 10 years, with an option to renew for a fee or transfer the franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid.

The Company has obligations to provide franchisees with the right to operate a salon, training, and site selection and has concluded that these items represent a single performance obligation. Therefore, initial franchise fees for each agreement are allocated to each individual franchise and recognized over the term of the respective franchise agreement beginning on the date the salon is opened. Renewal fees are recognized over the renewal term for the respective franchise from the start of the renewal period. Transfer fees are recognized over the remaining term of the franchise agreement beginning at the time of transfer. The Company also provides marketing support for which fees are charged. Income for royalties and marketing fees is recognized as sales occur or services are provided.

Payment Terms

Initial franchise, renewal, and transfer fees are due and typically paid when a franchise agreement is executed and are nonrefundable. Royalties and marketing fees are paid on a monthly basis, based upon a percentage of franchisee gross sales. Franchise fees are collected prior to the satisfaction of the Company's performance obligation, resulting in the Company recognizing deferred revenue contract liabilities. Amounts that are expected to be recognized as revenue within one year are classified as current deferred revenue in the consolidated balance sheet. Deferred revenue at December 31, 2021, 2020, and 2019 was $6,920,253, $5,455,162, and $2,507,052, respectively. Deferred revenue at January 1, 2019 was $788,833. Accounts receivable at January 1, 2019 were $1,254,175.

Note 2 - Significant Accounting Policies (Continued)

Allocating the Transaction Price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for providing franchisees with the franchise rights to operate a location. To determine the transaction price, the Company considers its customary business practices and the terms of the underlying agreement. For the purpose of determining transaction prices, the Company assumes performance obligations will be satisfied as promised in accordance with franchise agreements and that agreements will not be canceled, renewed, or modified.

The Company's franchise agreements with franchisees have transaction prices that contain a fixed and variable component. Variable consideration includes revenue related to royalties and marketing fees, as the transaction price is based on the franchisees sales. The variable consideration is recognized based on the actual amounts incurred each month.

Cost to Obtain a Contract

The Company pays commissions to third parties that assist in selling franchise agreements. These commissions were $437,000, $1,035,000, and $400,610 for the years ended December 31, 2021, 2020, and 2019, respectively. As these represent the cost to obtain the franchise contract, they are deferred as long-term prepaid expenses. The amounts deferred will be amortized over a 10-year period as the corresponding franchise agreement is recognized as revenue. The commissions are not payable to the third parties until a salon opens.

Marketing Expenses

In accordance with the franchise agreement, franchisees pay a percentage of monthly sales to a marketing fund (the "fund") to be used for advertising, marketing, and other promotional purposes to benefit the entire franchise system. The contribution received from franchisees for marketing is accounted for in a separate set of accounts by the Company. Any excess amounts remaining in the marketing fund at the end of the year are used for marketing and promotion in the following year.

Marketing fund fees from the franchisees of $3,454,038, $2,246,862, and $2,479,106 for 2021, 2020, and 2019, respectively, are included in net sales in the accompanying consolidated statement of operations, and marketing expense of $2,736,228, $2,242,582, and $2,457,441 for 2021, 2020, and 2019, respectively, of the fund is included in operating expenses.

Business Management Fees

The Company receives fees from a vendor based on the amount of subscriptions for a cobranded business management software application. These fees are recognized as nonoperating revenue when earned in accordance with the related contract. See Note 3 for additional information.

Income Taxes

The Company is treated as a partnership for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company. The member is taxed individually on its pro rata ownership share of the Company’s earnings. The Company’s net income or loss is allocated to the member in accordance with the Company’s operating agreement.

Use of Estimates

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

Note 2 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncement

The Financial Accounting Standards Board (FASB) issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-to-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease-related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Company's year ending December 31, 2022 and will be applied using a modified retrospective transition method to either the beginning of the earliest period presented or the beginning of the year of adoption. The Company is still evaluating which method it will apply. The new lease standard is expected to have a significant effect on the Company's financial statements as a result of the Company's operating leases, as disclosed in Note 7, that will be reported on the consolidated balance sheet at adoption. Upon adoption, the Company will recognize a lease liability and corresponding right-to-use asset based on the present value of the minimum lease payments. The effects on the results of operations are not expected to be significant, as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.

Subsequent Events

Management evaluated subsequent events up through and including April 20, 2022, which is the date the consolidated financial statements were available to be issued.

Note 3 - Notes Receivable

At December 31, 2019, the Company had a note receivable of $250,000 and an additional advance of $75,000 to a software developer, who developed a business management software application for salon professionals. The note was scheduled to be paid in full on June 22, 2019 and included interest at 5 percent per annum. During 2020, the note was converted to equity in the software developer. Ownership is less than 4 percent of outstanding equity of the developer. The equity is carried at cost and included in other assets. The related outstanding advance is classified as long term on the consolidated balance sheet. The Company also has a service agreement with the developer under which the Company is entitled to a portion of the net revenue earned by the developer from users of the application, depending on the number of users that are referred by the Company (see *Business Management Fees* in Note 2).

Note 4 - Property and Equipment

Property and equipment are summarized as follows:

	2021	2020	2019	Depreciable Life - Years
Software	$ 90,000	$ 90,000	$ 90,000	3
Furniture and equipment	114,406	99,842	75,931	3-7
Leasehold improvements	510,375	493,268	485,364	5
Total cost	714,781	683,110	651,295	
Accumulated depreciation	364,385	203,435	48,890	
Net property and equipment	$ 350,396	$ 479,675	$ 602,405	

Depreciation expense for the years ended December 31, 2021, 2020, and 2019 was $109,530, $103,125, and $48,890, respectively.

Note 5 - Acquired Intangible Assets and Goodwill

Intangible assets and goodwill of the Company at December 31, 2021, 2020, and 2019 are summarized as follows:

	2021		2020		2019	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Amortized intangible assets:						
Goodwill	$ 33,764,637	$ 10,973,508	$ 33,764,637	$ 7,597,044	$ 33,764,637	$ 4,220,580
Franchise rights	25,330,000	8,232,250	25,330,000	5,699,250	25,330,000	3,166,250
Total amortized intangible assets	59,094,637	19,205,758	59,094,637	13,296,294	59,094,637	7,386,830
Unamortized intangible assets - Trademarks	15,860,000	-	15,860,000	-	15,860,000	-
Total amortized and unamortized intangible assets	$ 74,954,637	$ 19,205,758	$ 74,954,637	$ 13,296,294	$ 74,954,637	$ 7,386,830

Estimated amortization expense for the years ending December 31 is as follows:

Years Ending	Amount
2022	$ 5,909,464
2023	5,909,464
2024	5,909,464
2025	5,909,464
2026	5,909,464
Thereafter	10,341,559
Total	$ 39,888,879

Goodwill and other intangible amortization expense totaled $5,909,464 for the years ended December 31, 2021, 2020, and 2019.

Note 6 - Debt

The Company is party to a revolving credit facility with a bank, through the credit agreement disclosed below, with available borrowings of $5,000,000. The revolving credit facility expires in October 2024 and bears interest at varying rates based on indexes and an applicable margin, an effective rate of 7.0 percent at December 31, 2021 and 2020. At December 31, 2021 and 2020, the Company had advanced $2,000,000 and $3,250,000, respectively, under this agreement.

Note 6 - Debt (Continued)

Long-term debt at December 31 is as follows:

	2021	2020	2019
Note payable of $36,000,000, including interest at varying rates based on indexes and an applicable margin (an effective rate of 5.75, 5.75, and 7.85 percent at December 31, 2021, 2020, and 2019, respectively). Principal payments of $100,000 are due each quarter, starting on December 31, 2018. The note is collateralized by all the assets of the Company and is due on October 7, 2024	$ 34,537,876	$ 35,190,000	$ 35,550,000
Unamortized debt issuance costs	(531,220)	(767,318)	(1,003,416)
Long-term debt less unamortized debt issuance costs	34,006,656	34,422,682	34,546,584
Less current portion	382,500	382,500	360,000
Long-term portion	$ 33,624,156	$ 34,040,182	$ 34,186,584

The balance of the above debt matures as follows:

Years Ending	Amount
2022	$ 382,500
2023	382,500
2024	33,772,876
Unamortized debt issuance costs	(531,220)
Total	$ 34,006,656

Joint and Several Liability Debt Agreement

In October 2018, Holdco issued $40,150,000 of term debt, which bears interest at 5.50 percent above the three-month LIBOR. The debt requires quarterly principal payments, with the principal balance due in October 2024. Immediately following the acquisition in 2018, Holdco transferred liability to the Company and SSS. The Company is liable for the entire amount of the debt on a joint basis. The Company has an agreement with SSS where the Company has agreed to pay $36,135,000 of the debt principal and related interest. As of December 31, 2021, 2020, and 2019, the total outstanding balance of the debt was $38,447,876, $39,100,000, and $39,500,000, respectively, and the Company had recognized a liability for its agreed-upon portion of $34,537,876, $35,190,000, and $35,550,000, respectively.

In the event the Company is required to make payments on the debt in excess of the agreed-upon amount, the Company could seek to recover those amounts from SSS; however, the Company does not hold specific recourse or collateral rights in connection with the agreement.

Interest expense for the years ended December 31, 2021, 2020, and 2019 was $2,649,818, $2,914,012, and $2,441,714, respectively.

The Company also had access to two additional delayed draw term loans to provide an aggregate of $27,000,000 for future acquisitions. The term loans are payable over six years (expiring in 2024), with interest at the three-month LIBOR plus 5.50 percent. No amounts were advanced to Sola Franchise, LLC under these two term loans as of December 31, 2019. The loans expired during 2020.

Under the terms of the credit agreement, the Company must comply with various covenants, including a total leverage ratio, as described in the credit agreement.

Note 7 - Operating Leases

The Company is obligated under an operating lease for office space, expiring in October 2024 with one option to renew for a five-year period. The lease requires the Company to pay taxes, insurance, utilities, and maintenance costs. Total rent expense under these leases was $204,573, $203,903, and $126,393 for the years ended December 31, 2021, 2020, and 2019, respectively.

Future minimum annual commitments under the operating lease is as follows:

Years Ending December 31	Amount
2022	$ 305,554
2023	319,789
2024	298,132
Total	$ 923,475

Note 8 - Related Party Transactions

The following is a description of transactions between the Company and related parties:

Affiliate Receivable

At December 31, 2021, 2020, and 2019, the Company had accounts receivable from an affiliate totaling $12,810,609, $5,745,377, and $425,506, respectively. The receivable is classified as long-term at December 31, 2021, as payment terms are not defined.

Royalties

For the years ended December 31, 2021, 2020, and 2019, the Company collected royalties and marketing fees from SSS totaling $971,746, $524,383, and $704,122, respectively.

Advances

For the years ended December 31, 2021 and 2020, the Company advanced funds on behalf of an affiliate totaling $6,093,486 and $4,986,081, respectively. These advances are included in the aforementioned receivable.

Expense Reimbursements

For the years ended December 31, 2021, 2020, and 2019, the Company incurred expenses that were reimbursed from SSS of $1,167,468, $1,152,000, and $1,008,000, respectively.

Lease Guarantee

The Company has guaranteed certain leases of franchisees. In the event of a default by the franchisee, the Company could be obligated to fulfill the remaining lease payments. As of December 31, 2021, the maximum potential future obligations under this guarantee total $1,298,544. In the event the Company is required to make payments under this guarantee, the Company could seek to recover those amounts from the franchisee; however, the Company does not hold specific recourse or collateral rights in connection with the guarantee. As of December 31, 2021, the Company is unaware of any circumstances that would require performance under this guarantee.

Note 9 - Retirement Plans

The Company sponsors a 401(k) plan for employees who complete a period of services described in the plan. The plan provides for the Company to make a discretionary matching contribution. Contributions to the plan were insignificant for the years ended December 31, 2021, 2020, and 2019.

UNAUDITED FINANCIAL STATEMENTS

THESE FINANCIAL STATEMENTS HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED AN OPINION WITH REGARD TO THEIR CONTENT OR FORM.

Balance Sheet

Sola Franchise, LLC

As of 03/31/22 (Unaudited))

ASSETS	
Cash	1,188,918
Accounts Receivable	2,276,146
Prepaid Expenses and Other Current Assets	203,070
Total Current Assets	**3,668,134**
Property and Equipment	**179,464**
Goodwill	**21,947,013**
Intangible Assets	**32,796,695**
Other Assets	
Deposits	36,069
Affiliate Receivable	11,982,863
Other Assets	305,120
Prepaid Franchise Costs	1,424,819
Total Other Assets	**13,748,871**
TOTAL ASSETS	**72,340,178**
LIABILITIES & EQUITY	
Liabilities	
Accounts Payable	68,819
Current Portion of Long Term Debt	382,500
Accrued and Other Current Liabilities	645,742
Total Current Liabilities	**1,097,061**
Long Term Debt	**34,155,376**
Other Long Term Liabilities	
Deferred Revenue	6,805,569
Deferred Rent	33,430
Other Long Term Liabilities	124,468
Total Long Term Liabilities	6,963,467
Total Liabilities	**42,215,904**
Members Equity	**30,124,273**
TOTAL LIABILITIES & EQUITY	**72,340,178**

Cash Flow

Sola Franchise, LLC

01/01/22 - 03/31/22 (unaudited)

OPERATING ACTIVITIES	
Net Income	**553,885.34**
Adjustments to reconcile Net Income	
A/R	**-596,661.49**
Prepaids and Rents	**-73,271.18**
Intercompany	**1,326,778.23**
Accounts Payable	**-91,481.74**
Revolver	**-2,000,000.00**
Accrued Liabilities	**172,307.35**
Net cash provided by Operating Activities	**-708,443.49**
INVESTING ACTIVITIES	
Fixed Assets	**20,957.04**
Loan Fees	**59,024.49**
Goodwill	**844,116.00**
Franchise Relations	**633,249.99**
Net cash provided by Investing Activities	**1,557,347.52**
FINANCING ACTIVITIES	
2900 Other Liabilities	**25,500.00**
Net cash provided by Financing Activities	**25,500.00**
Net cash increase for period	**874,404.03**
Cash at beginning of period	**316,514.35**
Cash at end of period	**1,190,918.38**

Profit & Loss

Sola Franchise, LLC

01/01/22 - 03/31/22 (unaudited)

INCOME	**4,935,979.26**
EXPENSE	
Utilities, Phone, Trash	**5,026.40**
Insurance	**25,500.00**
Lease Expense	**75,543.93**
Labor Expense	**569,072.19**
Franchise Sales Expense	**79,500.00**
General & Admin	**941,916.53**
SUBTOTAL EXPENSE	**1,696,559.05**
Overhead Allocation	**342,570.00**
NOI	**2,896,850.21**
NON OPERATING EXPENSE	
Non Recurring One Time	**116,841.70**
Depreciation and Amortization	**1,562,597.52**
Interest Expense	**663,525.65**
SUBTOTAL NON OPERATING EXPENSE	**2,342,964.87**
NET INCOME	**553,885.34**

EXHIBIT B

SOLA FRANCHISE, LLC

FRANCHISE AGREEMENT

SOLA FRANCHISE, LLC

FRANCHISE AGREEMENT

Franchisee: _____

Date: _____

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FRANCHISE AGREEMENT

This Franchise Agreement (the "**Agreement**") is entered into and effective this date _____ ("**Effective Date**") between Sola Franchise, LLC, a Colorado limited liability company, located at 300 Union Boulevard, Suite 600, Lakewood, Colorado 80228 ("**Franchisor**"), and _____, ("**Franchisee**" or "**you**"), with a principal business address of _____.

In consideration of the mutual promises in this Agreement, the parties agree as follows:

1. DEFINITIONS

1.01 "**Assets**" means the franchised Business, including all inventories, supplies, furnishings, equipment, fixtures, land, buildings and improvements, and other tangible items.

1.02 "**Business**" means the right which is granted to Franchisee to operate a Franchise as set forth in this Agreement.

1.03 "**Business Records**" means evidence of each business transaction, and all financial, tax, marketing, and other operating aspects of the Business, and all evidence and records with respect to tenants, employees, and other service professionals relating the Business including, without limitation, all databases in print, electronic or other form, including all names, addresses, phone numbers, e-mail addresses, tenant records, and all other records contained in the database, and all other records created and maintained by Franchisee in operation of the Business.

1.04 "**Client**" means the individual receiving salon services from Franchisee's Customers (defined below).

1.05 "**Competitive Business**" means any other business or enterprise that develops, operates, constructs, manages, provides, rents or leases studios, suites, offices or rooms to individuals, businesses or groups that provide spa services, barbering, beauty services, cosmetology services, wellness services, personal care services, massage services, nail care services, skin care services, teeth-whitening services, skin tanning services, hair loss treatments services and hair treatment services and other similar personal services.

1.06 "**Confidential Information**" means all methods for establishing, operating and promoting the Business pursuant to the Franchisor's distinctive business format, plans, methods, data, processes, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, Marks and information and know-how of the Franchisor and such other information as may be further developed periodically by the Franchisor. Franchisor's Confidential Information includes lists of, and information regarding, actual and prospective customers (including Customers) of any Sola Salons.

1.07 "**Contractor**" means an independent contractor providing work or services to the Franchisee at the Premises (for example, janitorial services, on-site management services, trash removal services).

1.08 "**Control,**" "**Controlled**," or "**Controlling Interest**" means the power, directly or indirectly, to direct or cause the direction of the management and policies of an entity, whether by contract, vote, or otherwise.

1.09 "**Customer**" means the salon professional who licenses the salon studio from Franchisee.

1.10 "**Force Majeure Event**" means acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophe), war (declared or undeclared), riot, terrorist act, cybersecurity incident, or other civil disturbances; epidemics; pandemics; or other forces, that materially and adversely affect the ability of a party hereto to perform provided that in all events they are not within the reasonable control of the party affected thereby.

1.11 "**Franchise**" means the Sola Salons which Franchisee is granted the right to operate in conformity with the requirements of this Agreement.

1.12 "**Gross Revenue**" means the total of all income derived from gross sales and gross receipts, whether the income is received by cash, credit, checks, services, property, or other means of exchange. "Gross Revenue" shall exclude only those sales taxes that Franchisee must by law collect from customers and that Franchisee pays to the government, promotional or discount coupons to the extent that Franchisee realizes no income, and employee or lessee receipt of services, if free, or any portion not paid for by an employee or studio lessee.

1.13 "**License**" when used on the context of a Customer means the occupancy agreement whereby the Franchisee agrees to allow its Customer to use a studio or space within the Sola Salons Premises.

1.14 "**Manual**" means Franchisor's operations manual and other written materials, including information posted on Franchisor's website and information sent to or accessed by Franchisee in print or electronic form, manuals, written procedures, memoranda and their supplements loaned to Franchisee by Franchisor.

1.15 "**Marks**" means Franchisor's trade names, trademarks, service marks, logos, decor, trade dress, lay out, and commercial symbols, and similar and related words or symbols, now or in the future associated with Franchisor, the System or the franchised Business, whether or not they are registered, including, but not limited to, "Sola Salon Studios" and "Sola Salons".

1.16 "**Multi-Area Marketing Program(s)**" or "**MAM Program(s)**" means regional, national, or international marketing, advertising, or promotional program(s) performed in conjunction with other franchisees or the Franchisor, designed to increase business, such as marketing to multi-area customers, customer incentive programs, Internet, social media, shows, events, yellow pages, directories, affinity marketing, vendor programs, and co-branding programs. Subject to the expenditure limit set forth in Section 9.03, Franchisee must participate, at Franchisee's sole cost and expense, in any Multi-Area Marketing Programs required by Franchisor.

1.17 "**National Marketing Fund**" means the separate bank account used by Franchisor for the purposes specified in this Franchise Agreement. The Marketing Fund is not a trust or escrow account and is managed by Franchisor in its sole discretion. Franchisee must make a monthly contribution to the National Marketing Fund as set forth in Section 9.04.

1.18 "**Premises**" means the one Franchise within the Protected Territory and as described in Attachment I at which Franchisee may operate the franchised Business using the System.

1.19 "**Protected Territory**" means the territory described in Attachment I to this Agreement, subject to any reservations or exceptions contained in this Agreement.

1.20 "**System**" means, collectively, Franchisor's valuable know-how, information, trade secrets, methods, Manuals, standards, designs, methods of trademark usage, copyrightable works, rental

space sources and specifications, software, confidential electronic and other communications, methods of Internet usage, marketing programs, and research and development connected with the operation and promotion of the franchised Business, as modified by Franchisor at any time.

1.21 "**Term**" means, individually and collectively, the initial term of this Agreement under Section 3.01 and any successive renewal term under Section 3.02.

1.22 "**Trade Secret**" is the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures, and improvements regarding the System that is valuable and secret in the sense that it is not generally known to competitors of Franchisor, including lists of, and information regarding, actual and prospective customers (including Customers) of any Sola Salon Studio.

1.23 "**Transfer**" means to voluntarily or involuntarily, directly or indirectly, transfer, assign, sell, convey, dispose of, gift, pledge, hypothecate, mortgage, or encumber any rights, obligations, interests, ownership, or Control of this Agreement, Franchisee, the Franchise, the Business, or the Assets, or any other transaction that would, alone or together with other previous, simultaneous, or proposed Transfer, have the effect of transferring a Controlling Interest in or Control of Franchisee, this Agreement, or substantially all of the Assets. Except, however, a Transfer does not include the encumbering of assets in the ordinary course of business to secure financing in order to perform obligations under this Agreement or to operate the Franchise.

2. GRANT OF FRANCHISE

2.01 Grant of License. Subject to the terms and conditions of this Agreement, Franchisor grants to Franchisee a license to operate a Franchise as designated in Attachment I to this Agreement and described in Section 4, using the System and the Marks for the term of this Agreement. Franchisee may use the Marks and System only in accordance with the terms and conditions of this Agreement.

2.02 Modification of System. Franchisor reserves the right to periodically change, improve, or further develop the System, or any part of the System. Franchisee must promptly accept and comply with any change to the System and make any reasonable expenditure as necessary to comply. Such changes, improvements and developments will be imposed in a nondiscriminatory manner and required of all Franchises and Franchisor's affiliate locations. Franchisor will not alter the basic rights and obligations of the parties arising under this Agreement through changes in the Manual.

2.03 Ownership and Principal Contact of Franchisee. If Franchisee is an entity, Franchisee shall complete and immediately update throughout the term of this Agreement, as necessary, the Statement of Ownership attached hereto as Attachment IV. In addition, if Franchisee is an entity, all persons who own twenty percent (20%) or more of the beneficial ownership interests in the entity shall guaranty Franchisee's performance under this Agreement by signing the Guaranty and Assumption of Franchisee's Obligations attached hereto as Attachment V. If Franchisee is a limited liability company, partnership, corporation or other entity, Franchisee shall provide to Franchisor a resolution signed by all members, directors or partners, as appropriate, designating the principal contact for the Business. This principal contact must be a managing member, general partner, or Controlling shareholder. Such representative shall have the authority to speak for and bind Franchisee in all matters pertaining to this Agreement, and all matters relating to the Business. Further, if Franchisee is an entity, such entity shall engage in no business other than the operation of the Business governed by this Agreement.

3. TERM AND RENEWALS

3.01 Term of Agreement. This Agreement begins on the Effective Date and will continue for a period of ten (10) years from the Effective Date, unless earlier terminated as provided under this Agreement.

3.02 Rights Upon Expiration. At the end of the term of this Agreement, Franchisee may renew its license under this Agreement for one (1) successive period of ten (10) years, provided Franchisor does not exercise its rights of refusal as set forth below.

3.03 Right of Refusal to Renew. Franchisor may refuse, in Franchisor's sole discretion, to renew Franchisee's license if Franchisee:

(a) fails to remedy, in the time frame set forth in this Agreement, any breach of this Agreement specified by Franchisor in a written notice;

(b) has committed three (3) or more breaches of this Agreement in the preceding twenty-four (24) months prior to expiration;

(c) fails to give notice of Franchisee's intent to renew at least six (6) months, but no more than twelve (12) months, prior to the expiration of this Agreement; or

(d) is not, at the time Franchisee delivers its notice of renewal or on the date this Agreement is scheduled to expire, current in payment obligations (i) to Franchisor or its subsidiaries and affiliates or (ii) to trade creditors, landlords, or mortgage holders unless Franchisee is in good faith disputing any such alleged payment obligation to such trade creditors, landlords, or mortgage holders; or

(e) fails to execute a renewal franchise agreement, fails to execute a general release in favor of Franchisor, or fails to complete any required renovations, upgrades or modernizations of the Franchise (See Section 3.05, below) prior to the expiration of this Agreement.

3.04 If Franchisor intends not to renew Franchisee's license due to a condition as set forth in Sections 3.03(a), (b), (c) or (d), then Franchisor must give Franchisee a notice of non-renewal prior to the expiration of this Agreement.

3.05 Renewal Agreement. Prior to the expiration of this Agreement, Franchisee must execute a renewal franchise agreement and all other legal agreements in Franchisor's then-current form for new franchisees. These agreements may vary in material aspects from this Agreement, including, but not limited to, higher royalty and advertising fees. Franchisee, prior to the expiration of this Agreement, must complete, to the satisfaction of Franchisor, those renovations, upgrades, and/or modernizations of the Franchise as set forth in the Manual or as reasonably required by the Franchisor. Franchisor, at its sole option, may require Franchisee to obtain salon design services from a supplier approved or designated by Franchisor, which may be Franchisor or its affiliate. If Franchisor or its affiliate provides design services to Franchisee in connection with a renovation, upgrade, and/or modernization of the Franchise or otherwise, Franchisee must execute the then-current Design Agreement and pay the then-current design services fee charged by Franchisor or its affiliate. Prior to executing a renewal franchise agreement, Franchisor, in its sole discretion, may require Franchisee to execute a general release of all claims Franchisee may have against Franchisor and all principals of Franchisor. This release shall include all claims arising under any federal, state, or local law, rule, or ordinance arising out of or concerning this Agreement (to the fullest extent permitted by law) and shall be in a form satisfactory to Franchisor. If Franchisee fails to execute a renewal franchise agreement prior to the expiration of this Agreement and Franchisor fails to give Franchisor a notice of non-renewal pursuant to Section 3.04 above, then this Agreement will automatically

be extended from month-to-month until a renewal franchise agreement is executed or until Franchisor delivers a notice of non-renewal pursuant to Section 3.04 above.

3.06 Renewal Fee. Upon signing a renewal franchise agreement, Franchisee will not be required to pay another Initial Franchise Fee, but will be required to pay the renewal fee of $7,500.

3.07 Franchisor's Post-Term Option Regarding Lease. Upon expiration, non-renewal, or earlier termination of this Agreement for any reason except Franchisee's termination pursuant to Section 13.01, Franchisor or its designee will have the option for thirty (30) days following the date of expiration, non-renewal, or termination to assume Franchisee's remaining lease obligations without accruing any liability regarding the lease prior to the effective date of any assignment. If Franchisor or its designees exercises this option, Franchisee will cooperate to assign any lease related to the Franchise to Franchisor or its designee at Franchisee's sole expense.

4. TERRITORY

4.01 Franchise. Franchisee may operate the franchised Business only at the Premises as designated in Attachment I to this Agreement. Franchisee may not relocate the Premises without Franchisor's prior written approval; such consent shall not be unreasonably withheld.

4.02 Protected Territory. During the term of this Agreement and any extensions, neither Franchisor nor any affiliate will operate, or grant others the right to open and operate, a Sola Salons location using the Marks within your Protected Territory, but Franchisor, its affiliates, and its franchisees have the right to do so anywhere outside your Protected Territory as designated in Attachment I to this Agreement. Once established, the boundaries of Franchisee's Protected Territory will not be adjusted during the Term without the written consent of both parties hereto.

4.03 Solicitation. Franchisee will have the right to solicit potential Customers within the Protected Territory. Franchisee may not knowingly, directly or indirectly, solicit or endeavor in any way to entice or lure customers of another Sola Salons franchisee except, however, the general solicitation of potential Customers through direct mail and social media advertising, when intended as a general solicitation across large, multiple geographic areas, is not a violation of this provision.

4.04 Reservation of Rights. Franchisor reserves the rights, among others:

(a) to own, franchise, or operate Sola Salons businesses anywhere outside of the Protected Territory, regardless of the proximity to the Premises;

(b) to use the Marks and System to sell any goods or services, including any salon equipment and beauty supplies, similar to those which Franchisee will sell through alternative distribution channels within or outside of the Protected Territory, other than through the Franchise at the Premises. This includes, but is not limited to, other channels of distribution such as television, mail order, catalog sales, wholesale sale to unrelated franchises, or over the Internet, or through other forms of electronic media (including social technology, social media and social networking platforms). The Internet is a channel of distribution reserved exclusively to Franchisor, and Franchisee may not independently market on the Internet or conduct e-commerce. Franchisor has the sole right to market and sell on the Internet and use the Marks on the Internet, including all use of websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media. Franchisee may not separately register any domain name or any portion of a domain name containing the Marks or participate or market on any website or other form of electronic media using the Marks unless Franchisee first obtains written approval from Franchisor. Franchisee's general conduct

on the Internet or other forms of electronic media, including Franchisee's use of the Marks or any advertising, is subject to the terms and conditions of this Agreement and any other rules, requirements or policies that Franchisor may identify from time to time;

(c) to purchase or be purchased by, or merge or combine with, any businesses wherever located, including a business that competes directly with Franchisee's Franchise;

(d) to implement Multi-Area Marketing Programs which may allow Franchisor or others to solicit or sell to Customers or potential Customers anywhere, as set forth in Section 9. In such a program, Franchisee will have the option of servicing any Customer within its Protected Territory. Franchisor also reserves the right to issue mandatory policies to coordinate such Multi-Area Marketing Programs.

5. FEES AND ROYALTIES

5.01 Payment of Fees and Royalties. All payments required under this Section are imposed by and payable to Franchisor, and are non-refundable except as expressly provided below. All payments must be made by any method Franchisor reasonably specifies, including check, cash, certified check, money order, credit or debit card, automatic pre-authorized payment plan, electronic funds transfer, or payment in advance. Franchisee must sign an Authorization for Electronic Withdrawal, set forth as Attachment II, and Franchisor may require Franchisee to submit any payments electronically. All payments to Franchisor and dollar amounts stated in this Agreement are in U.S. dollars unless otherwise expressed. Franchisor will not require Franchisee to deposit all Franchisee's revenue into an account that Franchisor controls, or from which withdrawals may be made only with Franchisor's consent, except to secure a loan or financing arrangement by Franchisor.

5.02 Initial Franchise Fee. Upon signing this Agreement, Franchisee must pay an initial franchise fee ("Initial Franchisee Fee") of $55,000; provided, however, if Franchisee as of the Effective Date (i) is currently the party to one or more other franchise agreements with Franchisor, (ii) is not in default of such agreement(s), and (iii) has one or more Franchise Locations open to the general public, then the Initial Franchise Fee will be $41,000. The amount of the Initial Franchise Fee will be set forth in Attachment I and must be paid by Franchisee upon signing this Agreement. If this Agreement is for the first unit under a multi-unit development agreement with Franchisor, Franchisee must also pay the multi-unit development fee set forth in the multi-unit development agreement to be executed concurrently herewith. If this Agreement is for the second or subsequent unit under a multi-unit development agreement with Franchisor, no Initial Franchisee Fee will be due under this Agreement. There are no refunds of the Initial Franchise Fee or any multi-unit development fee under any circumstances.

5.03 Royalties. Franchise must pay to Franchisor a monthly royalty in the amount of five and one-half percent (5.5%) of Gross Revenue for the preceding calendar month with a minimum of $500 per month ("Royalty Fee"). The Royalty Fee is due to Franchisor, without notice from Franchisor, on the 10th day of each month. Royalties must be reported in a form specified by Franchisor.

5.04 Late Charges and Other Fees. Unless otherwise stated, Franchisee must pay a late fee of $100 for each day the Royalty Fee (or such other payment due under this Agreement) remains unpaid, provided, however, that the $100 per day late fee will not exceed $500 during any calendar month. Franchisee must also pay interest at the rate of one percent (1%) per month for any late payments due under this Agreement, or the maximum interest rate allowed by applicable law, whichever is less Franchisee must pay any damages, expenses through appeal, collection costs, and reasonable attorneys' fees Franchisor incurs in connection with Franchisee's failure to make any required payments.

5.05 Site Selection Assistance Fee. If Franchisor provides multiple on-site visits at Franchisee's request or Franchisee otherwise requests additional site selection assistance, Franchisee will pay $2,500 plus an additional $500 per day for each day that Franchisor provides on-site assistance ("Site Selection Assistance Fee"). Franchisee will also pay Franchisor's travel, meals and living expenses incurred for all on-site site selection assistance. The Site Selection Assistance Fee will be due in accordance with Franchisor's invoice prior to opening the franchised Business.

5.06 Taxes and Debts. Franchisee will promptly pay when due all taxes, fees, debts, expenses, and assessments of the franchised Business, including payroll taxes. Franchisee will not permit a tax sale, seizure, levy, execution, bankruptcy, assignment of assets for or by creditors, or similar action to occur.

6. MARKS

6.01 Marks. Franchisee must only use the Marks in the conduct of the Business as specified in this Agreement. Any unauthorized use of the Marks by Franchisee will constitute a breach of this Agreement and an infringement on Franchisor's rights in and to the Marks. As between Franchisor and Franchisee, Franchisor has a prior and superior claim to the Marks, and Franchisee has no rights in the Marks other than the right to use them in the operation of the Business in compliance with this Agreement.

6.02 Authorized Marks. Franchisee shall use no trademarks other than "Sola Salon Studios," "Sola Salons," or any other Marks that Franchisor may specify for use in the identification, marketing, promotion, or operation of the Business. Franchisee is permitted to use the term "Sola Salons" on its marquee signage. If Franchisee cannot lawfully use the Marks in the Protected Territory, Franchisee must obtain Franchisor's written approval to use other marks. Franchisee must also follow the copyright guidelines as specified by Franchisor in the Manual and which approval may not be unreasonably withheld, conditioned or delayed. Franchisor will indemnify Franchisee for any claims against misuse or infringement of Marks.

6.03 Change of Marks. Franchisor may add, modify, or discontinue any Marks to be used under the System. Within a reasonable time of receiving written notification of any change, Franchisee must comply with the change, at Franchisee's sole expense unless Franchisor does not control the Marks in which case Franchisor shall bear cost of the Franchisee changing of the Marks. Notwithstanding the generality of the foregoing, so long as Franchisee's exterior storefront signage, when installed, complies with the then-current signage specifications as set forth in the Manual, Franchisee will not be required to incur the cost to replace or modify its storefront exterior sign within the first five (5) years of the Term.

6.04 Limitations on Franchisee's Use of the Marks. Franchisee must use the Marks as the sole identification of the Business, but must also identify itself as the independent owner of the Business in the manner prescribed by Franchisor. All Marks must be displayed in the manner prescribed by the Franchisor. Franchisee may not use the Marks, or any words or symbols similar to the Marks, alone or with any prefix, suffix, modifying words, terms, designs, or symbols:

(a) as part of any entity or business name;

(b) in conjunction with any documents, contracts, licenses, permits and other official documents. Any reference to the Marks in any document must state that Franchisee's use of the Marks is limited by this Agreement;

(c) other than as set forth in Section 6.05, below, in any form on the Internet, including, but not limited to, addresses, domain names, links, metatags, locators, and search techniques;

(d) in connection with the performance or sale of any unauthorized services or products; or

(e) in any other manner not expressly authorized by Franchisor.

6.05 Marks on the Internet. Franchisor retains the sole right to use the Marks to market and sell on the Internet, including all use of websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, and co-branding and other arrangements, and in all other forms of electronic media. Franchisee may not establish a presence on the Internet except as Franchisor may specify and only with Franchisor's prior written consent. Franchisee may not separately register any domain name or any portion of a domain name containing the Marks or participate or market on any website or other form of electronic media (including social technology, social media and social networking platforms) using the Marks unless Franchisee first obtains written approval from Franchisor. Franchisee's general conduct on the Internet or other forms of electronic media, including Franchisee's use of the Marks or any advertising, is subject to the terms and conditions of this Agreement and any other rules, requirements or policies that Franchisor may identify from time to time. Subject to Section 9.02 below, Franchisee may use the Marks for advertising using social media, digital platforms, and Craigslist but must first obtain Franchisor's prior written approval, which shall not be unreasonably withheld, conditioned or delayed. Franchisee must sign the Internet and intranet usage agreements when developed by Franchisor. Franchisor retains the right to approve or disapprove any linking to or other use of Franchisor's website.

6.06 Marks in Advertising. Subject to Section 9.02, Franchisee must obtain Franchisor's prior written approval for any use of any item of printed, audio, visual, Internet, electronic media, or multimedia material of any kind bearing any of the Marks, unless such material is supplied by Franchisor. As specified in the Manual, Franchisee must indicate that its business is "independently owned and operated."

6.07 Goodwill. All usage of the Marks by Franchisee and any goodwill associated with the Marks, including any goodwill that might be deemed to have arisen through Franchisee's operation of the Business or other activities will inure to the exclusive benefit of Franchisor.

6.08 Infringement. Franchisee must notify Franchisor in writing within three (3) days of obtaining actual knowledge of any possible infringement or illegal use by others of a trademark which is the same as or confusingly similar to the Marks. Franchisor may, in its sole discretion, commence or join any claim against the infringing party, and bear the reasonable costs associated with the action.

6.09 Signage. Franchisee must display signage bearing the Marks and identifying the Premises as a Franchise, and signage indicating that the Business is independently owned and operated as a franchised Business. All signage must remain current with the System's standards as Franchisor may modify periodically. Notwithstanding the generality of the foregoing, so long as Franchisee's exterior storefront signage, when installed, complies with the then-current signage specifications as set forth in the Manual, then Franchisee shall not be required to replace or modify its exterior storefront sign within the first five (5) years of the Term or upon renewal of this Agreement if Franchisee has replaced or modified its exterior storefront sign at Franchisor's request within five (5) years immediately preceding the expiration of initial term of this Agreement.

7. MANUAL AND CONFIDENTIAL INFORMATION

7.01 Confidential Information. The System, the Manual, and other Confidential Information are proprietary, involve Trade Secrets of Franchisor, and are disclosed to Franchisee solely on the express condition that Franchisee agrees, and Franchisee does hereby agree to:

(a) fully and strictly adhere to all security procedures prescribed in writing by Franchisor, in its sole discretion, for maintaining the Confidential Information as confidential;

(b) disclose such information to its employees only to the extent necessary to market and for the operation of the Business in accordance with this Agreement;

(c) not use any such information in any other business or in any manner not specifically authorized or approved in writing by Franchisor; and

(d) exercise the highest degree of diligence and make every effort to maintain the absolute confidentiality of all such information during and after the term of this Agreement, and follow Franchisor's security procedures, which include the execution of approved nondisclosure agreements, and intranet, extranet and Internet usage agreements when developed by Franchisor, by Franchisee and any employee or agent who is allowed access.

7.02 Standards and Authorized Use. Franchisee must maintain strict compliance with the Manual as presently set forth and as subsequently amended and revised.

7.03 Unauthorized Use. Franchisee must not copy or otherwise reproduce any Confidential Information and must establish procedures to prevent unauthorized use by any other person. Unauthorized use of the Manual or the System will constitute a breach of this Agreement and an infringement of our proprietary rights, including trade secrets and copyrights. Franchisee must promptly report any unauthorized use of the Manual or other Confidential Information.

7.04 Manual. Franchisor will loan to Franchisee during the term of the franchise one (1) copy of Franchisor's confidential operating Manual, which may be in print, on an access code-protected company intranet or extranet, or through other media. Franchisee agrees to keep the Manual at its own risk and maintain and keep the Manual in good condition. Franchisor reserves the right to require Franchisee to use the Manual in only an electronic format. The Manual will at all times remain the property of Franchisor, and Franchisee must immediately return the Manual to Franchisor upon expiration, termination, or Transfer of this Agreement. Franchisor may periodically update and revise the Manual. Franchisee acknowledges that its entire knowledge of the operation of the System is and shall be derived from information disclosed to Franchisee by Franchisor and that certain of such information is Confidential Information of Franchisor. Franchisee shall maintain the absolute confidentiality of all such Trade Secrets during and after the term of this Agreement, and shall not use any such information in any other business or in any manner not specifically authorized or approved in writing by Franchisor. Franchisee is bound by the standards for maintaining the privacy of the Manual in the same manner as all other Confidential Information as provided in this Agreement.

7.05 Nondisclosure and Noncompetition Agreements. Before Franchisee or any of its owners, members, company managers, partners, shareholders, officers, directors, agents, beneficial owners, principal employees, or immediate family members perform any work at or on behalf of the Business or otherwise have access to Franchisor's Confidential Information, said Franchisee, owner, member, manager, partner, shareholder, officer, director, agent, beneficial owner, principal employee, or immediate family member who is to perform such work or have access to such Confidential Information shall execute Franchisor's standard Nondisclosure and Noncompetition Agreement. A copy of all such signed agreements shall be delivered to Franchisor within one week of their execution. Franchisee will ensure its Manager, employees who perform work at the Premises and/or Contractors do not disclose any of Franchisor's Confidential Information. Should such an employee or Contractor wish to attend a training presented by Franchisor, then Franchisor may require that such employee or Contractor first sign a

nondisclosure and non-compete agreement, which shall be by and between Franchisor and such employee or Contractor.

7.06 Ownership of Business Records. Franchisee acknowledges and agrees that the Franchisor may access at any time all Business Records with respect to Customers of, and related to, the Franchise including, without limitation, all databases (whether in print, electronic or other form), including all names, addresses, phone numbers, e-mail addresses, tenant records, and all other records contained in the database, and all other Business Records created and maintained by Franchisee. Franchisee further acknowledges and agrees that, at all times during and for a period of two (2) years after the termination, expiration or cancellation of this Agreement, Franchisor may access such Business Records, and may utilize, transfer, or analyze such Business Records as Franchisor determines to be in the best interest of the System, in Franchisor's sole discretion, so long as such use by Franchisor does not cause material harm to Franchisee.

8. FRANCHISOR'S DUTIES

8.01 Services Provided by Franchisor. Franchisor will provide initial and continuing services as it deems necessary or advisable in furthering Franchisee's Business and the business of the System as a whole and in connection with protecting the Marks and goodwill of Franchisor. Provision of services by Franchisor, either initial or continuing, is independent from the payment the Initial Franchise Fee or the continuing Royalty Fees. Notwithstanding the foregoing, Franchisor will provide the services listed below on a continuing basis.

8.02 Site Selection. Franchisee must operate the Franchise only from a location that Franchisor has approved. Franchisee is solely responsible for locating a site for the Franchise and negotiating a lease for the property. Upon request, Franchisor will provide assistance to Franchisee in analyzing a site and in reviewing a lease for your Franchise. If a representative of Franchisor travels to your market or location to aid in site selection or market due diligence, Franchisee will be responsible for the representative's travel, meals and hotel costs. Franchisee may also be responsible for the Site Selection Assistance Fee. Upon request, Franchisor will analyze a site for the Franchise by examining population density, salon density, traffic patterns, and proximity of the proposed franchise to any other Sola Salons, or any other reasonable criteria, as set forth in Section 10.02. Franchisor's assistance in no way constitutes a representation or warranty with respect to the property or the lease. Franchisee must submit proposals for the location of the Franchise within ten (10) months of the date of this Agreement. Franchisor will approve or disapprove your site within thirty (30) days after receiving notice of the proposed Franchise location from Franchisee. Franchisee agrees that the location of the Franchise is a factor in the potential for success of the Business and Franchisor may reject any location in its sole discretion, but consent will not be unreasonably withheld.

8.03 Equipment, Inventory, Advertising and Services. Franchisor may specify or pre-approve certain furniture, fixtures and equipment, salon design services providers, and beauty supplies used in the Business, and Franchisee must comply with such specifications and approvals. Franchisor or its affiliate may be designated an approved or sole supplier of services or products, including salon design services. Franchisor, in its sole discretion, may negotiate marketing programs with suppliers and obtain advertising allowances or rebates for doing so and may utilize such allowances or rebates in any manner in which Franchisor elects.

8.04 Initial Training. If this is Franchisee's first franchise agreement with Franchisor or Franchisee or its designated Manager has not attended initial training in the past ten (10) years, Franchisor will provide an initial training program as Franchisor may reasonably determine to be appropriate. Franchisor will provide the initial training program at its corporate headquarters, virtually, or at another location designated by Franchisor, to Franchisee and one designated Manager or other management-level employee. Franchisee and a designated Manager must attend and satisfactorily complete the initial training

program within a reasonable time after signing this Agreement and prior to opening for business. The initial training program may consist of multiple sessions and days of discussion of the System, techniques, procedures, and methods of operation, ordering, accounting, support procedures and instructions on quality standards and practical experience in the operation of the Franchise. Franchisee is responsible for personal travel, accommodation, and other costs of Franchisee, its Manager, and its employees while attending training. Franchisee will be charged Franchisor's current training fee for any additional persons attending training.

8.05 Ongoing Training. Franchisor will provide ongoing training and assistance as Franchisor may reasonably determine to be appropriate. Franchisor reserves the right to hold and require Franchisee to attend an annual conference to discuss on-going changes in the industry, sales techniques, personnel training, bookkeeping, accounting, inventory control, performance standards, and advertising programs. Franchisor may charge a fee for such annual conference. If a fee is charged for such mandatory conference, Franchisee will be required to pay the current conference fee, which shall not exceed $500, regardless of attendance. Franchisee must pay all personal travel and living expenses for all of its owners and employees attending the conference. Conferences will be held at Franchisor's corporate headquarters, virtually, or at an alternate location chosen by Franchisor. Franchisor reserves the right to require Franchisee and Franchisee's Manager to participate in any continuing advanced training which Franchisor chooses to offer in the future ("**Continuing Advanced Training**"). The Continuing Advanced Training may be provided by various methods, including by telephone, SKYPE type video, e-mail, or webinars or distance learning. From time to time, Franchisor may host additional training conferences (other than the annual conference). If Franchisee or Franchisee's employees attend these additional training conferences ("**Additional Training Conferences**"), Franchisee may be required to pay a fee based upon the direct costs to Franchisor of retaining speakers and other direct expenses associated with the conference. Franchisee must pay all of the travel and living expenses for Franchisee and any other employees or personnel who attend the Additional Training Conferences.

8.06 Opening and Continuing Assistance. Franchisor may provide on-site assistance in connection with initial training during the opening of the Franchise. Franchisor will provide ongoing assistance, at Franchisor's sole option and determination, by telephone, email, or other form of communication to Franchisee during normal business hours. If Franchisee requires additional on-site assistance, Franchisee will be charged Franchisor's then-current additional assistance fee per day, plus travel and living expenses for Franchisor's representative.

8.07 Advertising and Promotional Programs. Franchisor will provide advertising and promotional programs as set forth in Section 9.

8.08 Development of Programs. Franchisor may develop new interior designs and service methods, as Franchisor deems beneficial to the System. Franchisor will offer such new interior design and service methods to Franchisee on terms and costs reasonably determined by Franchisor.

8.09 Modification of System. Franchisor will periodically continue to improve, modify, and revise the Manual and the specifications, standards, and operating procedures and rules of the System, as set forth in Sections 2.02 and 7.04.

8.10 Central Purchasing. Franchisor reserves the right to implement a centralized purchasing system for franchisees and negotiate prices and terms with suppliers and to receive rebates from such purchases by Franchisees. Franchisor may utilize such rebated funds in any manner it chooses in Franchisor's sole discretion.

8.11 Website. Franchisor will provide information regarding Franchisee's Business on its website, as set forth in Section 9.02.

9. ADVERTISING

9.01 Franchisee Local Advertising. Starting in the calendar year in which the Franchise location opens for business, Franchisee is required to spend a minimum of three thousand six hundred dollars ($3,600) per calendar year on local advertising, marketing, and promotion. During the calendar year in which the Franchise location is first opened for business, said amount shall be prorated proportionately to the calendar months remaining in the calendar year after the initial opening. Expenditures that count toward this annual minimum local advertising expenditure include, but are not limited to, marketing mailings and expenditures on distributor relations. The following items do not count toward this annual minimum local advertising expenditure: parties, holiday gifts, fee reduction to existing Customers, referral fees, and other move-in or customer retention incentives. In addition to the annual minimum local advertising expenditure, Franchisee will also be required to market and promote the Franchisee's Business for two months prior to opening the Business and during the first two months after opening the Business. All local advertising expenditures will be reported to Franchisor at such times and in such manner as Franchisor specifies, including by electronic means.

In addition to Franchisee's annual minimum local advertising obligations set forth in this Section 9.01, Franchisee must also participate in, at Franchisee's sole cost and expense, any Multi-Area Marketing Programs required by Franchisor as set forth in Section 9.03 below and contribute to the National Marketing Fund as set forth in Section 9.04 below. Without Franchisor's prior written consent, Franchisee may not market independently on the Internet or acquire an independent Internet domain name or website, but Franchisor will include Franchisee's Franchise on its website. Subject to Section 9.02 below, Franchisee may advertise the Franchise using social media, digital platforms, and Craigslist, but must first obtain Franchisor's prior written approval, which shall not be unreasonably withheld, conditioned or delayed.

9.02 Advertising and Marketing Materials. Franchisor will provide Franchisee with advertising and marketing materials, in amounts that Franchisor determines at its sole option, which materials may include, but are not limited to, video and photography, copy-ready print marketing materials, posters, mailers, banners, social media graphics and copy, and digital advertising collateral. Franchisee must purchase any additional copies of advertising and marketing materials. Franchisee may develop and produce additional advertising and marketing materials, at Franchisee's own expense, but any advertising and marketing materials must be approved in writing by Franchisor in advance of Franchisee's use of such materials. Franchisor will approve or disapprove materials submitted by Franchisee within fifteen (15) days of receipt; and if not disapproved within such 15-day period, the materials shall be deemed approved. Franchisee hereby grants Franchisor an exclusive right to utilize any advertising and marketing materials, without cost, developed by Franchisee and Franchisor will have the right to grant other franchisees the right to use such advertising and marketing materials.

9.03 Multi-Area Marketing Programs. Franchisee will participate, at Franchisee's sole cost and expense, in any Multi-Area Marketing Program(s) required by Franchisor, in Franchisor's sole determination. Multi-Area Marketing Programs may require Franchisee's cooperation and participation, including refraining from certain channels of marketing and distribution, and payment of commissions, referral fees, or other amounts to Franchisor, its affiliates, or third parties. Franchisee will report to Franchisor at such times and in such manner as Franchisor specifies, including by electronic means, any expenditures directly incurred by Franchisee at the direction of Franchisor in connection with a Multi-Area Marketing Program. Alternatively, at its sole option, Franchisor may require Franchisee to pay a fee to Franchisor, in an amount Franchisor determines at its sole option, in connection with a Multi-Area Marketing Program, which fee will be due and payable at the same time and in the same manner at the

Royalty Fee. If Franchisor directly collects payments from Franchisee and other franchisees in connection with a Multi-Area Marketing Program, Franchisor will use such amounts in connection with such Multi-Area Marketing Program at Franchisor's sole determination, including to reimburse Franchisor's costs and expenses incurred in administering such Multi-Area Marketing Program. Franchisee acknowledges and agrees that a Multi-Area Marketing Program, or Franchisee's expenses or payments in connection with such Multi-Area Marketing Program, may or may not provide any benefit to Franchisee and may or may not be proportionate to expenses or payments incurred by Franchisee. Franchisor has no fiduciary duty with regard to any Multi-Area Marketing Program. Notwithstanding anything to the contrary in Section 9, Franchisee's combined total in a given calendar month of required expenses in connection with Multi-Area Marketing Programs and monthly contribution to the National Marketing Fund will not exceed two percent (2%) of Gross Revenue. Franchisor will not use any Multi-Area Marketing Program for advertising that is principally a solicitation for the sale of franchises, but Franchisor reserves the sole right to pursue any franchisee or business opportunity that may result from a Multi-Area Marketing Program. Franchisor reserves the right to include notations in any advertisement or marketing platform, including websites or mobile applications, that Franchises are available (or similar phrasing) along with contact forms or informational pages. Franchisee must adhere to maximum pricing to the extent permitted by law in connection with any Multi-Area Marketing Programs. All Multi-Area Marketing Programs are Trade Secrets of Franchisor.

9.04 National Marketing Fund. Franchisee must contribute to the National Marketing Fund in an amount determined by Franchisor, which contribution amount will not exceed two percent (2%) of Gross Revenue per month, at the same time and in the same manner as the Royalty Fee. Franchisor may, at its sole option, adjust the amount of the required monthly contribution to the National Marketing Fund upon thirty (30) days' prior written notice to Franchisee; provided, notwithstanding anything to the contrary in Section 9, Franchisee's combined total in a given calendar month of required expenses in connection with Multi-Area Marketing Programs and monthly contribution to the National Marketing Fund will not exceed two percent (2%) of Gross Revenue. Franchisor will hold contributions to the National Marketing Fund in a separate bank account. Franchisor will administer contributions to the National Marketing Fund in Franchisor's sole determination for the creation and development of marketing, advertising, promotions, and related programs and materials, including electronic, print, and internet media, as well as the planning and purchasing of national, regional, and/or local advertising. The general purpose of the National Marketing Fund is to maximize general public recognition and acceptance of the Sola brand, increase business, and enhance the collective success of salons operating under the System. Franchisor will direct all advertising and marketing programs funded by National Marketing Fund, including but not limited to research methods, branding, creative concepts and materials, sponsorships, and endorsements, selection of geographic and media markets, and media placement and allocation thereof. Franchisee acknowledges and agrees that expenditures from the National Marketing Fund may or may not be proportionate to contributions made by Franchisee or provide a direct or any benefit to Franchisee. Franchisor has no fiduciary duty with regard to the National Marketing Fund. Franchisor may accumulate these contributions, and the balance may be carried over to subsequent years and used for the purposes determined by Franchisor. If the National Marketing Fund operates at a deficit or requires additional funds at any time, Franchisor reserves the right to loan such funds to the National Marketing Fund on any terms Franchisor determines. Franchisor may also utilize the National Marketing Fund to reimburse itself for expenses in administering the National Marketing Fund or any MAM Program(s), including expenses related to third-party services, in-house services, contractors, employees and other costs related to the managing the National Marketing Fund and the collection of required contributions to the National Marketing Fund, including but not limited to: (a) the costs or preparing and conducting marketing campaigns intended to enhance the brand, including marketing, advertising, or promotions that are directed at consumers, salon professionals or general business professionals such as lenders to franchisees, landlords and beauty industry participants, (b) internet marketing, (c) social media marketing, (d) in-store and point of purchase marketing, (e) public relations activities or events, intended to enhance the brand, that are directed at

consumers, salon professionals or general business professionals such as lenders to franchisees, landlords and beauty industry participants, (f) employing or engaging advertising and/or marketing personnel, contractors or agencies, (g) development, enhancement and maintenance of Franchisor-sponsored or promoted websites and mobile applications, (h) costs incurred by Franchisor for personnel and other departmental costs for marketing purposes, (i) Sola programs and differentiators relating to education and support, (j) technologies and other platforms used by Sola franchisees and Customers, and (k) other internal or administrative costs, expenses, or overhead caused by or related to the collecting, administering and managing the National Marketing Fund or any MAM Program(s) or creating, preparing, distributing, monitoring and managing marketing related marketing or advertising programs or campaigns, websites and mobile applications. Franchisor will not use the National Marketing Fund for advertising that is principally a solicitation for the sale of franchises, but Franchisor reserves the sole right to pursue any franchisee or business opportunity that results from the use of National Marketing Fund, including marketing, promotional, public relations, and advertisement activities. Franchisor reserves the right to include notations in any advertisement or marketing platform, including websites or mobile applications, that Franchises are available (or similar phrasing) along with contact forms or informational pages. An unaudited annual financial statement of the National Marketing Fund will be prepared within one hundred twenty (120) days of the close of Franchisor's fiscal year and will be available to Franchisee upon written request.

9.05 Marketing Cooperatives. Franchisor may designate a geographic area in which two or more Sola Salons are located as an area in which to establish a marketing cooperative ("Marketing Cooperative"). If a Marketing Cooperative exists, or Franchisor establishes a Marketing Cooperative, in a geographic area encompassing Franchisee's Franchise, Franchisee must join such Marketing Cooperative. The Marketing Cooperative's members will include all Sola Salons operating in the geographic area, including any Sola Salons operated by Franchisor or Franchisee's affiliates, if applicable. Franchisor will determine how any Marketing Cooperative is organized and governed, but the Marketing Cooperative's members are responsible for its administration and determination of contribution levels (up to but not exceeding two percent (2%) of monthly Gross Revenue). Each Marketing Cooperative will operate under written governing documents prepared by Franchisor or Franchisor's designee. Such documentation will be made available to members of the Marketing Cooperative upon reasonable request. All material decisions of the Marketing Cooperative, including contribution levels, will require the affirmative vote of at least 51% of all Sola Salons operating within the Marketing Cooperative's area (including those that operated by Franchisor or Franchisor's affiliate, if any), with each Sola Salon Studio receiving one vote. Franchisor may collect Marketing Cooperative fees and transfer those fees to the Marketing Cooperative, or the Marketing Cooperative may collect the fees directly, as Franchisor determines. Any fees that Franchisee pays to a Marketing Cooperative will count towards Franchisee's minimum local advertising obligation under Section 9.01. The fees imposed by the Marketing Cooperative may exceed Franchisee's required minimum local advertising obligation under Section 9.01. Franchisor may form, modify, change, dissolve, or merge Marketing Cooperatives.

10. CONSTRUCTION AND MAINTENANCE OF FRANCHISE

10.01 Franchise Construction. Franchisee must construct or convert a building and equip the Franchise, at Franchisee's expense, in a good and workmanlike manner as specified by Franchisor. All interior designs, construction or conversion work must be completed in accordance with the standards and specifications of Franchisor, and must conform to all applicable zoning and other requirements of local authorities. All final space and fixture plans must be approved by Franchisor. Franchisor will approve or disapprove the plans within thirty (30) days of submission, and if not approved or disapproved within said thirty days, the plans shall be deemed approved. Franchisee shall obtain all architectural, engineering, design, construction, and other services Franchisor requires for the construction of the Franchise and pay all related fees. All architectural, salon design, general contractor, construction management, and related

services must be obtained from a supplier designated or approved by Franchisor, which may be Franchisor or its affiliate. Without limitation, if Franchisor or its affiliate provides design services to Franchisee, Franchisee must execute the then-current form of Design Agreement and pay the then-current design services fee charged by Franchisor or its affiliate. Franchisee shall provide to Franchisor upon request a copy of the construction contract for the Franchise and the final architectural plans. Franchisee acknowledges that Franchisor's review of such plans is only for purposes of determining compliance with System standards, and that acceptance of such plans by Franchisor does not constitute a representation, warranty, or guarantee, express or implied, by Franchisor that such plans are accurate or free of error concerning their structural application. Franchisor shall not be responsible for architecture or engineering, or for code, zoning, or other requirements of the laws, ordinances or regulations of any federal, state, local, or municipal governmental body, including, without limitation, any requirement relating to accessibility by disabled persons or others, nor shall Franchisor be responsible for any errors, omissions, or discrepancies of any nature in the plans. Franchisee must obtain required authorizations, licenses, certifications, and permits and begin construction or conversion of interior finish items no later than sixteen (16) months from the date of this Agreement, and Franchisee shall be open for retail business within eighteen (18) months from the date of this Agreement.

10.02 Property. Franchisee may purchase or lease the required real property and improvements from any source. Franchisee must submit proposals for the location of the Franchise within ten (10) months of the date of this Agreement. Franchisor will approve or disapprove your site within 30 days after we receive notice of the proposed location from you. Franchisee agrees that the location of the Franchise is a factor in the potential for success of the Business and Franchisor may reject any location in its sole discretion, but consent will not be unreasonably withheld. Franchisee must deliver to Franchisor any traffic, competition, and demographic and similar franchise information relating to any proposed site, that Franchisor reasonably requests, for review at least twenty (20) days before any proposed lease signing date. At least thirty five (35) days before proposed lease signing date, Franchisee must deliver to Franchisor a copy of the proposed lease or proposed contract of sale, as applicable, to Franchisor for approval. Franchisor's approval of a lease does not mean that the economic terms of the lease are favorable to Franchisee. Franchisee acknowledges that Franchisor's acceptance of a prospective site and the rendering of assistance in the selection of a site does not constitute a representation, promise, warranty or guarantee, express or implied, by Franchisor that the Franchise operated at that site will be profitable or otherwise successful. Franchisee must also deliver to Franchisor a copy of the executed lease within five (5) days of the execution thereof.

10.03 Lease Riders. If Franchisee leases the real property in which the Franchise is located, Franchisee must include the following provisions in said lease agreement:

(a) on expiration, non-renewal, or earlier termination of this Agreement for any reason, Franchisor or its designee will have the option for thirty (30) days to assume Franchisee's remaining lease obligations without accruing any liability regarding the lease prior to the effective date of any assignment; or Franchisor will have the right to execute a new lease for the remaining term on the same terms and conditions;

(b) all notices of default, expiration, termination, or cancellation to Franchisee under the lease must be sent contemporaneously to Franchisor;

(c) in the event Franchisee defaults under the lease, Franchisor or its designee will have an opportunity, but not the obligation, to cure such default and to assume Franchisee's remaining obligations and rights under the lease, but will not have any obligation to do so;

(d) if Franchisee fails to timely exercise any renewal right to extend the term of the lease, the landlord will send written notice of such failure to renew to both Franchisor and Franchisee within ten (10) days after the renewal deadline, and thereafter (i) Franchisee or Franchisor (on behalf of Franchisee) will have ten (10) days from receipt of such notice to exercise Franchisee's renewal option under the lease, or (ii) if Franchisee fails to exercise, or elects nots to exercise, any renewal option under the extended deadline, Franchisor will have the option (but not the obligation), exercisable upon notice to the landlord within thirty (30) days after Franchisor's receipt of the landlord's notice that the Franchisee failed to renew, to either take assignment of Franchisee's existing lease and thereafter assume Franchisee's remaining lease rights and obligations (including any renewal options) without accruing any liability regarding the lease prior to the effective date of any assignment or execute a new lease for the remaining term of the existing lease on the same terms and conditions as the lease (including any renewal options).

(e) within thirty (30) days of Franchisor's receipt of notice of expiration, termination, or cancellation of the lease or within thirty (30) days of expiration or earlier termination of this Agreement, for any reason, the landlord will cooperate with and allow Franchisor to enter the premises, at Franchisor's expense, without being guilty of trespass and without incurring any liability, to remove all of Franchisor's intellectual property, to remove trade fixtures from the premises, to remove any or all of the furnishings, equipment, signs, fixtures, supplies, materials and other assets related to the operation of the Business, and to otherwise de-identify the premises;

(f) the lease will not be surrendered or assigned without the prior written consent of Franchisor; and

(g) a provision reserving to Franchisor the right, at Franchisor's sole and absolute election, to receive an assignment of the leasehold interest from Franchisee upon termination or expiration of the initial term or any renewal term, or any termination of Franchisee, any default of the Franchisee, and the right to reassign the lease without becoming liable on the lease and without further approval from the landlord or additional charge.

Franchisor will not unreasonably withhold or delay consent to Franchisee's requested modifications to the Lease Rider provisions.

10.04 Maintenance and Upgrades. Subject to the terms of this Section, Franchisee must at all times comply with both (i) the Manual (as amended or revised from time to time) and (ii) Franchisor's standards, specifications, processes, procedures, requirements and instructions regarding the Franchise's physical facilities, including the make, model, quality and layout of furnishings, fixtures and equipment. Franchisee must maintain the Franchise and any parking areas in good and safe condition and as may be specified in the Manual. Franchisee must remodel or upgrade the Franchise at its own cost in accordance with the Manual (as amended or revised from time to time). Any remodeling or upgrade standards or requests will be applied to all franchised locations and to all locations owned by Franchisor's affiliate on a nondiscriminatory basis. Franchisor, at its sole option, may require Franchisee to obtain salon design services from a supplier approved or designated by Franchisor in connection with any remodeling, renovation, upgrade, and/or modernization of the Franchise or its location. Franchisor or its affiliate may be designated as an approved or sole supplier of salon design services. If Franchisor or its affiliate provides design services to Franchisee, Franchisee must execute the then-current form of Design Agreement and pay the then-current design services fee charged by Franchisor or its affiliate.

11. RECORDS AND REPORTS

11.01 Records. Franchisee must keep and transmit complete and accurate Business Records on a current basis relating to the Business in the form, time, and manner that Franchisor prescribes. Franchisee

must provide Franchisor with all hard copies, and access to electronic reports, as reasonably prescribed. Franchisee must maintain an accounting system, which accurately reflects all operational aspects of the Franchise including uniform reports as may be required by Franchisor. Franchisee must maintain its accounting using the Rent Manager Property Management Software (or other software as specified in the Manual) and using the account types as specified by Franchisor from time to time. Franchisee must submit to Franchisor current financial statements and other reports as Franchisor may reasonably request to evaluate or compile research data on any operational aspect of the Franchise. Franchisor reserves the right to require that Franchisee make available its sales records and files by way of an Internet connection. Business Records will specifically also include, without limitation, the following:

(a) tax returns;

(b) profit and loss statements detailing Gross Revenue and expenses for the period, to be prepared each month for the preceding month and quarterly for the prior quarter;

(c) profit and loss statements, prepared or compiled annually by an independent Certified Public Accountant annually; and

(d) balance sheets, to be prepared or compiled at least annually by an independent Certified Public Accountant.

Franchisee must keep accurate records relating to the franchised Business for a period of six (6) years after the termination or expiration of this Agreement. All reports are due in accordance with the due date prescribed by Franchisor. Franchisee will pay Franchisor a late report fee in the amount of $100 per day ("Late Report Fee") if Franchisee fails to provide such reports within the time period prescribed by Franchisor.

11.02 Records Standards. Franchisee must prepare in a form reasonably approved by Franchisor and in a timely manner, financial reports that accurately reflect all particulars relating to the Business. Franchisee must periodically deliver to Franchisor copies of accounting, tax and other documents and information, within ten (10) business days of Franchisor's requests. Franchisee must provide Franchisor with a copy of its annual financial statements including a profit and loss statement and a balance sheet containing complete notes and disclosures. Such statements must be prepared or compiled by an independent Certified Public Accountant, and be delivered to Franchisor within ninety (90) days after Franchisee's fiscal year end.

11.03 Audits. Franchisee must provide Franchisor or its agent's access to Franchisee's Business and computer systems to examine or audit Franchisee's Business, at any reasonable time on at least ten (10) days prior notice to Franchisee. Franchisor will bear the cost of the audit, unless Franchisee fails to report as required or understates Gross Revenue by two percent (2%) or more for any reported time period, in which case Franchisee will pay the audit cost plus interest on understated costs of one percent (1%) per month. Franchisee must immediately pay to Franchisor all sums owed in addition to any other remedies provided in this Agreement or by law.

11.04 Data Security and Privacy. Franchisee must comply with all applicable federal, state, and local laws, rules, and regulations regarding data security, protection, and privacy, including, without limitation and if applicable, the California Consumer Privacy Act ("CCPA") and/or the California Privacy Rights Act ("CPRA"). Franchisee must comply with any privacy policies, data protection polices, and breach response policies that Franchisor periodically may establish. Franchisee must notify Franchisor immediately regarding any actual or suspected data breach at or in connection with your Franchise or Business. Franchisee must secure from its vendors, customers, prospective customers, and others all

consents and authorizations, and provide them all disclosures, that applicable law requires to transmit customer data, including Personal Information, to Franchisor and its Affiliates and for Franchisor and its Affiliates to use that customer data, including Personal Information, in the manner that this Agreement contemplates. For purposes of this Section 11.04, "Personal Information" means information that is received from Franchisor, or collected on Franchisor's behalf, that identifies, relates to, describes, is capable of being associated with, or is linked or could reasonably be linked, directly or indirectly, with a particular consumer or household, and including particular elements of "personal information" as defined under Cal. Civ. Code § 1798.140. Further, whenever and to the extent Franchisee operates as a "Service Provider" under the CCPA and/or CPRA, or in a similar capacity under any other applicable federal, state, or local privacy law with regard to Personal Information that Franchisee may collect, receive, or otherwise process as a result of any agreements between Franchisee and Franchisor (or its subsidiaries or affiliates), including this Agreement, Franchisee represents, warrants, covenants, agrees, and certifies that it will:

(1) Process Personal Information only for the limited and specified purposes of providing services re-quested by Franchisor.

(2) Notify Franchisor, and provide Franchisor with the ability to object, before transmitting Personal Information to a service provider, sub-processor, subcontractor, or other vendor.

(3) Require any service provider, sub-processor, subcontractor, or other vendor that receives Personal Information to agree to provisions materially similar to those found within this Section 11.04.

(4) Cooperate and assist Franchisor with responding to any request from an individual to exercise their rights under a data privacy or data security law or regulation.

(5) Comply with all applicable data privacy and data security laws including, but not limited to, Cal. Civ. Code 1798.100. et seq.

(6) Notify Franchisor if it believes that it can no longer meet the obligations of this Section 11.04.

(7) Implement and maintain reasonable and appropriate security procedures and practices designed to protect the Personal Information from unauthorized access, destruction, use, modification, or disclosure.

(8) Notify Franchisor immediately after be-coming aware of any loss, unauthorized or unlawful processing, destruction, damage, alteration, or unauthorized disclosure of, or access to, the Personal Information (a "Security Breach"), and cooperate with Franchisor in the event of a Security Breach including by sharing information relevant to the Security Breach.

(9) Allow and contribute to reasonable audits by Franchisor, including inspections by the Franchisor or its auditor, to verify Franchisee's compliance with data processing and security obligations and applicable data protection statutes and regulations.

(10) Delete any Personal Information upon Franchisor's request unless Franchisee can prove that such request is subject to an exception under applicable law; and

Franchisee further agrees and certifies that it will not:

(11) Sell, rent, release, disclose, disseminate, make available, transfer, or otherwise communicate orally, in writing, or by electronic or other means, Personal Information to another business or a third party for monetary or other valuable consideration.

(12) Retain, use, disclose, collect, sell, or otherwise process Personal Information for any purpose other than for the specific purpose of, and as necessary for, performing services for Franchisor pursuant to a written agreement(s). For clarity, Franchisee may not retain, use, or disclose the Personal Information for any other commercial purposes or outside of the direct business relationship between Franchisee and Franchisor.

(13) Combine the Personal Information that it receives from Franchisor with the Personal Information that it receives from another company or business (or that it collects from its own interaction with individuals), except if expressly permitted to do so by Franchisor or required to do so by law.

(14) Share, rent, release, disclose, disseminate, make available, transfer, or otherwise communicate orally, in writing, or by electronic or other means, Personal Information for the purpose of cross-context behavioral advertising.

Franchisee certifies that it understands and will fully comply with the restrictions of this Section 11.04. Franchisee also acknowledges and agrees that Franchisor may modify the restrictions by written notice to Franchisee, including adding other similar privacy restrictions that may be required under other federal, state, or local privacy laws. This Section 11.04 will survive expiration or termination of this Agreement and any other agreement(s) that may exist between Franchisee and Franchisor (or its subsidiaries or affiliates). Existing terms in such agreement(s) remain in effect except that this Section 11.04 controls in the event of a conflict with such terms. In the event of a breach of this Section 11.04, Franchisor may take reasonable and appropriate steps to stop and remediate the unauthorized use by Franchisee of Personal Information. zzz

12. FRANCHISEE'S DUTIES

12.01 Compliance with Applicable Laws. Franchisee agrees to (i) comply with all applicable laws, ordinances and regulations or rulings, or licensing requirements, of every nature whatsoever which in any way regulate or affect the operation of its Business, (ii) pay promptly all taxes and business expenses relating to the operation of the Business, and (iii) comply with all laws applicable to the Business that concern occupational hazards, accommodations for the disabled, including without limitation, the Americans with Disabilities Act, health, workers' compensation insurance and unemployment insurance. Franchisee agrees, at its expense, to modify its Franchise, if necessary, to comply with any such applicable laws or regulations. Franchisee shall not engage in any activity or practice that result in, or may reasonably be anticipated to result in, any public criticism of the System or any part thereof.

12.02 System Compliance. Franchisee must comply with the System, the Manual, and all systems, procedures and forms, as in effect from time to time and as may be amended or revised from time to time. All mandatory specifications, standards, and operating procedures prescribed by Franchisor in the Manual, or otherwise communicated to Franchisee in writing, shall constitute provisions of this Agreement as if fully set forth herein. Accordingly, all references in this Agreement to Franchisee's obligations under this Agreement, shall include such mandatory specifications, standards, and operating procedures contained in the Manual.

12.03 Uniformity and Image. In order to maintain uniform standards of quality, appearance, and marketing, it is essential that Franchisee conform to Franchisor's standards and specifications set forth in the Manual and the System, as these may be amended or revised from time to time.

12.04 Operations. Franchisee must maintain and operate the Business in accordance with the System and Manual, as amended by us in our discretion. Franchisee or a fully trained and qualified manager ("Manager") approved by Franchisor must participate personally and full-time in the Business.

12.05 Right of Entry and Inspection. Franchisee permits Franchisor or its authorized agent or representative to enter the Premises during normal business hours and to reasonably inspect the operations of the franchised Business. Without any liability to Franchisee, Franchisor may confiscate any materials which Franchisor, in its reasonable judgment, determines to be either illegal or in violation of this Agreement. Franchisor shall have the right to observe Franchisee and its Customers rendering services, to confer with Franchisee's employees and Customers and to generally review the Business operations for compliance with the standards and procedures set forth in the Manual. During any such entry, Franchisor will use commercially reasonable efforts not to interfere with the business or Franchisee's Customers' activities.

12.06 Restrictions on Services and Products. Franchisor and Franchisee are prohibited from requiring or mandating any exclusive products for sale or use by Franchisee's Customers within the Franchise. Franchisee is prohibited from offering to License, rent, lease or otherwise permit the use of salon studios, other space within the Premises, chairs, booths, rooms or other items not authorized by Franchisor as being a part of the System. Franchisee will purchase furniture, fixtures and equipment, beauty supplies required for the operation of the Business and obtain salon design services from suppliers designated or approved by Franchisor. Franchisor or its affiliate may be designated an approved or sole supplier of services or products, including salon design services. If Franchisee proposes to offer, conduct or utilize any services, products, materials, forms, items, supplies or services for use in connection with the Business which are not previously approved by Franchisor as meeting its specifications, Franchisee may request approval in writing from Franchisor. Franchisor may, in its sole discretion, for any reason whatsoever, elect to withhold such approval; however, in order to make such determination, Franchisor may require submission of salon design specifications, information regarding such furniture, fixtures and equipment and beauty supplies. Franchisor may charge Franchisee $2,500 plus the actual cost incurred to inspect, investigate and test the salon equipment, beauty supplies and proposed supplier ("Supplier/Vendor Inspection Fee"). Franchisee will pay the Supplier/Vendor Inspection Fee in accordance with Franchisor's invoice. Franchisor will advise Franchisee within a reasonable time whether such furniture, fixtures and equipment and beauty supplies meet its specifications. Approved equipment descriptions and supplier contact information are prescribed in the Manual. If Franchisor has not specified or "pre-approved" a supplier for a particular item, Franchisee may seek Franchisor's approval of a supplier selected by Franchisee. Franchisor will approve Franchisee's purchase of items from such supplier so long as the proposed supplier meets all of Franchisor's specifications and standards as to quality, composition, finish, appearance and service, and adequately demonstrates its capacity and facilities to supply Franchisee's needs in the quantities, at the times, and with the reliability requisite to an efficient operation of the Business.

12.07 Insurance. Franchisee must keep in force insurance policies as prescribed by Franchisor in the Manual by an insurance company acceptable to Franchisor at all times during the term of this Agreement and any renewals. Franchisor may, from time-to-time, designate one or more approved suppliers or insurance brokers for the required insurance coverage, and Franchisee must purchase the required insurance coverage and otherwise comply with the requirements to use such designated supplier and/or broker, to the extent permitted by applicable law. Insurance coverage must include general liability, professional liability, combined single limit, bodily injury, cyber coverage for response and defense in the case of a data breach, and property damage insurance for premises operations, products liability and all

other occurrences against claims of any person, employee, customer, agent or otherwise in an amount per occurrence of not less than such amount set forth in the Manual and adjusted by Franchisor from time to time. Insurance policies must insure both Franchisee and Franchisor, its officers and directors, as additional named insured against any liability which may accrue against them by reason of the ownership, maintenance or operation by Franchisee of the Business. The policies must also include waiver of subrogation and stipulate that Franchisor shall receive a thirty (30) day prior written notice of cancellation. Original or duplicate copies of all insurance policies, certificates of insurance or other proof of insurance acceptable to Franchisor shall be furnished to Franchisor together with proof of payment within thirty (30) days of issuance thereof. In the event Franchisee fails to obtain the required insurance and keep the same in full force and effect, Franchisee shall pay Franchisor upon demand the premium cost thereof, which Franchisor shall then forward to the insurance carrier plus an administrative fee equal to 20% of the premium. Notwithstanding the foregoing, failure of Franchisee to obtain insurance constitutes a material breach of this Agreement entitling Franchisor to terminate this Agreement pursuant to the provisions of this Agreement. Franchisee will also procure and pay for all other insurance required by state or federal law, including, without limitation, workers' compensation and unemployment insurance.

12.08 Appearance and Customer Service. Franchisee shall (i) maintain the Premises in a clean and attractive appearance, (ii) give prompt, courteous and efficient service to Customers and the public, and (iii) otherwise operate the Business in strict compliance with the policies, practices and procedures contained in the Manual so as to preserve, maintain and enhance the reputation and goodwill of the System. Franchisee may not alter, change, or modify the System, including the Franchise, in any way without the prior written consent and approval of Franchisor.

12.09 Signs. All signs to be used on or in connection with the Business must be approved in writing by Franchisor prior to their use by Franchisee.

12.10 Training. If this is Franchisee's first franchise agreement with Franchisor or Franchisee or its designated Manager has not attended initial training in the past ten (10) years, Franchisee or its Manager must complete Franchisor's initial training program described in Section 8.04 above. Franchisee shall train its employees and/or Contractors according to standards and procedures established by Franchisor.

12.11 Correction of Defects. Should Franchisor notify Franchisee at any time of defects, deficiencies or unsatisfactory conditions in the appearance or conduct of the Business, Franchisee shall correct any such items within the time required by Franchisor. Franchisee shall establish and maintain an image and reputation for the Business consistent with the standards set forth in this Agreement, the Manual, or as otherwise specified by Franchisor. Franchisee shall keep its Franchise clean and in good order and repair at all times. Upon notice by Franchisor that Franchisee is in violation of any of the standards, specifications, or procedures prescribed by Franchisor, Franchisor may, at Franchisor's option, charge Franchisee a non-compliance fee of $50 for each day that Franchisee remains in such violation following such notice until such violation is cured.

12.12 Indemnification. Franchisor will defend and hold Franchisee harmless for any third-party claims brought against Franchisee that solely arise out of Franchisee's expressly authorized use of the Marks in connection with the Business in full compliance with the System and this Agreement. Franchisee must notify Franchisor within five (5) business days of obtaining notice or knowledge of any action, claim or demand against Franchisee relating to the Marks. Franchisee agrees to indemnify, defend and hold harmless Franchisor, its parent corporation, its subsidiaries and affiliates, and their respective shareholders, directors, officers, representatives, employees, agents, successors and assignees against all claims and liabilities directly or indirectly arising out of the operation of the Business or arising out of Franchisee's use of the Marks and System in any manner not in accordance with this Agreement. For purposes of this indemnification, claims shall mean and include all obligations, actual and consequential damages, and costs

reasonably incurred in the defense of any claim, including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. Franchisor shall have the right to defend any such claim against it. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement. Franchisee shall not however, be liable for claims to the extent such claims arose solely as a result of Franchisor's intentionally wrongful or fraudulent acts, or Franchisor's grossly negligent acts or omissions.

12.13 Computer Systems. Franchisee must purchase from Franchisor a sublicense to use Rent Manager Property Management Software for the operation of the Business. Franchisee must acquire, maintain, and upgrade computer, information processing and communication systems, including all applicable hardware, software, and Internet and other network access providers, and website vendors, as prescribed in the Manual. Franchisee must comply with any separate software or other license agreement that Franchisor or its designee uses in connection with providing these services. Franchisor may charge a fee for software, email communications or other custom technology for use in Franchisee's franchised Business.

12.14 Computer Problems, Viruses, and Attacks. Franchisee acknowledges and understands that computer systems are vulnerable to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, date-related problems, and attacks by hackers and other unauthorized intruders. Franchisor has taken reasonable steps so that these problems will not materially affect the System. Franchisor does not guarantee that information or communication systems supplied by Franchisor or its suppliers will not be vulnerable to these problems. Franchisee acknowledges and agrees that Franchisee is solely responsible for protecting itself from these problems. Franchisee must also take reasonable steps to verify that Franchisee's suppliers, lenders, landlords, customers, and governmental agencies on which Franchisee relies, are reasonably protected. This may include taking reasonable steps to secure Franchisee's systems, including, but not limited to, firewalls, access code protection, anti-virus systems, and use of backup systems.

12.15 Hazardous Materials. Franchisee must not cause or permit any toxic or hazardous waste, substances, or materials, as defined under applicable government laws and regulations to be used, generated, stored or disposed of near, on, under, about or transported to or from the Premises or any of Franchisee's vehicles except as necessary for Franchisee's operation of the franchised Business and in accordance with the Manual, and, in such event, will obtain all necessary permits to do so. Franchisee shall conduct such permissible hazardous materials activities in strict compliance, and at Franchisee's expense, with all applicable federal, state, and local laws, rules and regulations now or hereafter in effect and using all necessary and appropriate precautions. Franchisor will not be liable for any of these activities. Franchisee must provide Franchisor with a copy of all hazardous materials inventory statements and updates filed by any governmental agency or regulation and must immediately notify Franchisor both by telephone and in writing of any spill or unauthorized discharge of hazardous materials or of any conditions constituting an imminent hazard.

13. DEFAULT AND TERMINATION

13.01 Termination by Franchisee. Franchisee may terminate this Agreement if Franchisor violates a material provision of this Agreement and fails to remedy or to make substantial progress toward curing the violation within ninety (90) days after receiving written notice from Franchisee detailing the alleged default. Termination by Franchisee is effective ten (10) days after Franchisor receives written notice of termination. If Franchisee terminates this Agreement under this provision, Franchisee must follow the termination procedures as set forth in Section 13.03.

13.02 Termination by Franchisor. Subject to applicable law to the contrary, Franchisor may, at its option, terminate this Agreement before its expiration as set forth below:

(a) With Notice of 30 Days. This Agreement will terminate thirty (30) days after Franchisor gives written notice to Franchisee and Franchisee fails to cure or, in the reasonable determination of Franchisor, fails to make substantial progress toward curing the defect within the 30-day period, in the event that:

(i) Franchisee fails to open and begin operating the Franchise within the time period set forth in Section 10.01;

(ii) Franchisee fails or refuses to maintain and operate the Business in compliance with this Agreement, the System, or the Manual;

(iii) Franchisee fails to pay Franchisor any amounts due under this Agreement or fails to pay any supplier, service provider, or landlord any amount due under any agreement with such supplier, service provider, or landlord;

(iv) Franchisee understates or otherwise fails to accurately report Gross Revenue;

(v) Franchisee fails to pay when due any income, service, sales, or other taxes due on the Franchise's operations, unless Franchisee is in good faith contesting its liability for such taxes and has effectively stayed the enforcement of liability for such taxes;

(vi) Franchisee fails to comply with any material federal, state, or local law or regulation applicable to the operation of the Business;

(vii) Franchisee or its Manager fails to complete the required initial training or has failed to designate an acceptable location of the Franchise pursuant to Section 10;

(viii) Franchisee loses possession or the right of possession of all or a significant part of the Franchise through condemnation, casualty, lease termination or mortgage default/foreclosure and the Franchise is not relocated or reopened;

(ix) Franchisee makes an unauthorized Transfer;

(x) Franchisee is a business entity and any action is taken which purports to merge, consolidate, dissolve or liquidate the entity without Franchisor's prior written consent;

(xi) Franchisee is in breach of any other term, condition, or provision of this Agreement; or

(xii) Franchisee is in material breach, or threatens to materially breach, any term, condition, or provision of its lease related to its Franchise.

(b) Without Opportunity to Cure. This Agreement and license will immediately terminate upon notice to Franchisee, without an opportunity to cure, in the event that:

(i) Franchisee misrepresented or omitted material facts which induced Franchisor to enter into this Agreement;

(ii) A permanent or temporary receiver or trustee for the Franchise or all or substantially all of Franchisee's property is appointed by any court, or any such appointment is consented to or not opposed through legal action by Franchisee, or Franchisee makes a general assignment for the benefit of Franchisee's creditors or Franchisee makes a written statement to the effect that Franchisee is unable to pay its debts as they become due, or a levy or execution is made on the license, or an attachment or lien remains on the Franchise for thirty (30) days unless the attachment or lien is being duly contested in good faith by Franchisee and Franchisor is advised in writing;

(iii) Franchisee contests the validity of, or Franchisor's ownership of, any of the Marks in any court or proceeding;

(iv) Franchisee, its affiliates, and any owner of greater than twenty percent (20%) of the Franchisee entity or operator makes any unauthorized use of the Marks, makes any unauthorized use or disclosure of any Confidential Information, or uses, duplicates or discloses any portion of the Manual in violation of this Agreement;

(v) Franchisee voluntarily abandons or ceases operation of the Business for more than five (5) consecutive days;

(vi) Franchisee or any owner of greater than twenty percent (20%) of the Franchisee entity or operator is convicted of a crime involving fraud, a crime involving moral turpitude, or any crime or offense that is reasonably likely, in the reasonable opinion of the Franchisor, to materially and unfavorably affect the System, the Marks, Franchisor's or the System's goodwill or Franchisor's or the System's reputation;

(vii) Franchisee or any owner of greater than twenty percent (20%) of the Franchisee entity or operator engage in activity or conduct that is reasonably likely, in the reasonable opinion of the Franchisor, to materially and unfavorably affect the System, the Marks, Franchisor's or the System's goodwill or Franchisor's or the System's reputation;

(viii) Franchisee fails to renew its lease or exercise any renewal option under its lease for the Franchise; or

(ix) Franchisee receives notices of three or more defaults (whether different defaults noticed together, three separate instances of the same or similar default, or otherwise) under Section 13.02(a) within any 12-month period and then commits another default within the same 12-month period, regardless of whether the previous defaults were cured.

13.03 Effect of Termination. Upon any termination or expiration of this Agreement, all obligations that by their terms or by reasonable implication survive termination, including those pertaining to non-competition, confidentiality, and indemnity, will remain in effect, and Franchisee must immediately:

(a) promptly pay all amounts owed to Franchisor based on the operation of the Franchise through the effective date of termination;

(b) return to Franchisor all copies of the Manual, tenant lists, records, files, instructions, brochures, advertising materials, agreements, Confidential Information and any and all other materials provided by Franchisor to Franchisee or created by a third party for Franchisee relating to the operation of the Business, and all items containing any Marks, copyrights, and other proprietary items;

(c) cancel or assign within five (5) days all registrations relating to its use of any of the Marks, in Franchisor's sole and absolute discretion. Franchisee must notify the telephone, Internet, email, electronic network, directory, and listing entities of the termination or expiration of the Franchisee's right to use any numbers, addresses, domain names, locators, directories and listings associated with any of the Marks, and must authorize their transfer to the Franchisor or any new franchisee as may be directed by the Franchisor. The Franchisee acknowledges as between the Franchisor and the Franchisee, the Franchisor has the sole rights to, and interest in, all numbers, addresses, domain names, locators, directories and listings used by Franchisee to promote the System. The Franchisee hereby irrevocably appoints the Franchisor, with full power of substitution, as its true and lawful attorney-in-fact, which appointment is coupled with an interest; to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. Such appointment is evidenced by Attachment III;

(d) cease doing business under any of the Marks, cancel any assumed name registration that includes any of the Marks, assign all domain names and Internet directory listings that contain the Marks to Franchisor, and refrain from identifying itself as a Sola franchisee;

(e) allow Franchisor or representatives access to the Business and the computer systems to verify and secure Franchisee's compliance with the obligations under this Agreement;

(f) allow Franchisor to make a final inspection and audit of your computer system, books, records and accounts;

(g) allow Franchisor the option, exercisable by Franchisor by written notice to Franchisee within thirty (30) days after expiration or earlier termination of this Agreement, to purchase from Franchisee any or all of the furnishings, equipment, signs, fixtures, supplies, materials and other assets related to the operation of the Business, at fair market value. Franchisor shall purchase assets only and shall assume no liabilities, unless otherwise agreed in writing by the parties. If the parties cannot agree on the fair market value of the assets within thirty (30) days of Franchisor's notice of exercise of its purchase option, fair market value shall be determined by three (3) appraisers. Each party shall select one (1) appraiser, and those two (2) appraisers shall select a third appraiser. The average of the determinations of the three (3) appraisers shall be binding. In the event of an appraisal, each party shall bear its own legal and other costs and shall divide the appraisal fees equally. The purchase price shall be paid in cash; provided, that Franchisor shall have the right to set off from the purchase price (i) all fees due from Franchisee for any appraisal conducted hereunder, and (ii) all amounts due from Franchisee to Franchisor.

(h) abide by the terms of the required noncompetition covenant;

(i) remove all displays of the Marks and trade fixtures from the Franchise which are identified or associated with the System; and

(j) At Franchisor's option, assign to Franchisor any interest which Franchisee has in any lease or sublease for the premises of the Franchise or for any equipment and trade fixtures (including, signs, sliding studio doors, metal ceiling tiles, studio cabinetry, and any trade fixtures used in the operation of the Franchise). Franchisor may exercise such option at or within thirty (30) days after the termination or expiration of this Agreement. Franchisee hereby appoints Franchisor its true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as is necessary to complete the assignment of Franchisee's interest in any such lease or sublease upon the exercise of Franchisor's option described herein. This power of attorney shall survive the expiration or termination of this Agreement. In the event Franchisor does not elect to exercise its option to acquire the lease or sublease for the Franchise premises, Franchisee shall make such modifications or alterations to the premises as are necessary to distinguish the appearance of the Franchise from that of other Sola Salons, and, if Franchisee

fails or refuses to do so, Franchisor shall have the right to enter upon the premises, without being guilty of trespass or any other crime or tort, to make or cause such changes to be made, at Franchisee's expense.

13.04 Failure to Cease or Remove Identification. If, within thirty (30) days after termination of this Agreement, Franchisee fails to remove all displays of the Marks from the Franchise which are identified or associated with the System, Franchisor may enter the Franchise to effect removal. In this event, Franchisor will not be charged with trespass nor be accountable or required to pay for any displays or materials. If, within thirty (30) days after termination Franchisee has not taken all steps necessary to amend or terminate any registration or filing of any fictitious name or any other registration or filing containing the Marks, Franchisee hereby irrevocably appoints Franchisor as Franchisee's true and lawful attorney for Franchisee, for the purpose of amending or terminating all registrations and filings, this appointment being coupled with an interest to enable Franchisor to protect the System.

13.05 Other Claims. Termination of this Agreement will not affect, modify or discharge any claims, rights, causes of action or remedies, which either party may have against the other party, whether such claims or rights arise before or after termination.

13.06 Franchisor Post-Termination Option. Franchisor shall have the option, which may be exercised within thirty (30) days after termination or expiration of this Agreement, to purchase from Franchisee at fair market value any or all of the furnishings, equipment, signs, fixtures, supplies, materials and other assets related to the operation of the Franchise, including signs, sliding studio doors, metal ceiling tiles, studio cabinetry, and any trade fixtures used in the operation of the Franchise (collectively, "FF&E"). Franchisor shall purchase assets only and shall assume no liabilities, unless otherwise agreed in writing by the parties. If the parties cannot agree on the fair market value of the assets within thirty (30) days of Franchisor's exercise of its option, fair market value shall be determined by three (3) appraisers. Each party shall select one (1) appraiser, and those two (2) appraisers shall select a third appraiser. The average of the determinations of the three (3) appraisers shall be binding. In the event of an appraisal, each party shall bear its own legal and other costs and shall divide the appraisal fees equally. The purchase price shall be paid in cash; provided, that Franchisor shall have the right to set off from the purchase price (i) all fees due from Franchisee for any appraisal conducted hereunder, (ii) all amounts due from Franchisee to Franchisor or any of its Affiliates, and (iii) any costs incurred in connection with any escrow arrangement (including reasonable legal fees and costs). Closing of the purchase and sale of the FF&E shall occur not later than thirty (30) days after the purchase price is determined, unless the parties mutually agree to designate another date. At closing, Franchisee shall deliver to Franchisor, in a form satisfactory to Franchisor, such warranties, deeds, releases of lien, bills of sale, assignments and such other documents and instruments which Franchisor deems necessary in order to perfect Franchisor's title and possession in and to the FF&E and to meet the requirements of all tax and government authorities. If, at the time of closing, Franchisee has not obtained all necessary documents, instruments, or third-party consents, Franchisor may, in its sole discretion, place the purchase price in escrow pending issuance of any required certificates or documents. Closing shall take place at Franchisor's corporate offices or at such other location as the parties may agree. Franchisor shall be entitled to assign any and all of its options in this Section to any other party, without the consent of Franchisee.

14. TRANSFER

14.01 Prohibited Acts. Any unauthorized Transfer or other conveyance, by operation of law or otherwise, or any attempt to do so, by Franchisee or its owners shall be deemed void, a breach of this Agreement, and grounds for termination of this Agreement by Franchisor.

14.02 Transfer by Franchisor. Franchisor's obligations under this Agreement are not personal, and Franchisor can unconditionally assign and transfer, in its sole and absolute discretion, this Agreement

to another person or business entity at any time. Franchisor does not need permission of Franchisee for the transfer, and may transfer free of any responsibility or liability whatsoever to the Franchisee, provided the transferee assumes the Franchisor's material obligations. Franchisor may also, without permission from or notice to Franchisee:

(a) sell or issue its stock, other ownership interests, or assets, whether privately or publicly;

(b) merge with, acquire, or be acquired by another entity, including an entity that competes directly with Franchisee; or

(c) undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring.

14.03 Transfer by Franchisee. Franchisee's obligations under this Agreement are personal and may not be voluntarily or involuntarily sold, pledged, assigned, transferred, shared, subdivided, sub franchised, encumbered or Transferred in any way without the prior express written approval of Franchisor. If Franchisee is an entity, no owner of the Franchisee may Transfer without the prior express written approval of Franchisor. Franchisor will not unreasonably withhold, delay or condition its consent to any proposed transfer or assignment by Franchisee which requires Franchisor's consent under Section 14.03 of the Franchise Agreement.

14.04 Conditions for Transfer or Assignment. No Transfer of this Agreement will be approved by Franchisor or be effective unless and until:

(a) The Franchise is open for business to the general public at the Premises;

(b) Franchisee is under no default in the performance or observance of any of its obligations under this Agreement or any other agreement with Franchisor at the time Franchisee requests permission to assign this Agreement or at the time of the assignment; provided, Franchisor may consent to the Transfer if the proposed transferee agrees in writing to cure said default in accordance with the terms and conditions imposed by Franchisor, in its sole determination;

(c) Franchisee has settled all outstanding accounts with Franchisor and Franchisor's approved third-party vendors and suppliers, and Franchisee, and every principal of Franchisee's entity, have executed a general release of Franchisor and all principals of Franchisor from all claims that may be brought by you or any principal;

(d) The Transfer is of all rights between Franchisee (or Franchisee's affiliate) and Franchisor (or Franchisor's affiliate) related to this Agreement;

(e) Franchisee pays Franchisor a fee to transfer the Business (the "Transfer Fee") in the amount of $7,500.00, provided no Transfer Fee will be required if the transferee is:

(i) a corporation of which Franchisee is the majority stockholder, or a child, parent, sibling or spouse of Franchisee (or the individual owners of Franchisee if Franchisee is an entity);

(ii) an entity created by Franchisee (or the individual owners of Franchisee if Franchisee is an entity) for estate planning purposes of which Franchisee (or the owners of Franchisee if Franchisee is an entity) is the managing member or general partner; or

(iii) one of the then-current members, shareholders or limited partners of Franchisee;

(f) Franchisee pays any third-party broker or agency fees that are incurred by Franchisor, Franchisee or the transferee as a result of the transfer;

(g) If the transferee is a person or entity who was a "Lead" of Franchisor's (defined below) before Franchisee became aware of or was introduced to the Lead, then Franchisee must pay Franchisor ten percent (10%) of the sales price between Franchisee and the transferee for the interest transferred, not to exceed Fifty Thousand Dollars ($50,000) ("Lead Fee"). The Lead Fee (including the portion of the sales price) compensates Franchisor for its lost opportunity of potentially granting a new franchise to the Lead as each year Franchisor spends significant resources to attract and identify Leads. The Lead Fee does not apply if Franchisor directly shares a Lead with Franchisee before Franchisor, in its sole discretion, has had significant contact with the Lead in connection with the possibility of purchasing a Sola Salons franchise. For purposes of this Section, "Lead" means (a) a person or entity who contacts, or has been contacted by, Franchisor (including our authorized representative or affiliate) in connection with the possibility of purchasing a Sola Salons franchise for a new market area or territory and/or (b) a lead located in our contact management system ("CMS") (in both (a) and (b), a "Lead" does not include someone who is an existing franchisee in the Sola Salons system). Franchisee acknowledges that "contact" may be in person, in writing, by email, by telephone, or by CMS. Notwithstanding the foregoing, the Lead Fee will not apply if the transferee is an existing franchisee of Franchisor;

(h) in the case of a sale to a qualified third-party pursuant to a bona fide written offer, the provision of Sections 14.07 and 14.09 have been satisfied and Franchisee provides Franchisor with a copy of the signed purchase agreement and related documents as reasonably requested by Franchisor and proof of payment of purchase price in a format specified by Franchisor;

(i) the proposed transferee executes a separate franchise agreement with Franchisor, using the then-current form of franchise agreement;

(j) the proposed transferee pays for, attends, and satisfactorily completes the training program for new franchisees unless:

(i) the transferee is a current franchisee in good standing in the System, or

(ii) the transferee is and has been a Manager for a period of one year or more of a Franchise in good standing;

(k) the individual proposed transferee, or the stockholders, partners, members, or trustees and beneficiaries of a proposed entity transferee, each execute a personal guarantee, jointly and severally guaranteeing the performance of the proposed transferee's obligations; and

(l) Franchisee demonstrates to Franchisor's satisfaction, in its sole discretion, that the proposed transferee, in all respects, meets Franchisor's standards applicable to new franchisees regarding experience, personal and financial reputation and stability, willingness and ability to devote his or her full time and best efforts to the operation of the franchised Business, and any other conditions as Franchisor may reasonably apply in evaluating new franchisees. Franchisee must provide to Franchisor all information about the proposed transferee as Franchisor may reasonably require. Franchisor may, in its sole discretion, require that the proposed transferee meet Franchisor's authorized personnel at Franchisor's headquarters. Because of the confidential information available to a franchisee, no assignment to a competitor of the System will be permitted.

14.05 Transfer to an Entity. Notwithstanding the preceding section, Franchisee may Transfer its rights and obligations under this Agreement without Franchisor's consent, to an entity in which Franchisee (or the owners of Franchisee if Franchisee is an entity) owns at least 33 percent (33%) of all ownership interests, provided:

(a) The entity is Controlled by Franchisee or the individual owners of Franchisee as either the (i) general partner(s) of a limited partnership, (ii) the managing member(s) of a limited liability company or (iii) the majority shareholder(s) and chairman of the board of directors of a corporation;

(b) Franchisee (or the individual owners of Franchisee if Franchisee is an entity), or Franchisee's operational partner or Manager approved by Franchisor, continues to devote full time and best efforts to manage the daily operations of the Business;

(c) the entity's activities are confined exclusively to operating the franchised Business; and

(d) Franchisee remains on the Agreement as a party and the entity is added as a co-party and the entity assumes joint and several liability with Franchisee.

14.06 Transfer of a Non-Controlling Interest in Franchisee. Notwithstanding anything contained in this Agreement to the contrary, if Franchisee is an entity and a Transfer or series of prior, contemporaneous, or proposed Transfers of ownership interests in Franchisee would have the effect of transferring less than Control of Franchisee, an owner holding a non-Controlling Interest in Franchisee may transfer some or all of its interest, without Franchisor's consent, so long as (a) the ownership interest at issue is non-Controlling and less than 50 percent (50%) of all ownership interests in Franchisee; (b) at least fifteen (15) days prior to the proposed Transfer, Franchisee provides Franchisor written notice of the proposed Transfer and any information relative thereto as Franchisor may reasonably request prior to the Transfer; (c) the proposed transferee (i) is not an owner, shareholder, member, partner, officer, or director in any Competitive Business, and (ii) has not been convicted of a felony, or a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the System, the Marks, or the goodwill associated therewith; (d) if required under Section 2.03, the transferee executes the Guaranty and Assumption of Franchisee's Obligations attached hereto as Attachment V prior to the Transfer; (e) upon Franchisor's request, the transferee executes Franchisor's then-current form of Nondisclosure and Noncompetition Agreement prior to the Transfer; and (f) Franchisee provides an updated Statement of Ownership (Attachment IV) to Franchisor within three (3) days of the Transfer.

14.07 Transfer Between Owners. Notwithstanding anything contained in this Agreement to the contrary, if Franchisee is an entity, the owners of Franchisee listed in the then-current Statement of Ownership (Attachment IV) may Transfer some or all of their ownership interests in Franchisee between each other without Franchisor's consent, so long as (a) the Transfer does not result in a change of Control of Franchisee, (b) at least five (5) days prior to the proposed Transfer, Franchisee provides Franchisor written notice of the proposed Transfer, (c) if required under Section 2.03, all of the owners at issue execute the Guaranty and Assumption of Franchisee's Obligations attached hereto as Attachment V prior to the Transfer; (d) upon Franchisor's request, the owners at issue execute Franchisor's then-current form of Nondisclosure and Noncompetition Agreement prior to the Transfer; and (e) Franchisee provides an updated Statement of Ownership (Attachment IV) to Franchisor within three (3) days of the Transfer.

14.08 Death of Franchisee. Upon the death of an individual Franchisee, the rights granted by this Agreement may pass (without payment of any Transfer Fee) to the next of kin or legatees, provided that Franchisee's legal representatives will within one hundred twenty (120) calendar days of Franchisee's death

apply in writing to Franchisor for the right to transfer to the next of kin or legatee Franchisee's rights under this Agreement. Franchisor will not unreasonably withhold permission so long as the proposed transferees meet each of the then-current requirements of franchisees.

14.09 Right of First Refusal. Franchisee grants Franchisor the right to purchase the Business on the same terms and conditions specified in a bona fide written offer from a qualified third party. Within seven (7) days after receipt of the bona fide offer acceptable to Franchisee to transfer all or part of the Business, Franchisee must forward a signed copy of the written offer to Franchisor. Franchisor will then have access to all Franchisee's Business Records in order to evaluate the offer, and may purchase the Business upon notification to Franchisee within thirty (30) days and sixty (60) additional days to close the transaction.

14.10 Election of Right / Set Offs. If Franchisor elects to exercise its option to purchase under this Agreement, Franchisor will have the right to set off against any payment all amounts due from Franchisee under this Agreement, if any.

14.11 Rights After Refusal. If Franchisor does not exercise its right to purchase within the required timeframe, Franchisee may transfer the Business to the third party, but not at a lower price or on more favorable terms than disclosed to Franchisor in writing. Such transfer remains subject to Franchisor's prior written approval and other conditions specified in this Agreement. If Franchisor does not transfer the franchised Business to the transferee on the same terms offered to Franchisor, then Franchisee must again extend the right of first refusal to Franchisor in the manner described above, before another desired transfer.

15. GENERAL PROVISIONS

15.01 Covenants Not to Compete. During the term of this Agreement and for two (2) years after expiration, earlier termination, or approved Transfer of this Agreement for any reason (and during the term of this Agreement and for two (2) years from the date a person ceases to be an owner, shareholder, member, officer, or director of Franchisee), neither Franchisee nor any of Franchisee's owners, shareholders, members, partners, officers, or directors may participate directly or indirectly or serve in any capacity in any Competitive Business. This covenant not to compete applies: (i) during the term of the Agreement, within any state in which Franchisor or franchisees do business; and after termination of the Agreement within a twenty (20) mile radius from the boundary of Franchisee's Protected Territory, and within a twenty (20) mile radius from any franchised, Franchisor-owned, or affiliated company-owned Sola Salon Studio; (ii) on the Internet; and (iii) on any other Multi-Area Marketing channels used by Franchisor.

This covenant not to compete is given in part in consideration for training and access to Franchisor's Trade Secrets, and which, if used in a Competitive Business without paying royalties and other payments, would give Franchisee an unfair advantage over Franchisor and Franchisor's franchisees. The unenforceability of all or part of this covenant not to compete in any jurisdiction will not affect the enforceability of this covenant not to compete in other jurisdictions, or the enforceability of the remainder of this Agreement.

15.02 Stock Ownership. Nothing in this Section will prevent any active officer of Franchisee or member of Franchisee's family either individually or collectively, from owning not more than a total of five percent (5%) of the stock of any company, which is subject to the reporting requirements of Sections 11 or Subsection 14(d) of the Securities and Exchange Act of 1934.

15.03 Force Majeure. Neither Franchisor nor Franchisee will be deemed to be in breach of this Agreement or liable for the other party's losses or damages, if their failure to perform obligations results from a Force Majeure Event. Notwithstanding the foregoing, a Force Majeure Event may not be raised or

used as a defense by Franchisee for Franchisee's non-performance of any obligations with regard to, and will not excuse or delay in any way Franchisee's obligations with regard to, (a) the payment of any Royalty Fees or any other fees under this Agreement, or (b) any construction, lease, development, or opening deadline under this Agreement or any applicable multi-unit development agreement. Any delay resulting from any Force Majeure Event will extend performance accordingly or excuse performance, in whole or in part, as may be reasonable in the judgment of the party to whom performance is owed. Franchisee or Franchisor will, within five (5) days of the occurrence of the Force Majeure Event, give a written Notice to the other party stating the nature of the Force Majeure Event, its anticipated duration, and any action being taken to avoid or minimize its effect on the Franchise. Failure to give timely Notices waives any rights under this Section 15.03. Any suspension of performance at the Franchise will be of no greater scope and of no longer duration than is reasonably required; provided, however, if the suspension of performance continues for thirty-five (35) days from the date of the occurrence of the Force Majeure Event and such failure to perform would constitute a default under this Agreement in the absence of such Force Majeure Event, the parties will meet and discuss in good faith any amendments to this Agreement to permit Franchisor to exercise its rights under this Agreement. If the parties are not able to agree on such amendments within ten (10) days and if suspension of performance continues, Franchisor may terminate this Agreement immediately by giving written notice to Franchisee.

16. DISPUTE RESOLUTION

16.01 Negotiation. The parties will first attempt to resolve any dispute relating to or arising out of this Agreement by negotiation. Franchisor will provide a procedure for internal dispute resolution as set forth in the Manual, and this procedure may be revised periodically in Franchisor's discretion.

16.02 Right to Relief. To protect from violations that would cause immediate loss and damages, Franchisor and Franchisee each have the right to seek from a court of competent jurisdiction:

(a) injunctive relief and any related incidental damages;

(b) an action for disputes or claims related to or based on the Marks; and

(c) enforcement of a covenant not to compete.

16.03 Arbitration. Except as specifically provided under this Agreement, any dispute or claim relating to or arising out of this Agreement must be resolved exclusively by mandatory arbitration by and in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA") or another arbitration service agreed to by the parties. Arbitration will be conducted solely on an individual, not a class-wide, basis, unless all parties so agree. No award in arbitration involving Franchisor will have any effect of preclusion or collateral estoppel in any other adjudication or arbitration. A single arbitrator shall be selected in accordance with standard AAA procedure, and the proceedings will be conducted at its Denver, Colorado, office. Each party shall bear all of its own costs and attorneys' fees and one-half of the arbitrator's expenses. The decision of the arbitrator shall be final and binding. Franchisee agrees not to join or attempt to join other franchisees or other third-parties in any arbitration proceeding and to refrain from participating in any "class action" litigation or arbitration proposed or asserted by one or more other franchisees.

16.04 Applicability. This dispute resolution section applies to claims by and against all parties and their successors, owners, managers, officers, directors, employees, agents, and representatives, as to claims arising out of or relating to this Agreement, except as stated above. This dispute resolution clause shall survive the termination or expiration of this Agreement.

16.05 Governing Arbitration Law. Notwithstanding any choice of law provision of this Agreement, all issues relating to arbitration or the enforcement of the agreement to arbitrate contained in this Agreement are governed by the U.S. Federal Arbitration Act (9 U.S.C. § 1 et seq.) and the U.S. federal common law of arbitration. This federal act preempts any state rules on arbitration, including those relating to the site of arbitration. Judgment on an arbitration award, or on any award for interim relief, may be entered in any court having jurisdiction, and will be binding.

16.06 Governing Law/Consent to Venue and Jurisdiction. Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 *et seq*.) or other federal law, this Agreement shall be interpreted under the laws of the state of Colorado and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the state of Colorado, which laws shall prevail in the event of any conflict of law. Franchisee and Franchisor have negotiated regarding a forum in which to resolve any disputes which may arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding involving Franchisee, its officers, directors, managers or partners (collectively, "Franchisee Affiliates") and Franchisor, its parent, subsidiaries or affiliates and their respective officers, directors and sales employees (collectively, "Franchisor Affiliates") the parties agree that the exclusive venue for disputes between them shall be in the state and federal courts of Colorado or the Denver, Colorado office of the AAA and each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Colorado or the Denver, Colorado office of the AAA. Franchisor, Franchisor Affiliates, Franchisee and Franchisee Affiliates each waive their rights to a trial by jury. The parties waive, to the extent permitted by law, any claim against the other for punitive or exemplary damages; except for such punitive or exemplary damages for violation of the Lanham Act, trademark infringement or dilution, unauthorized dissemination of the Confidential Information or Trade Secrets or arising under the indemnification set out in Section 12.13.

16.07 Limitations on Actions. Except for payments owed by one party to the other, and unless prohibited by applicable law, any legal action or arbitration proceeding brought or instituted with respect to any dispute arising from or related to this Agreement or with respect to any breach of the terms of this Agreement must be brought or instituted within a period of two (2) years from the date of discovery of the conduct or event that forms the basis of the legal action or proceeding.

17. RELATIONSHIP OF THE PARTIES

17.01 Independent Contractor. Franchisee is an independent contractor and is not an agent, partner, joint venturer, or beneficiary of Franchisor, nor is Franchisor a fiduciary of Franchisee. Neither party will be bound or obligated by the other, except as set forth in this Agreement. Franchisee may not act as an agent in the Franchisor's name or on behalf of the Franchisor for any purpose whatsoever.

17.02 Operations and Identification. Franchisee must conspicuously identify itself in all dealings with the public as "independently owned and operated" separate from Franchisor. Franchisee's employees are employees of the Franchisee alone and are not, for any purpose, considered employees or joint employees under the control of Franchisor. Franchisor and Franchisee must file separate tax, regulatory, and payroll reports for its own operations, and the filing party must indemnify the other party for any liability arising from the filing party's own reports.

18. MISCELLANEOUS

18.01 Entire Agreement. This Agreement, together with all written related agreements, exhibits and attachments, constitutes the entire understanding of the parties and supersedes all prior negotiations,

commitments, and representations. Nothing in this agreement or in any related agreement is intended to disclaim any of the representations made in the disclosure document.

18.02 Modification. No modifications of the terms of this Agreement shall be valid unless made in writing and executed by both Franchisor and Franchisee. However, the Manual may be periodically modified by Franchisor and shall be fully enforceable against Franchisee.

18.03 Waiver. Franchisor's waiver of any particular right by Franchisee will not affect or impair Franchisor's rights as to any subsequent exercise of that right of the same or a different kind; nor will any delay, forbearance or omission by Franchisor to execute any rights affect or impair Franchisor's rights as to any future exercise of those rights.

18.04 Severability. If any part of this Agreement, for any reason, is declared invalid by an arbitrator or court, the declaration will not affect the validity of any remaining portion. The remaining portion will remain in force and effect as if this Agreement were executed with the invalid portion eliminated or curtailed. All partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable.

18.05 Conflict with Local Law. If any provision of this Agreement is inconsistent with a valid applicable law, the provision will be deemed amended to conform to the minimum standards required. The parties may execute an Addendum setting forth certain of these amendments applicable in certain jurisdictions, which will apply only so long as and to the extent that then applicable laws referred to in the addendum remain validly in effect.

18.06 Section Headings. Titles of articles and sections are used for convenience of reference only and are not part of the text, nor are they to be construed as limiting or affecting the construction of the provisions.

18.07 Legal Costs. If either party institutes a legal proceeding, including court proceeding and arbitration, and prevails in any action at law or in equity against the other party based entirely or in part on the terms of this Agreement, the prevailing party shall be entitled to recover from the losing party, in addition to any judgment, reasonable attorneys' fees, court costs, and all of the prevailing party's expenses in connection with any such legal proceeding.

18.08 Obligations. Franchisor has no liability for Franchisee's obligations to any third party whatsoever.

18.09 Continuation of Agreement. The provisions of this Agreement, which by their terms or by reasonable implication require performance by Franchisee after assignment, expiration or termination, remain enforceable notwithstanding the assignment, expiration or termination of this Agreement, including those pertaining to non-competition, intellectual property protection, confidentiality and indemnity. This Agreement inures to the benefit of and is binding on the respective heirs, legal representatives, successors, and permitted assigns of the parties.

18.10 Reasonable Business Judgment. Whenever Franchisor reserves discretion in a particular area or where Franchisor agrees to exercise its rights reasonably or in good faith, Franchisor will satisfy its obligations whenever it exercises reasonable business judgment in making its decision or exercising its rights. Franchisor's decisions or actions will be deemed to be the result of reasonable business judgment, even if other reasonable or even arguably preferable alternatives are available, if its decision or action is intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes Franchisor's financial or other individual interest. Examples of items that will

promote or benefit the System include, without limitation, enhancing the value of the Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

18.11 Franchisor's Rights. Whenever this Agreement provides that Franchisor has a certain right, that right is absolute and the parties intend that Franchisor's exercise of that right will not be subject to any limitation or review. Franchisor has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement.

18.12 Delivery. All notices and other communications required by this Agreement must be in writing and must be delivered in person, sent by Federal Express or U.S. Mail Express delivery, or by certified mail, return receipt requested, or in any other manner Franchisor may designate. Communications sent to Franchisor must be sent to the attention of the Chief Executive Officer and General Counsel at Franchisor's address set forth on page 1 of this Agreement or at any other address Franchisor designates in writing. Communications to Franchisee will be sent to Franchisee at Franchisee's address set forth on page 1 of this Agreement, or at any other address Franchisee designates in writing or that Franchisee's member or owner provides to Franchisor from time to time via updates to the Franchisee's user profile/information in the Franchisor's systems and databases.

18.13 Cumulative Remedies. Rights and remedies under this Agreement are cumulative. No enforcement of a right or remedy precludes the enforcement of any other right or remedy.

18.14 Set Off. Franchisee may not set off any amounts owed to Franchisor under this Agreement nor may Franchisee withhold any amounts owed to Franchisor due to any alleged non-performance by Franchisor under this Agreement. Franchisee waives any right to set off.

18.15 Completion of Agreement. The parties agree to acknowledge, execute and deliver all further documents, instruments or assurances and to perform all further acts or deeds as may be reasonably required to carry out this Agreement.

18.16 Electronic Signatures. The parties agree that electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called "pdf" format shall be legal and binding and shall have the same full force and effect as if an original of this Agreement had been signed and delivered by hand. Franchisor and Franchisee both (i) intend to be bound by the signatures (whether original, faxed or electronic) on any document sent by electronic means, (ii) are aware that the other party will rely on such signatures, and (iii) hereby waive any defenses to the enforcement of the terms of this Agreement based on the foregoing forms of signature.

19. ACKNOWLEDGEMENT

BY SIGNING THIS AGREEMENT, FRANCHISEE ACKNOWLEDGES THAT:

19.01 FRANCHISEE HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE SOLA SYSTEM AND RECOGNIZES THAT THE BUSINESS CONTEMPLATED BY THIS AGREEMENT INVOLVES BUSINESS RISK AND WILL LARGELY DEPEND UPON THE ABILITY OF FRANCHISEE AS AN INDEPENDENT BUSINESS PERSON; AND

19.02 FRANCHISOR HAS NOT GIVEN AND FRANCHISEE HAS NOT RECEIVED ANY EXPRESS OR IMPLIED WARRANTY OR GUARANTY REGARDING POTENTIAL VOLUME, PROFITS, OR SUCCESS OF THE BUSINESS CONTEMPLATED BY THIS AGREEMENT; AND

19.03 FRANCHISEE IS NOT A PARTY TO OR SUBJECT TO AGREEMENTS THAT MIGHT CONFLICT WITH THE TERMS OF THIS AGREEMENT AND AGREES NOT TO ENTER INTO ANY CONFLICTING AGREEMENTS DURING THE TERM OR ANY RENEWAL TERMS; AND

19.04 FRANCHISEE HAS RECEIVED THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE FEDERAL TRADE COMMISSION WITH APPLICABLE EXHIBITS AT LEAST FOURTEEN (14) CALENDAR DAYS BEFORE THE DATE ON WHICH THIS AGREEMENT WAS EXECUTED, AND HAS RECEIVED A COPY OF THE COMPLETE SOLA FRANCHISE AGREEMENT AT LEAST SEVEN (7) CALENDAR DAYS BEFORE THE DATE ON WHICH THIS AGREEMENT WAS EXECUTED.

{Signatures appear on the following page.}

IN WITNESS WHEREOF, the parties hereto have executed, sealed and delivered this Agreement in two (2) or more counterparts on the day and year first above written.

FRANCHISOR:

Sola Franchise, LLC

By: _____

Ben Jones

Printed Name

Title: Authorized Signatory

FRANCHISEE:

If Entity:

_____

Printed Entity Name

By: _____

_____

Printed Name

Title: _____

If an Individual:

_____

Signature

_____

Printed Name

NOTE: THIS AGREEMENT MUST BE SIGNED INDIVIDUALLY BY THE PRIMARY REPRESENTATIVE OF FRANCHISEE AND ALL OWNERS AND SPOUSES OF OWNERS OF FRANCHISEE. ALL OWNERS OF FIVE PERCENT (5%) OR MORE OF THE OWNERSHIP INTEREST OF AN ENTITY FRANCHISEE AGREE TO SIGN ATTACHMENT V, THE INDIVIDUAL GUARANTY.

ATTACHMENT I
TO FRANCHISE AGREEMENT
ADDENDUM

THIS ADDENDUM to the Sola Franchise, LLC Franchise Agreement ("**Agreement**") dated _____between Sola Franchise, LLC ("**Franchisor**") and _____ ("**Franchisee**"), is made effective as of the date of the Franchise Agreement.

1. **Principal Business Address.** Franchisee's Principal Business Address is:

_____

_____

2. **Initial Franchise Fee.** The Franchisee shall pay $_____ as an Initial Franchise Fee pursuant to Section 5.02 of the Agreement.

3. **Premises.** Franchisee's Outlet will be located at:

_____

_____

4. **Protected Territory.** Franchisor will not own, operate, or franchise a fixed franchise for the operation of another Franchise within the area described as:

[ ] 2 mile radius around location;

[ ] 1 mile radius around location or;

[ ] 0.5 mile radius around location

Fully executed this date: _____

SOLA FRANCHISE, LLC

By:_____

Ben Jones
[printed name]

Title: Authorized Signatory

FRANCHISEE:

_____
Individual

_____
[printed name]

OR IF ENTITY

_____

Company Name

By:_____

Name/Title:_____

ATTACHMENT II
TO FRANCHISE AGREEMENT

AUTHORIZATION AGREEMENT
FOR PREAUTHORIZED PAYMENT SERVICE

I (or We if there are joint owners of the account referenced later in this agreement) authorize and request Sola Franchise, LLC (the "Company") to obtain payment for all royalty amounts I (we) owe to the Company pursuant to the Franchise Agreement between the Company and me (us), as these amounts become due by initiating a payment entry to my (our) account. The account number, name of financial institution, payment amount, and date on or immediately after which payment should be deducted from the account are identified below. In addition, I (we) authorize and request the financial institution, now referred to as the Bank, to accept the payment entries presented to the Bank and to deduct them from my (our) account without responsibility for the correctness of these payments.

Franchisee Information:

Franchisee Name: _____

Payment Frequency: Monthly

Your Bank Account Information:

Please attach a voided check and we will complete this information for you. Transit Routing Number: _____ Checking Account Number: _____

Bank Name: _____ Bank Address: _____

Your Printed Name: _____

Signature: _____

Date Signed: _____

ATTACHMENT III
TO FRANCHISE AGREEMENT

COLLATERAL ASSIGNMENT OF
TELEPHONE NUMBERS, ADDRESSES, AND LISTINGS

THIS ASSIGNMENT is entered into this date _____, in accordance with the terms of that certain Sola Franchise, LLC Franchise Agreement (the "**Franchise Agreement**") between _____ ("**Franchisee**") and Sola Franchise, LLC, a Colorado limited liability company ("**Franchisor**"), executed concurrently with this Assignment, under which Franchisor granted Franchisee the right to own and operate a Sola Salons Franchise located at _____ (the "**Franchise Business**").

FOR VALUE RECEIVED, Franchisee hereby assigns to Franchisor those certain telephone numbers, addresses, domain names, locators, directories and listings (collectively, the "**Numbers, Addresses, and Listings**") associated with Franchisor's trade and service marks and used from time to time in connection with the operation of the Franchise Business at the address provided above. This Assignment is for collateral purposes only and, except as specified herein, Franchisor shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment, unless Franchisor shall notify the telephone, Internet, email, electronic network, directory, and listing entities with which Franchisee has dealt (all such entities are collectively referred to herein as "**Provider Companies**") to effectuate the assignment pursuant to the terms hereof.

Upon termination or expiration of the Franchise Agreement (without renewal or extension), Franchisor shall have the right and is hereby empowered to effectuate the Assignment of the Numbers, Addresses, and Listings and, in such event, Franchisee shall have no further right, title or interest in the Numbers, Addresses, and Listings, and shall remain liable to the Provider Companies for all past due fees owing to the Provider Companies on or before the effective date of the assignment hereunder.

Franchisee agrees and acknowledges that as between Franchisor and Franchisee, upon termination or expiration of the Franchise Agreement, Franchisor shall have the sole right to and interest in the Numbers, Addresses, and Listings, and Franchisee appoints Franchisor as Franchisee's true and lawful attorney-in-fact to direct the Provider Companies to assign same to Franchisor, and execute such documents and take such actions as may be necessary to effectuate the assignment. Upon such event, Franchisee shall immediately notify the Provider Companies to assign the Numbers, Addresses, and Listings to Franchisor. If Franchisee fails to promptly direct the Provider Companies to assign the Numbers, Addresses and Listings to Franchisor, Franchisor shall direct the Provider Companies to effectuate the assignment contemplated hereunder to Franchisor. The parties agree that the Provider Companies may accept Franchisor's written direction, the Franchise Agreement or this Assignment as conclusive proof of Franchisor's exclusive rights in and to the Numbers, Addresses, and Listings upon such termination or expiration and that such assignment shall be made automatically and effective immediately upon Provider Companies' receipt of such notice from Franchisor or Franchisee. The parties further agree that if the Provider Companies require that the parties execute the Provider Companies' assignment forms or other documentation at the time of termination or expiration of the Franchise Agreement, Franchisor's execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee's consent and agreement to the assignment. The parties agree that at any time after the date hereof they will perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the assignment described herein upon termination or expiration of the Franchise Agreement.

{Signatures appear on the following page.}

ASSIGNEE	**ASSIGNOR**
Sola Franchise, LLC	**Franchisee**
	_____
By: _____	By: _____
Ben Jones [Print name]	_____ [Print name]
Its: Authorized Signatory	Its: _____

ATTACHMENT IV
TO FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP

Franchisee: _____

Trade Name (if different from above): _____

Form of Ownership
(Check One)

_____ Individual _____ Partnership _____ Corporation _____ Limited Liability Company

If a Partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed and a copy of the Certificate of Partnership (or other similar organizing document) by the Secretary of State for the State in which the Partnership was formed.

If a Limited Liability Company, provide name and address of each member and each manager showing percentage owned and indicate the state in which the Limited Liability Company was formed and a copy of the Articles of Organization (or other similar organizing document) certified by the Secretary of State for the State in which the LLC was formed.

If a Corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each and a copy of the Articles of Incorporation certified by the Secretary of State for the State in which the corporation was formed.

_____

_____

_____

_____

Franchisee acknowledges that this Statement of Ownership applies to the Business authorized under the Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information must be reported to Franchisor in writing.

_____ _____

Date Name

_____

Print Name

ATTACHMENT V
TO FRANCHISE AGREEMENT

GUARANTY AND ASSUMPTION
OF OBLIGATIONS

This **Guaranty and Assumption of Obligation** is given on _____, by _____.

In consideration of, and as inducement to, the execution of that certain Franchise Agreement of even date herewith (the "Agreement") by Sola Franchise, LLC (the "Franchisor"), each of the undersigned hereby personally and unconditionally (a) guarantees to Franchisor, and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that _____ (the "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, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities. Notwithstanding clauses (a) and (b) above, a spouse who is also a guarantor hereunder and who becomes widowed and who does not have (and will not obtain) an ownership interest in the Franchisee, the Agreement, or any Franchise Agreement granted thereunder as an owner, co-owner, investor, member, partner, shareholder or like capacity shall not thereafter be held responsible for any monetary obligations thereafter arising out of the terms and conditions of this Guaranty and Assumption of Obligations unless any such ownership interest is acquired in any manner by the widowed spouse, or the widowed spouse's or deceased spouse's children. Notwithstanding any change in ownership resulting from the death of a spouse, all monetary obligations and liabilities existing at the time of death shall continue to be an obligation of the surviving spouse until such obligations or liabilities shall be paid in full by the estate or by the guarantor spouse. Notwithstanding the limitations set forth above, any and all other non-monetary obligations of the Agreement shall remain an obligation of the surviving spouse.

Each of the undersigned waives: (i) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (ii) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (iii) protest and non-performance of any obligations hereby guaranteed; (iv) any right it may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (v) any and all other notices and legal or equitable defenses to which it may be entitled.

Each of the undersigned consents and agrees that: (i) his/her direct and immediate liability under this guaranty shall be joint and several; (ii) he or she shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (iii) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; and (iv) 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.

{Signatures appear on the following page.}

IN WITNESS WHEREOF, each of the undersigned has hereunto written his/her signature on the same day and year as the Agreement was executed.

Guarantor(s):	**Percentage of Ownership of Franchisee**	
_____	_____%	_____
(Signature)		(Typed or Printed Name)
_____	_____%	_____
(Signature)		(Typed or Printed Name)
_____	_____%	_____
(Signature)		(Typed or Printed Name)
_____	_____%	_____
(Signature)		(Typed or Printed Name)
_____	_____%	_____
(Signature)		(Typed or Printed Name)
_____	_____%	_____
(Signature)		(Typed or Printed Name)
_____	_____%	_____
(Signature)		(Typed or Printed Name)
_____	_____%	_____
(Signature)		(Typed or Printed Name)
_____	_____%	_____
(Signature)		(Typed or Printed Name)

ATTACHMENT VI
TO FRANCHISE AGREEMENT
(To be used at time of Transfer of Franchise and for other Designated Purposes)
(Should not be signed at time of award of Initial Franchise)

FULL AND FINAL RELEASE

FOR AND IN CONSIDERATION of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by all parties, the parties agree and covenant as follows:

1. The undersigned _____ (the "Franchisee") and its shareholders, members, officers, guarantors, employees, heirs, agents, representatives, successors, assigns, and directors ("Releasing Parties") do hereby release and forever discharge Sola Franchise, LLC ("the Franchisor"), and its parent companies, subsidiaries, affiliates, successors, agents, assigns, officers, directors, shareholders, employees, representatives, and any and all other persons, firms and corporations whatsoever ("Released Parties"), from any and all claims, demands, damages, actions, causes of action, or suits of any kind or nature whatsoever, both known and unknown, breach of contract, defamation, and any claims whatsoever. This Full and Final Release (the "Release") shall apply to all agreements or contracts existing or entered into by and between Franchisee and Franchisor.

2. It is understood and agreed that the settlement evidenced by this Release is a compromise of all claims the Releasing Parties have against the Released Parties herein specified, whether past, present or future, that such claims are doubtful and disputed, and that execution of this Release is not to be construed as an admission of liability on the part of any Released Party. Rather, liability is expressly denied.

3. The consideration expressly mentioned herein is the only consideration paid or to be paid by said Released Parties. No representations as to damages or liability have been made. The parties acknowledge that no other party, or agent, or attorney of any other party, has made any promise, representation or warranty to induce this Release, not herein expressly set forth, and no such promises, representations or warranties are relied upon as a consideration for this Release, or otherwise, but any and all of the Releasing Parties' claims against the Released Parties, of whatever nature are hereby fully and forever released, compromised and settled. Full and complete compromise, settlement, and accord and satisfaction are hereby acknowledged, and it is expressly agreed by the Releasing Parties never to sue any of the Released Parties hereby released on any alleged promise, representation or warranty for this Release not herein expressly set forth.

4. This Agreement contains the entire agreement and understanding between the parties as to the matters specified herein and supersedes and replaces all prior negotiations or proposed agreements on this subject matter, whether written or oral. The terms contained herein may not be modified or amended except in writing signed by the parties. The terms of this Release are contractual and not a mere recital. Since the purpose of this Release is to end this matter forever, should it develop that there are any errors, mistakes or any omissions in this instrument, whether legal or factual and whether mutual or unilateral, which would cause the Release of the Released Parties herein to be defective or less than complete, then the Releasing Parties will sign any and all documents and do any and all things necessary to effectuate a full, final and absolute release of said Released Party.

5. The undersigned further state that they have carefully read the foregoing instrument; that they know the contents thereof; that they understand and agree to each and every term and condition contained herein; that they signed the same as their own free act and deed; and that they have not assigned any rights released hereunder to any person or organization, private or governmental.

6. The terms of this Release arose from negotiations and discussions between the parties. Accordingly, no claimed ambiguity in this Release shall be construed against any party claimed to have drafted or proposed the language in question.

7. This Release shall be governed by and construed pursuant to the laws of the State of Colorado.

8. This Release may be executed in two copies, each of which shall be deemed an original.

WITNESS OUR SIGNATURES, this _____.

By:

_____
Sola Franchise, LLC

(By our Signature above, we attest to this Agreement for stockholders, corporate and individually)

By:

_____
Signature

_____
Print Name
(By our Signature above, we attest to this Agreement for stockholders, corporate and individually)

EXHIBIT C

SOLA FRANCHISE, LLC

COMPLIANCE QUESTIONNAIRE

EXHIBIT C
SOLA FRANCHISE, LLC

COMPLIANCE QUESTIONNAIRE

As you know, Sola Franchise, LLC and you are preparing to enter into a Franchise Agreement for the operation of a Sola Salons Franchised Business. In this Franchisee Disclosure Questionnaire, Sola Franchise, LLC will be referred to as "we" or "us." Please review each of the following questions carefully and provide honest and complete responses to each question.

1. Have you received and personally reviewed the Sola Salons Franchise Agreement and each exhibit attached to it?

Yes ____ No ____

2. Do you understand all of the information contained in the Franchise Agreement and each exhibit attached to it?

Yes ____ No ____

If "No", what parts of the Franchise Agreement do you not understand? (Attach additional pages, if necessary.)

_____

_____

_____

3. Have you received and personally reviewed our Disclosure Document we provided to you?

Yes ____ No ____

4. Do you understand all of the information contained in the Disclosure Document?

Yes ____ No ____

If "No", what parts of the Disclosure Document do you not understand? (Attach additional pages, if necessary.)

_____

_____

_____

5. Have you discussed the benefits and risks of operating a Sola Salons business with an attorney, accountant or other professional advisor?

Yes ____ No ____

6. Do you understand those risks?

Yes ____ No ____

7. Do you understand that the success or failure of your business will depend in large part upon your skills and abilities, competition from other businesses, interest rates, inflation, salon equipment and beauty supplies cost, tenant rent terms and other economic and business factors?

Yes ____ No ____

8. Has any employee or other person speaking on our behalf made any promise concerning the actual or potential financial performance of a Franchised Business that we or our franchisees operate, including, but not limited to revenues, profits or operating?

Yes ____ No ____

9. If you have answered "Yes" to question eight (8), please provide a full explanation of your answer in the following blank lines. (Attach additional pages, if necessary, and refer to them below.) If you have answered "No" to such question, please leave the following lines blank.

_____

_____

_____

_____

10. Do you understand that in all dealings with you, our officers, directors and agents act only in a representative capacity and not in an individual capacity and such dealings are solely between you and us?

Yes ____ No ____

You understand that your answers are important to us and that we will rely on them.

By signing this Franchisee Disclosure and Compliance Questionnaire, you are representing that you have responded truthfully to the above questions.

_____
Name of Franchisee/Applicant

Date: _____

_____
Signature

_____
Name and Title of Person Signing

EXHIBIT D

SOLA FRANCHISE, LLC

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

EXHIBIT D
SOLA FRANCHISE, LLC

LIST OF STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	California Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (866)-275-2677 www.dfpi.ca.gov	Commissioner of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (866)-275-2677 www.dfpi.ca.gov
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 260 Constitution Plaza Hartford, CT 06106 (203) 240-8299	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services P.O. Box 6700 Tallahassee, FL 32399-6700 (800) 435-7352	Same
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 (404) 656-3790	Same
HAWAII	Department of Commerce and Consumer Affairs Business Registration Division Commissioner of Securities 335 Merchant St., Room 203 Honolulu, Hawaii 96813 (808) 586-2744	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Securities Compliance Branch 335 Merchant St., Room 203 Honolulu, HI 96813
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division Room E 111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 (515) 281-5705	Same
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Center Drive Frankfort, KY 40602 (502) 696-5300	Same
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 (504) 342-7013 (gen. info.) (504) 342-7900	Same
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 (207) 298-3671	Same
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit PO Box 30213 Lansing, MI 48909 (517) 373-7117	Michigan Department of Commerce Corporations and Securities Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1600	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance 1230 "O" Street, Suite 400 P.O. Box 95006 Lincoln, NE 68509-5006 (402) 471-3445	Director of the Department of Banking and Finance Same Address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 (603) 271-3641	Same
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, New York 10005 (212) 416-8222	New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231 (518) 473-2492
NORTH CAROLINA	Secretary of State's Office Securities Division Legislative Annex Building 300 Salisbury Street Raleigh, NC 27602 (919) 733-3924	Secretary of State Secretary of State's Office 300 Salisbury Street Raleigh, NC 27602
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capital, 5th Floor, Dept 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner Same Address
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 15th Floor 30 East Broad Street Columbus, OH 43215 (614) 466-8831 or (800) 282-0515	Same
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 (405) 521-2451	Same
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 (503) 378-4387	Director Department of Insurance and Finance Same Address
RHODE ISLAND	Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Ave., Building 69-1 Cranston, RI 02910 (401) 462-9588	Department of Business Regulation Securities Division John O. Pastore Complex 1511 Pontiac Ave., Building 69-1 Cranston, RI 02910 (401) 462-9588

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 (803) 734-2166	Same
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of Division of Insurance Securities Regulation 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563
TEXAS	Attorney General's Office Consumer Protection Division P.O. Box 12548 Austin, TX 78711 (512) 463-2070	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South P.O. Box 45804 Salt Lake City, UT 84145-0804 (801) 530-6001	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, Ninth Floor Richmond, VA 23219 (804)-371-9051	Clerk of the State Corporation Commission 1300 E. Main Street, 1st Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Director of Dept. of Financial Institutions Securities Division 150 Israel Rd. SW Tumwater, WA 98501
WISCONSIN	Commissioner of Securities P.O. Box 1768 Madison, WI 53701-1768 (608) 266-1365	Wisconsin Commissioner of Securities Same Address

EXHIBIT E

SOLA FRANCHISE, LLC

LIST OF FRANCHISEES

EXHIBIT E
LIST OF CURRENT FRANCHISEES AS OF DECEMBER 31, 2021

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Best & King, LLC	King Rogers and John Best	809 Shoney Drive, Suite 204	Huntsville	AL	35801	205-440-2666
Sola Birmingham, LLC	King Rogers	3780 Riverchase Village, Suite 500	Birmingham	AL	35244	205-440-2664
Sola Birmingham, LLC	King Rogers	710 Inverness Corners	Birmingham	AL	35242	205-440-2664
Lowery Development LLC	Tim Lowery and Charles Bass	4023 Airport Boulevard	Mobile	AL	36608	601-259-0492
Sola Birmingham II, LLC	King Rogers	1694 Montgomery Highway, Suite 17	Birmingham	AL	35216	205-440-2664
Best & King, LLC	King Rogers and John Best	7696 Highway 72 West	Madison	AL	35757	205-440-2664
Sola Birmingham II, LLC	King Rogers	808 Green Springs Highway Suite 124	Homewood,	AL	35209	205-440-2664
Spanish Fort Sola LLC	Tim Lowery and Charles Bass	10200 Eastern Shore Boulevard, Suite 300	Spanish Fort	AL	36527	601-259-0492
LSMS, Inc.	Max Steiner	12310 Chenal Parkway	Little Rock	AR	72211	501-413-3734
Sweet Life Management, LLC	Todd Sanders and Steve Kvasnik	1000 SE Walton Blvd.,	Bentonville	AR	72712	515-778-8283
Sweet Life Management, LLC	Todd Sanders and Steve Kvasnik	3595 Shiloh Drive	Fayetteville	AR	72703	515-778-8283
Perry E. Jack Duckett	Perry Duckett	1843 Highland Ave.	Jonesboro	AR	72401	573-840-0075
LSMS, Inc.	Max Steiner	4000 McCain Blvd., Space B	North Little Rock	AR	72116	501-413-3734
Pima Sola, LLC	Greg and Kristin Kranias	4262 North 1st Avenue	Tucson	AZ	85719	415-816-6043
Pima Sola, LLC	Greg and Kristin Kranias	5855 E. Broadway	Tucson	AZ	85711	415-816-6043
Pima Sola, LLC	Greg and Kristin Kranias	7090 N. Oracle Rd. Suite 80	Tucson	AZ	85704	415-816-6043
AGG Salon 1 LLC	Avery G. Gavigan	4727 E Cactus Rd, Suite 100	Phoenix	AZ	85032	480-447-4199
Ron Magnuson	Ron Magnuson	2935 N Dysart Road, Suite 101	Avondale	AZ	85392	602-402-3190
Sky Fox, LLC	Paul Phillips & Kathryn Tong	1940 W Chandler Blvd. Suite #5	Chandler	AZ	85224	949-233-9636
AGG Salon 2, LLC	Avery G. Gavigan	15454 N Frank Lloyd Wright Blvd. Suite A - 2	Scottsdale	AZ	85260	480-447-4199
Ron Magnuson	Ron Magnuson	6016 N 16th St.	Phoenix	AZ	85016	602-402-3190

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Sola Gilbert LLC	Paul Phillips & Kathryn Tong	2680 E. Germann Rd.	Chandler	AZ	85286	949-233-9636
AGG Salon 3, LLC	Avery G. Gavigan	7316 E Stetson Drive	Scottsdale	AZ	85251	480-447-4199
Hawbrook La Jolla LLC	Austin and Nick Campbell	5726 La Jolla Boulevard	La Jolla	CA	92037	858-386-3630
Hawbrook Mission Valley LLC	Austin and Nick Campbell	404 Camino del Rio South	San Diego	CA	92108	858-386-3630
Flatiron Capital LLC	Kent Holsopple	6010 Johnson Drive, Suite D	Pleasanton	CA	94588	408-876-8225
Maddog Salons LLC	Craig Fitchett	15125 Ventura Blvd.	Sherman Oaks	CA	91403	720-276-6098
Folsom Sola, LLC	Aaron Ramsey	500 Plaza Drive	Folsom	CA	95630	303-419-9743
Paradise Partners LLC	Greg Sieck and Victoria Miller	600 Main St., 2nd Floor	San Francisco	CA	94104	415- 717-4460
Hawbrook Friars LLC	Austin and Nick Campbell	1450 Frazee Road	San Diego	CA	92108	858-386-3630
Flatiron Campbell LLC	Kent Holsopple	760 Camino Ramon, Suite 150	Danville	CA	94526	408-876-8225
Flatiron Capital Los Gatos LLC	Kent Holsopple	1651 Botelho Drive, Suite 190	Walnut Creek	CA	94596	408-876-8225
Cavan-California, LLC	Charles R Caro	26615 Bouguet Canyon Road	Santa Clarita	CA	91350	316-259-8854
Hawbrook Encinitas LLC	Austin and Nick Campbell	285 North El Camino Real, #101	Encinitas	CA	92024	858-386-3630
The Origo Group, Inc.	Reem and Scott Sinnett	32467 Temecula Parkway	Temecula	CA	92592	858-625-2420
Paradise Partners LLC	Greg Sieck and Victoria Miller	4060 El Camino Real, Suite 100	San Mateo	CA	94403	415-717-4460
Cavan-California LLC	Charles R Caro	2041 Rosecrans Ave.	El Segundo	CA	90245	316-259-8856
Bristol Louise LLC	Matt Brooks	1815 Newport Blvd.	Costa Mesa	CA	92627	949-212-0417
L3W-SOLA-SBCO LP	Luke Wiedel	10828 Foothill Blvd., Suite 100	Rancho Cucamonga	CA	91730	303-503-6680
Kiron Haltore	Kiron Haltore	20540 Stevens Creek Blvd.	Cupertino	CA	95014	408-921-7652
Cavan-California LLC	Charles R Caro	43 A West Thousand Oaks Blvd	Thousand Oaks	CA	91360	316-259-8857
La Quinta Sola, LLC	Reem and Scott Sinnett	79430 Highway 111	La Quinta	CA	92253	858-625-2420
The Lochnar Corporation	David L. Tripp	1082 Lincoln Ave	San Jose	CA	95125	415-850-6320
Wild Blue Sola, LLC	Kenneth and Renae Hwang	12121 Wilshire Blvd.	Los Angeles	CA	90025	310-383-0729
L3W-SOLA-SBCO LP	Luke Wiedel	11940 Foothill Blvd., Ste. 211	Rancho Cucamonga	CA	91739	303-503-6680
12S2, LLC	Erik Van Horn	27741 Crown Valley Parkway Suite 201	Mission Viejo	CA	92691	605-645-1465
Hawbrook Holdings, LLC	Austin and Nick Campbell	Otay Ranch, 2015 Birch Rd. Suite 401	Chula Vista	CA	91915	951-840-8100

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Alisola Ventures, LLC	Alice Periquet	655 West Arrow Highway	San Dimas	CA	91773	714-944-9440
Hawbrook Carlsbad LLC	Austin and Nick Campbell	1822 Marron Rd. Suite A,	Carlsbad	CA	92008	858-386-3630
12S2, LLC	Erik Van Horn	7862 Warner Avenue, Suite A	Huntington Beach	CA	92647	605-645-1465
Robert T Smith Incorporated	Robert Smith	2746 Pacific Coast Highway	Torrance	CA	90505	909-333-2525
Imvest Studios LLC	Joe Imhoff	2115 Broadway	Redwood City	CA	94063	908-578-2501
Shebin Enterprises, LLC	Joel Kudren	2055 Montiel Road, Suite E-I08 and E-109	San Marcos	CA	92069	714-862-4562
12S2, LLC	Erik Van Horn	15333 Culver Drive, Suite 200	Irvine	CA	92604	605-645-1465
Parr Development, LLC	Arlean, Richard, Gary Parr	390 North McKinley St. #116	Corona	CA	92879	714-222-0416
Hawbrook Holdings LLC	Austin and Nick Campbell	198 West Main Street	El Cajon	CA	92020	951-840-8100
Solafornia, LLC	Charles R Caro	1730 S Victoria Ave Unit B	Ventura	CA	93003	316-259-8858
Alisola Investors, LLC	Alice Periquet	2239 East Garvey Avenue North	West Covina	CA	91791	714-944-9440
Hawbrook Kearny Mesa LLC	Austin and Nick Campbell	4240 Kearny Mesa Road	San Diego	CA	92111	858-386-3630
12S2, LLC	Erik Van Horn	1361 S. Harbor Blvd Suite #19	Fullerton	CA	93832	605-645-1465
12S2, LLC	Erik Van Horn	1218 Irvine Blvd.	Tustin	CA	92780	605-645-1465
L3W-SOLA-SBCO LP	Luke Wiedel	3560 Grand Avenue, Suite A	Chino Hills	CA	91709	303-503-6680
Solafornia, LLC	Charles R Caro	24510 Town Center Dr.	Valencia	CA	91355	316-259-8853
Gateway VI Investments, LLC	Darryl Fry and Steve Schilling	18585 Monterey Rd., Suite 140	Morgan Hill	CA	95037	408-763-8804
LB Enterprises, L.L.C	Gail Lawson	1700 McHenry Avenue,	Modesto	CA	95350	209-402-7502
Tsinelas Group, LLC	Timothy Gallagher	3870 Tyler Street	Riverside	CA	92503	303-478-0491
Hawbrook San Marcos LLC	Austin and Nick Campbell	720 S. Rancho Sante Fe Rd.,	San Marcos	CA	92078	858-386-3630
SoCal Salon Studios, LLC	Scott Ditsworth	18300 Gridley Road	Artesia	CA	90701	858-997-4116
Haltore Holdings, Inc.	Kiron Haltore	37120 Fremont Blvd, Suite M	Fremont	CA	94536	408-921-7652
Mike Rippey	Mike Rippey	21060 Redwood Rd. #200,	Castro Valley	CA	94546	415-519-7722
West Coast Salon Concepts LLC	Brett & Shawna Bortolussi/ Shay Stevenson	585 W Nees Avenue Suite 110	Fresno	CA	93711	559-500-1979
L3W-SOLA-SBCO LP	Luke Wiedel	1436 Industrial Park Ave.	Redlands	CA	92374	303-503-6680
BV SOLA, LLC	Reem and Scott Sinnett	41533 Margarita Rd, M-101	Temecula	CA	92591	858-625-2420
Gateway VI Investments, LLC	Darryl Fry and Steve Schilling	917 E. Arques Avenue	Sunnyvale	CA	94085	408-763-8804

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Gateway VI Investments, LLC	Darryl Fry and Steve Schilling	1700 Park Avenue	San Jose	CA	95126	408-763-8804
Cypress7, LLC	Erik Van Horn (Ryan and Kristina Perry)	6887 Katella Avenue	Cypress	CA	90630	909-376-9809
Hawbrook Little Italy LLC	Austin and Nick Campbell	1550 Front Street	San Diego	CA	92101	858-386-3630
Lake Forest 8 LLC	Erik Van Horn	24356 Swartz Drive	Lake Forest	CA	92630	605-645-1465
Wild Blue Lake, LLC	Kenneth and Renae Hwang	455 South Lake Ave. Suite 103	Pasadena	CA	91101	310-383-0729
3rd Round LLC	Erik Van Horn	2315 Imperial Highway	Brea	CA	92821	605-645-1465
Yorba Linda 9 LLC	Erik Van Horn	20469 Yorba Linda Blvd.	Yorba Linda	CA	92886	605-645-1465
Tustin 10 LLC	Erik Van Horn	2801 El Camino Real	Tustin	CA	92782	605-645-1465
Gateway VI Investments, LLC	Darryl Fry and Steve Schilling	2727 Buena Vista Drive,	Paso Robles	CA	93446	408-763-8804
Gateway VI Investments, LLC	Darryl Fry and Steve Schilling	866 Blossom Hill	San Jose	CA	95123	408-763-8804
Aliso Viejo 12 LLC	Erik Van Horn	Aliso Viejo - 95 Enterprise	Aliso Viejo	CA	92656	605-645-1465
Hawbrook Poway LLC	Austin and Nick Campbell	12636 Poway Road	Poway	CA	92064	858-386-3630
L3W-SOLA-SBCO LP	Luke Wiedel	829 W. Foothill Blvd., Suite B	Upland	CA	91786	303-503-6680
Imvest Studios LLC	Joe Imhoff	900 4th St. Suite 300	San Rafael	CA	94901	908-578-2501
Murrieta Plaza Sola Salon Studios, LLC	Reem and Scott Sinnett	40516 Murrieta Hot Springs Rd.	Murrieta	CA	92563	858-625-2420
Marrone Corporation	Mirko Marrone	5701 Young Street	Bakersfield	CA	93311	858-775-4064
West Coast Salon Suites LLC	Brett & Shawna Bortolussi/ Shay Stevenson	9447 N Fort Washington Rd.	Fresno	CA	93730	559-500-1979
Hawbrook Oceanside LLC	Austin and Nick Campbell	4161 Oceanside Blvd. ,	Oceanside	CA	92064	858-386-3630
Hawbrook Clairemont, LLC	Austin and Nick Campbell	3007 Clairemont Drive	San Diego	CA	92117	858-386-3630
SoCal Salon Studios, LLC	Scott Ditsworth	530 W. Huntington Drive	Monrovia	CA	91016	858-997-4116
Gateway VI Investments, LLC	Darryl Fry and Steve Schilling	2118 El Camino Real	Santa Clara	CA	95050	408-763-8804
Wild Blue Sola LLC	Kenneth and Renae Hwang	9100 Wilshire Boulevard, Suite 151R	Beverly Hills	CA	90212	310-383-0729
La Habra 11, LLC	Erik Van Horn	1326 South Beach Boulevard, Suite D	La Habra	CA	90631	605-645-1465
Bakersfield Salon 3 LLC	Mirko Marrone	8301 Brimhall Road, Suite 1400	Bakersfield	CA	93312	858-775-4064
Cal Oaks Sola, LLC	Reem and Scott Sinnett	41080 California Oaks Rd	Murrieta	CA	92562	858-625-2420

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DWR5, LLC	Mike Rippey	El Cerrito Plaza, 460 San Sablo Ave.	El Cerrito	CA	94530	415-519-7722
West Coast Salon Studios LLC	Brett & Shawna Bortolussi/ Shay Stevenson	6643 N Milburn Avenue Suite 107	Fresno	CA	93722	559-500-1979
Clovis Salon Concepts, LLC	Brett & Shawna Bortolussi/ Shay Stevenson	625 W Herndon Ave. Ste. 200	Clovis	CA	93611	559-500-1979
Hawbrook Eastlake, LLC	Austin and Nick Campbell	940 Eastlake Parkway	Chula Vista	CA	91914	858-386-3630
Hawbrook Solana Beach, LLC	Austin and Nick Campbell	166 Solana Hills Drive	Solana Beach	CA	92075	858-386-3630
Gateway VI Investments, LLC	Darryl Fry and Steve Schilling	1730 South Bascom Avenue	Santa Clara	CA	95008	408-763-8804
Gateway VI Investments, LLC	Darryl Fry and Steve Schilling	415 E Taylor San Jose	San Jose	CA	95112	408-763-8804
Socal Family Enterprises, LLC	David McKinnon	6787 B Carnelian Ave.	Rancho Cucamonga	CA	91701	734-645-6900
Bakersfield Salon III LLC	Mirko Marrone and Ken Hwang	5549 Calloway Drive	Bakersfield	CA	93312	858-775-4064
Lancaster Salon 2 LLC	Mirko Marrone and Renae and Ken Hwang	44650 Valley Central Way	Lancaster	CA	93536	858-775-4064
LB Sola Stockton, LLC	Gail Lawson	37 W. Yokuts	Stockton	CA	95207	209-402-7502
Modesto II, LLC	Gail Lawson	1700 McHenry Avenue	Modesto	CA	95355	209-402-7502
Sola Salons Downey LLC	Scott Ditsworth	306 Stonewood St.	Downey	CA	90241	858-997-4116
NOJAADLU Holdings, LLC	David McKinnon	73261 Highway 111 Suite 100	Palm Desert	CA	92260	734-645-6900
Sola Fontana, LLC	Luke Weidel	14910 Summit Avenue	Fontana	CA	92336	303.503.6680
Socal Family Enterprises, LLC	David McKinnon	1901 Corporate Drive	Ladera Ranch	CA	92694	734-645-6900
Socal Family Enterprises, LLC	David McKinnon	22441 Antonio Pkwy., Suite A-380	Rancho Santa Margarita	CA	90712	734-645-6900
Sola Salons Westminster, LLC	Scott Ditsworth and Scott Sinnett	1025 Westminster Mall, Suite 2011A	Westminster	CA	91750	858-997-4116
Sola Salons Lakewood, LLC	Scott Ditsworth and Scott Sinnett	61 Lakewood Center Mall	Lakewood	CA	90712	858-997-4116
Alisola Enterprises, LLC	Alice Periquet	2272 Foothill Blvd. La Verne, CA 91750	La Verne	CA	92694	714-944-9440
DWR5, LLC	Mike Rippey and Dennis Snyder	21001 San Ramon Valley Blvd.	San Ramon	CA	94583	415-519-7722

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Menifee Lakes Sola, LLC	Reem and Scott Sinnett	29787 Antelope Road, Suite 100	Menifee	CA	92584	858-625-2420
Sola Salons Promenade, LLC	Reem and Scott Sinnett	40820 Winchester Rd	Temecula	CA	92591	858-625-2420
Sola Salons Los Angeles LLC	Scott Ditsworth and Scott Sinnett	11140 Jefferson Boulevard	Culver City	CA	90230	858-997-4116
Hawbrook Poinsettia, LLC	Austin and Nick Campbell	7188 Avenida Encinas Suite 110	Carlsbad	CA	92011	858-386-3630
Sojo's Cali 1 Inc.	JoAnn Falato and Dan Lormon	1071 Santa Rosa Plaza Room 1003C	Santa Rosa	CA	95401	248-561-0852
Richard Perilli	Richard Perilli	126 Serramonte Center Suite 766	Daly City	CA	94015	408-209-0444
Fig Salon Studios LLC	Brett & Shawna Bortolussi/ Shay Stevenson	759 W. Shaw Ave.	Fresno	CA	93704	559-500-1979
Mirken S I, LLC	Mirko Marrone and Renae and Ken Hwang	10351 Santa Monica Boulevard	Los Angeles	CA	90025	858-775-4064
Sola Salons Carson LLC	Scott Ditsworth and Scott Sinnett	20700 Avalon Blvd Suite 105	Carson	CA	90746	858-997-4116
HBD Salon, LLC	Jerry Gunderson	2424 Old US HWY 6 & 50 #0503	Grand Junction	CO	81505	702-292-2948
Sola Salon Fort Collins, LLC	Brian Bair / Don Marcotte	4637 S. Mason St .	Fort Collins	CO	80525	720-272-4949
Sola Salon Longmont LLC	Brian Bair / Don Marcotte	700 Ken Pratt Boulevard, Suite 115	Longmont	CO	80501	720-272-4949
Sola Salon Greeley LLC	Brian Bair / Don Marcotte	6560 29th Street	Greeley	CO	80634	720-272-4949
Sola Fontana, LLC	Luke Weidel	464 S. Teller Street,	Lakewood	CO	80226	303-503-6680
Sola Double U, LLC	Luke Weidel	9210-9440 North Sheridan Boulevard	Westminster	CO	80030	303-503-6680
Salon Partners, LLC	Brian Bair / Don Marcotte	4321 Corbett Drive Suite 106	Fort Collins	CO	80525	720-272-4949
CRV Hartford, Inc.	Brian Jersey	140 Glastonbury Blvd	Glastonbury	CT	06033	203-644-9177
CRV Hartford, Inc.	Brian Jersey	320 West Main Street (RT 44)	Avon	CT	06001	203-644-9177
SS CT Studio #1 LLC	Holly and Rich Bobrow	495 Post Road East	Westport	CT	06880	203-515-3359
Sola Wilton, LLC	Holly and Rich Bobrow	5 River Road	Wilton	CT	06897	203-515-3359
Tom Kuzmarski	Tom Kuzmarski	38 Town Line Rd.	Rocky Hill	CT	06067	(203) 445-3151
Sola Blue Black VCC LLC	Tom Kuzmarski and Brian Jersey	61 Raymond Rd	West Hartford	CT	6107	203-644-9177

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Individual Styles of Delaware, LLC	Jim McBride	5321 Brandywine Parkway	Wilmington	DE	19803	302-388-1635
Individual Styles of Delaware, LLC	Jim McBride	4500 New Linden Hill Rd, Unit 10	Wilmington	DE	19808	302-388-1635
RMS Freedom Partners, LLC	Richard Saltzman	15241 N. Dale Mabry Highway	Tampa	FL	33618	813-373-4907
Four S Tampa LLC	Haynes Chidsey	33295 US 19 N	Palm Harbor	FL	34684	303-881-7314
Sola Now, LLC	Peter Bobeck	3251 North University Dr.	Coral Springs	FL	33065	260-432-1000
RMS Freedom Partners, LLC	Richard Saltzman	18061 Highwoods Preserve Parkway	Tampa	FL	33647	813-373-4907
Four S Tampa LLC	Haynes Chidsey	1941 W. Lumsden Road	Brandon	FL	33511	303-881-7314
Sola Now, LLC	Peter Bobeck	2001 North Federal Highway	Pompano Beach	FL	33062	260-432-1000
SDS Salon Partners LLC	Heather Safrit/ David Donahower	2515 S State Road 7	Wellington	FL	33414	561-600-7652
IF SIX WERE NINE, LLC	George Vukobratovich	2950 Tamiami Trail North	Naples,	FL	34103	Not Available
SDS Salon Partners LLC	Heather Safrit/ David Donahower	2925 PGA Boulevard, Ste. 102	Palm Beach Gardens	FL	33410	561-600-7652
Four S Jacksonville LLC	Haynes Chidsey	983 Atlantic Boulevard	Atlantic Beach	FL	32233	303-881-7314
Four S Jacksonville LLC	Haynes Chidsey	11111 San Jose Blvd.,	Jacksonville	FL	32223	303-881-7314
SDS Salon Partners II, LLC	Heather Safrit/ David Donahower	1982 SE Federal Highway	Stuart	FL	34994	561-600-7652
IF SIX WERE NINE/Collins LLC	George Vukobratovich	7403 Collins Ave.	Miami Beach	FL	33141	Not Available
SDS Salon Partners, LLC	Heather Safrit/ David Donahower	398 N. Congress Avenue	Boynton Beach	FL	33426	561-600-7652
Jeffrey A. Feder	Jeffrey A. Feder	490 NW 60th Street Suite 5	Gainesville	FL	32607	262-443-0498
Four S Orlando LLC	Haynes Chidsey	937 W State Road 436	Altamonte Springs	FL	32714	303-881-7314
Four S Orlando LLC	Haynes Chidsey	3653 Lake Emma Rd.	Lake Mary	FL	32746	303-881-7314
Four S Jacksonville LLC	Haynes Chidsey	1950 East West Parkway	Fleming Island	FL	32003	303-881-7314
Harold C. Rauner	Harold and Linda Rauner	23106 Fashion Drive, Suite 127	Estero	FL	33928	703-338-7542
SDS Salon Partners, LLC	Heather Safrit/ David Donahower	490 21st Street	Vero Beach	FL	32960	561-600-7652

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SDS Salon Partners, LLC	Heather Safrit/ David Donahower	1132 W. Indiantown Road	Jupiter	FL	33458	561-600-7652
Four S Tampa LLC	Haynes Chidsey	6515 South Tamiami Trail	Sarasota	FL	34231	303-881-7314
Darth Gator Salon Studios, LLC	Jeffrey A. Feder	2606 SW 19th Avenue Unit 200	Ocala	FL	34471	262-443-0498
Four S Jacksonville LLC	Haynes Chidsey	Riverside - 1021 Oak St	Jacksonville	FL	32204	303-881-7314
Four S Orlando LLC	Haynes Chidsey	Palm Springs Center, 515 East Altamonte Drive	Altamonte Springs	FL	32701	303-881-7314
RF Holdings III LLC	Harold and Linda Rauner	9924 Gulf Coast Main Street	Fort Myers	FL	33913	703-338-7542
Four S Orlando LLC	Haynes Chidsey	Plaza Venezia/Dr. Phillips - 7598 Sand Lake Road Suite 7582	Altamonte Springs	FL	32819	303-881-7314
Four S Tampa LLC	Haynes Chidsey	25813 US Highway 19 North Suite A-100	Sarasota	FL	33763	303-881-7314
SDS Salon Partners LLC	Heather Safrit and David Donahower	1500A Elizabeth Avenue	West Palm Beach	FL	33401	561-600-7652
SDS Salon Partners LLC	Heather Safrit and David Donahower	4961 W. Atlantic Ave.	Delray Beach	FL	33445	561-600-7652
NOJAADLU Holdings, LLC	David McKinnon	6327 N. Andrews Ave.	Fort Lauderdale	FL	33309	734-645-6900
Four S Jacksonville, LLC	Haynes Chidsey	10261 River Marsh Drive Suite 173	Jacksonville	FL	32246	303-881-7314
SDS Salon Partners LLC	Heather Safrit and David Donahower	4961-A W. Atlantic Avenue	Delray Beach	FL	33445	561-600-7652
RF Holdings, LLC	Linda and Harold Rauner	9345 Ben C Pratt Six Mike Cypress Pkwy Suite 130	Fort Myers	FL	33966	703-338-7542
Four S Atlanta LLC	Haynes Chidsey	4920 Roswell Road, Suite 37,	Atlanta	GA	30342	303-881-7314
Four S Atlanta LLC	Haynes Chidsey	12872 Highway 9, Suite 200	Alpharetta	GA	30004	303-881-7314
Four S Atlanta LLC	Haynes Chidsey	Medlock - 5805 State Bridge Road, Suite 500	Duluth	GA	30097	303-881-7314
Four S Atlanta LLC	Haynes Chidsey	2920 George Busbee Parkway	Kennesaw	GA	30144	303-881-7314
Four S Atlanta LLC	Haynes Chidsey	East Cobb - 01062 Johnson Ferry Road	Marietta	GA	30068	303-881-7314
Four S Atlanta LLC	Haynes Chidsey	3221 Cobb Parkway,	Kennesaw	GA	30152	303-881-7314

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Sola Salon Studios Augusta LLC	John Kollhoff and Sue Kollhoff	596 Bobby Jones Expressway, #180	Augusta	GA	30907	785-760-3361
Four S Atlanta LLC	Haynes Chidsey	1350 Scenic Hightway	Snellville	GA	30078	303-881-7314
Four S Atlanta LLC	Haynes Chidsey	622 W Crossville Rd.	Roswell	GA	30075	303-881-7314
SDS Salon Partners II, LLC	Heather Safrit and David Donahower	7135 Hodgson Memorial Drive	Savannah	GA	31406	561-600-7652
Four S Atlanta LLC	Haynes Chidsey	Park Place - 4505 Ashford Dunwoody Road, Space 12A	Dunwoody	GA	30346	303-881-7314
SDS Salon Partners II, LLC	Heather Safrit and David Donahower	1 Godley Station Blvd.	Pooler	GA	31322	561-600-7652
Four S Atlanta LLC	Haynes Chidsey	2943 N. Druid Hills Road NE	Atlanta	GA	30329	303-881-7314
SDS Salon Partners, LLC	Heather Safrit and David Donahower	2400 Bull Street Suite 2	Savannah	GA	31401	561-600-7652
Twister Rivers Ventures LLC	Dave Demanett	4520 University Ave, Suite 114	West Des Moines	IA	50266	515-650-0738
Suite Logic LLC	Nicole and Brian Neesen	1772 Hamilton Blvd	Sioux City	IA	51103	402-578-8160
Twister Rivers Ventures LLC	Dave Demanett	Hawthorne Centre - 9500 University Ave	West Des Moines	IA	50266	515-650-0738
Gary C. Hughes	Gary C. Hughes	1197 W. Main Street	Boise	ID	83702	509-552-1001
Salon Studios Northwest, Inc.	Gary C. Hughes	2062 Main Street	Coeur d'Alene	ID	83814	509-552-1001
SNIP Ventures LLC	Guy Pisani	15752-A South La Grange Road	Orland Park	IL	60462	847-348-8848
Full House 7, LLC	Nichole and Rich Milz	27 S. Northwest Hwy	Park Ridge	IL	60068	773-332-5582
QC EquityGroup, LLC	Jeff Reddig	1833 52nd Avenue	Moline	IL	61265	309-737-8475
Aashna Salon Suites, LLC	Devang Kothari	2835 Aurora Avenue Unit 123	Naperville	IL	60540	630-440-1696
FH7 Lakeview, LLC	Nichole and Rich Milz	3355 N. Lincoln Avenue	Chicago	IL	60657	773-332-5582
Devang Brahmbhatt	Dave Brahmbhatt	400 Army Trail Rd	Bloomingdale	IL	60108	847-987-8125
Verse, LLC	Tom Beyrer /Nick and Chelsea Schmalenberg	105 North Mattis Ave.	Champaign	IL	61821	317-514-5633
Sojo's Studios, Inc.	JoAnn Falato	558 W. Roosevelt Rd.	Chicago	IL	60607	248-561-0852
FH7 Arlington Heights, LLC	Nichole and Rich Milz	89 South Evergreen Avenue	Arlington Heights	IL	60005	773-332-5582
Verse, LLC	Nick and Chelsea Schmalenberg, Tom Beyrer	5201 W. War Memorial Dr.	Peoria	IL	61615	317-514-5633

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Verse TLV, LLC	Nick and Chelsea Schmalenberg, Tom Beyrer	326 W. Washington St.	Peoria	IL	61611	317-514-5633
Sojo's Studios 4 Inc	JoAnn Falato	460 E. 35th Street	Chicago	IL	60616	248-561-0852
ASE Management Elmhurst, LLC	Dave Brahmbhatt	187 N. York St.	Elmhurst	IL	60126	847-987-8125
FH7 Wicker Park LLC	Nichole and Rich Milz	1425 N Milwaukee Ave	Chicago	IL	60622	773-332-5582
Sojo's Studios 3 Inc	JoAnn Falato	1614 E. 53rd Street	Chicago	IL	60615	248-561-0852
Sojo's Studios 2 Inc	JoAnn Falato	2320 W. 95th Street	Chicago	IL	60643	248-561-0852
ASE Management Woodfield, LLC	Dave Brahmbhatt	601 N. Martingale Rd Unit 100	Schaumburg	IL	60173	847-987-8125
Impact Studio 1, LLC	Tanner Holmes	1883 2nd St.	Highland Park	IL	66085	913-220-3018
Indy Sola, LLC	Todd Neel	8532 Castleton Corner Drive	Indianapolis	IN	46250	303-748-8459
Indy Sola, LLC	Todd Neel	726 Adams Street, Suite 100	Carmel	IN	46032	303-748-8459
Indy Sola, LLC	Todd Neel	11801 Commercial Drive	Fishers	IN	46038	303-748-8459
Spaceman Ventures, LLC	Joe Gravitt / Larry Sablosky	1238 East University Drive	Granger	IN	46530	317-721-9397
Spaceman Ventures, LLC	Joe Gravitt / Larry Sablosky	585 N. Green River Road	Evansville	IN	47715	317-721-9399
Spaceman Ventures, LLC	Joe Gravitt / Larry Sablosky	5900 West Jefferson Blvd.	Fort Wayne,	IN	46814	317-721-9398
Spaceman Ventures, LLC	Joe Gravitt / Larry Sablosky	115 East 107th Avenue	Crown Point	IN	46307	317-721-9395
Circle City Studios CT, LLC	Tom Beyrer/Pete Griffin	14179 Clay Terrace Boulevard, Suite 1	Carmel	IN	46032	317-514-5639
Circle City Studios SV, LLC	Tom Beyrer/Pete Griffin	1675 W. Smith Valley Road	Greenwood	IN	46142	317-514-5639
Spaceman Ventures, LLC	Joe Gravitt / Larry Sablosky	10948 East US 36	Avon	IN	46123	317-721-9396
Circle City Studios KC, LLC	Tom Beyrer/Pete Griffin	8702 Keystone Crossing Suite 210	Indianapolis	IN	46240	317-514-5639
Spaceman Ventures LLC	Joe Gravitt and Larry Sablosky	6501 N Grape Road Unit 1205 A	Mishawaka	IN	46545	317-721-9396
Heartland Studios HTC LLC	Pete Griffin, John Michael Bankert, and Robert Weiss	13901 Town Center Blvd. Suite 500	Noblesville	IN	46060	317-514-5639
Cavan Investments LLC	Charles R Caro	7724 East 37th St., North, Suite 300	Wichita	KS	67226	316-259-8859
Sola West LLC	Charles R Caro	2243 N. Tyler, Suite 115	Wichita	KS	67205	316-259-8852
Style Kansas City, LLC	Myrle McNeal	95th - 11708 West 95th	Overland Park	KS	66214	303-641-2148
Style Kansas City, LLC	Myrle McNeal	8959 Metcalf Avenue	Overland Park	KS	66214	303-641-2148
Style Kansas City, LLC	Myrle McNeal	13348 Metcalf Avenue	Overland Park	KS	66213	303-641-2148

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Style Kansas City, LLC	Myrle McNeal	7612 Stateline Road	Prairie Village	KS	66206	303-641-2148
Cavan Investments LLC	Charles R Caro	Preston Village, 11414 East Central	Wichita	KS	67206	316-259-8855
TerraBella Studios LLC	John Kollhoff	2727 SW Wanamaker Rd	Topeka	KS	66614	785-760-3361
Style Kansas City, LLC	Myrle McNeal	12517 South Rodgers Rd.	Olathe	KS	66062	303-641-2148
Style Kansas City, LLC	Myrle McNeal	5065 W. 117th St.	Leawood	KS	66211	303-641-2148
Jefferson Sola, LLC	Kristin and Greg Kranias	1850 S. Hurstbourne Parkway	Louisville	KY	40220	415-816-6043
Jefferson Sola, LLC	Kristin and Greg Kranias	2809 N. Hurstbourne Pkwy	Louisville	KY	40223	415-816-6043
Jefferson Sola, LLC	Kristin and Greg Kranias	12689 Shelbyville Rd.	Louisville	KY	40243	415-816-6043
Maura Black	Maura Black	200 Lexington Green Circle Suite 150	Lexington	KY	40503	904-566-4076
Jefferson Sola, LLC	Kristin and Greg Kranias	5000 Shelbyville Rd	Louisville	KY	40207	415-816-6043
Style Baton Rouge, LLC	Myrle McNeal	8342 Perkins Road,	Baton Rouge	LA	70810	303-641-2148
Nola Studios, LLC	Brad Clingman	5229 Pinnacle Pkwy,	Covington	LA	70433	504-521-7652
Nola Studios, LLC	Brad Clingman	701 Metairie Road	Metaire	LA	70005	504-521-7652
Nola Studios, LLC	Brad Clingman	4141 Bienville Street Suite 104	New Orleans	LA	70119	504-521-7652
Style BR Jefferson, LLC	Myrle McNeal	2561 CitiPlace Ct., Ste 100,	Baton Rouge	LA	70808	303-641-2148
Howley Salon Group, Ltd.	Lee Howley	287 Washington Street,	Attleboro	MA	02703	440-759-0613
Macbro Enterprises, LLC	Adam Heard	56 General Way	Reading	MA	01867	603-568-5390
Macbro Needham LLC	Adam Heard	33 4th Avenue	Needham	MA	02494	603-568-5390
Macbro Natick LLC	Adam Heard	1400 Worcester Rd.	Natick	MA	01760	603-568-5390
Cleopatra Enterprises LLC	George and Elizabeth Morris	27 Main Street	Andover	MA	1810	781-267-1399
Cleopatra Enterprises LLC	George and Elizabeth Morris	400 Highland Ave. Suite 13	Salem	MA	1970	781-267-1399
Macbro P LLC	Adam Heard	469 Salem Street	Medford	MA	2155	603-568-5390
JM Sola, LLC	Jim McEvoy and John McEvoy	1409 Research Boulevard	Rockville	MD	20850	858.354.8585
Sola Salons of OTAC LLC	Paul Cato	1629 Crofton Centre Unit A-102	Crofton	MD	21114	443-994-3492
Sola Salons of OTAC LLC	Paul Cato	50 MOUNTAIN RD.	Glen Burnie	MD	21060	443-994-3492
John McEvoy	Jim McEvoy	1701 Rockville Pike, Suite B20	Rockville	MD	20852	858-354-8582
John McEvoy	Jim McEvoy	1133 East West Highway	Silver Spring	MD	20901	858-354-8585

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Sola Salons of OTAC LLC	Paul Cato	121 Mitchells Chance Road,	Edgewater	MD	21037	443-994-3492
American Salon LLC	Don Strang	Bowie Town Center, 15639 Emerald Way F09	Bowie	MD	20716	216-406-9381
Sola Salons of OTAC LLC	Paul Cato	8835 Columbia 100 Pkwy	Columbia	MD	21045	443-994-3492
JM Sola LLC	Jim McEvoy	4969 Westview Drive, Suite 105	Frederick	MD	21703	858.354.8583
JM Sola LLC	Jim McEvoy	1620 York Road #106,	Timonium	MD	21093	858-354-8586
JM Sola LLC	Jim McEvoy	Centre Court 3755 Old Court Road	Pikesville	MD	21208	858-354-8584
American Salon LLC	Don Strang	Woodmore Towne Centre - 2200 Petrie Lane Suite 540	Lanham	MD	20706	216-406-9381
American Salon LLC	Don Strang	11110 Mall Circle G01B	Waldorf	MD	20603	216-406-9381
JM Sola, LLC	Jim McEvoy and John McEvoy	10084 Reisterstown Road, Suite 102	Owings Mills	MD	21117	858-354-8585
Sola Salons of OTAC LLC	Paul Cato and Fred Mattes	2002 Annapolis Mall, Unit 112	Annapolis	MD	21401	443-994-3492
JM Sola, LLC	Jim McEvoy and John McEvoy	1811-A York Road	Lutherville	MD	21093	858-354-8585
JM Sola, LLC	Jim McEvoy and John McEvoy	1200 S. Haven Street, Unit C	Baltimore	MD	21224	858-354-8585
JM Sola, LLC	Jim McEvoy and John McEvoy	1511 Buckeystown Pike	Frederick	MD	21703	858-354-8585
Sola Grand Rapids, LLC	Michael E. Gray	6455 28th St., SE	Grand Rapids	MI	49546	312-513-5050
Gray Hair Holdings, LLC	Kevin Vogler and Mark Armstrong	619 S Adams Road	Birmingham	MI	48009	248-770-8709
Revolutionary Styles, LLC	Jeannie Hylant, Brian Sparks, and Kevin Lent	3050 Washtenaw Avenue	Ann Arbor	MI	48104	419-351-9398
Revolutionary Styles, LLC	Jeannie Hylant, Brian Sparks, and Kevin Lent	3069 Oak Valley Drive,	Ann Arbor	MI	48103	419-351-9398
Salon Studios LLC	Scott Ditsworth	45567 Market Street	Shelby Township	MI	48315	858-997-4116
Revolutionary Styles, LLC	Jeannie Hylant, Brian Sparks, and Kevin Lent	22713 Allen Road,	Woodhaven	MI	48183	419-351-9398
Revolutionary Styles, LLC	Jeannie Hylant, Brian Sparks, and Kevin Lent	227 N Maple Road	Ann Arbor,	MI	48103	419-351-9398
BAMF X2, LLC	Kevin Lent / John Platten	9795 Village Place Blvd.	Brighton	MI	48116	419-787-5495

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Gray Hair Holdings, LLC	Kevin Vogler and Mark Armstrong	5642 West Maple Road	West Bloomfield Hills	MI	48322	248-770-8709
Revolutionary Styles, LLC	Jeannie Hylant, Brian Sparks, and Kevin Lent	35675 Warren Road	Westland	MI	48185	419-351-9398
Sola Rochester Hills LLC	Scott Ditsworth	2625 S. Adams Rd	Rochester Hills	MI	48309	858-997-4116
Gray Hair Holdings, LLC	Kevin Vogler and Mark Armstrong	44175 W. 12 Mile Road #F-136	Novi	MI	48377	248-770-8709
Revolutionary Styles, LLC	Jeannie Hylant, Brian Sparks, and Kevin Lent	6425 N. Canton Center Road	Canton	MI	43623	419-351-9398
BAMF X2, LLC	Kevin Lent & John Platten	17260 Silver Parkway	Fenton	MI	48430	713-888-4054
Sola Salons Partridge Creek, LLC	Scott Ditsworth	17450 Hall Road	Clinton Township	MI	48038	858-997-4116
BAMF X2, LLC	Kevin Lent	2405 Showtime Dr.	Lansing	MI	48912	419-787-5495
JNF West Michigan LLC	James Feldkamp and Nichole Kimble	3165 Alpine Ave. NW Suite #H	Walker	MI	49544	
Sola Salons Royal Oak, LLC	Scott Ditsworth	480 N Main St	Royal Oak	MI	48067	858-997-4116
Little North Fork V Minneapolis LLC	Patrick Elgin	3519 West 70th Street	Edina	MN	55435	651-964-8317
Little North Fork V Minneapolis LLC	Patrick Elgin	14538 Burnhaven Drive,	Burnsville	MN	55306	651-964-8317
Little North Fork, LLC	Patrick Elgin	2401 Fairview Avenue North	Roseville	MN	55113	651-964-8317
Little North Fork, LLC	Patrick Elgin	9020 Hudson Road	Woodbury	MN	55125	651-964-8317
SD Ventures, LLC	Austin Lucas	4530 Maine Ave. SE Suite 513	Rochester	MN	55904	507-273-3318
N4 LLC	Jim Norman	7908 North Main Street,	Maple Grove	MN	55369	952-334-4903
Little North Fork V Minneapolis LLC	Patrick Elgin	3034 Lyndale Ave,	Minneapolis	MN	55408	651-964-8317
Little North Fork, LLC	Patrick Elgin	784 County Road 10 NE,	Blaine	MN	55434	651-964-8317
Little North Fork, LLC	Patrick Elgin	688 Hague Avenue	Saint Paul	MN	55104	651-964-8317
SD Ventures, LLC	Austin Lucas	3185 41st Street NW,	Rochester	MN	55901	507-273-3318
Little North Fork, LLC	Patrick Elgin	2966 White Bear Avenue,	Maplewood	MN	55109	651-964-8317
SD Ventures, LLC	Austin Lucas	1201 S. Broadway Suite #24	Rochester	MN	55904	507-273-3318
Little North Fork III, LLC	Patrick Elgin	10260 Viking Drive	Eden Prairie	MN	55344	651-964-8317

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Little North Fork, LLC	Patrick Elgin	1720 Livingston Avenue,	West Saint Paul	MN	55118	651-964-8317
Little North Fork, LLC	Patrick and Erin Elgin	1621 West End Boulevard Suite 2345	St. Louis Park	MN	55416	651-964-8317
Scott and Barbara Harris	Scott Harris	1839-B East Independence Avenue	Springfield	MO	65804	417-887-7557
Lawndale Siblings 1, LLC	Mark Halperin	11756 Olive Boulevard	Creve Coeur	MO	63141	901-233-4783
Lawndale Siblings 1, LLC	Mark Halperin	200 South Kirkwood Road	St. Louis	MO	63122	901-233-4783
Sola Springfield LLC	Scott Harris	3634 S. Campbell	Springfield	MO	65807	417-887-7557
Style Kansas City, LLC	Myrle McNeal	601 NW Murray Rd.	Lees Summit	MO	64081	303-641-2148
Lawndale Siblings 1, LLC	Mark Halperin	7700 Clayton Rd	St. Louis	MO	63117	901.233.4783
The R Group, LLC	Steve Ramsey	151 East Metro Parkway, Suite 203	Flowood	MS	39232	601-594-3434
My Salon Studio LLC.	Dimitris Rentzios	2545 Central Ave Suite M,	Billings	MT	59102	303-817-7576
Bear Grass Ventures LLC	Marsha Katz	3800 S Russell Street Suite #150	Missoula	MT	59801	406-829-9495
Four S Charlotte LLC	Haynes Chidsey	Southpark - 6324 Fairview Road, Suite 150, ,	Charlotte	NC	28210	303-881-7314
Four S Charlotte LLC	Haynes Chidsey	Southlake - 20619 Torrence Chapel Road	Cornelius	NC	28031	303-881-7314
Four S Raleigh LLC	Haynes Chidsey	Saltbox - 1269 Kildaire Farm Road	Cary	NC	27511	303-881-7314
Four S Charlotte LLC	Haynes Chidsey	2000 South Boulevard, Suite 420	Charlotte	NC	28203	303-881-7314
Four S Charlotte LLC	Haynes Chidsey	Aboretum Office Park -	Charlotte	NC	28277	303-881-7314
Four S Raleigh LLC	Haynes Chidsey	8111 Creedmoor Rd., Unit 146	Raleigh	NC	27613	303-881-7314
Four S Raleigh LLC	Haynes Chidsey	1901 NW Cary Parkway,	Morrisville	NC	27560	303-881-7314
Four S Raleigh LLC	Haynes Chidsey	800 West Williams Street	Apex	NC	27502	303-881-7314
Four S Charlotte LLC	Haynes Chidsey	Arbors, UNCC -2015 East Arbors Drive	Charlotte	NC	28262	303-881-7314
Four S Raleigh LLC	Haynes Chidsey	111 Seaboard Avenue Suite 100	Raleigh	NC	27604	303-881-7314
Four S Raleigh LLC	Haynes Chidsey	2227 Cloverdale Ave, Winston-Salem	North Carolina	NC	27103	303-881-7314

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Lindsay Blair Kutrow	Blair Kutrow	1329 Independence Boulevard	Wilmington	NC	28403	703-930-8175
Four S Raleigh LLC	Haynes Chidsey	909 Spring Forest Rd.	Raleigh	NC	27609	303-881-7314
Mailander LLC	Elizabeth Mailander	124 College Street	Asheville	NC	28804	703-929-6773
Four S Raleigh LLC	Haynes Chidsey	6260 Glenwood Avenue Suite 100	Raleigh	NC	27612	303-881-7314
Four S Charlotte LLC	Haynes Chidsey	4600 Park Road	Charlotte	NC	28209	303-881-7314
Four S Raleigh LLC	Haynes Chidsey	1728 Fordham Blvd.	Chapel Hill	NC	27514	303-881-7314
Four S Charlotte LLC	Haynes Chidsey	14136 Rivergate Pkwy, Suite 100	Charlotte	NC	28273	303-881-7314
Four S Charlotte LLC	Haynes Chidsey	9870 Rea Road Suite #9652-F2	Charlotte	NC	28277	303-881-7314
Red Penguin LLC	Blair Kutrow	817 Town Center Drive, Suite 125	Wilmington	NC	28405	703-930-8175
Four S Raleigh LLC	Haynes Chidsey	2945 Battleground Avenue	Greensboro	NC	27408	303-881-7314
B+B Partners ILM LLC	Mark Beesley and John Best	950 Criswell Dr.	Greenville	NC	27834	801-879-4864
Four S Charlotte LLC	Haynes Chidsey	Matthews Festival - 10418 East Independence Blvd.	Matthews	NC	28105	303-881-7314
Mailander LLC	Elizabeth Mailander	1636 Hendersonville Road	Asheville	NC	28803	703-929-6773
Four S Raleigh LLC	Haynes Chidsey	3110 Kathleen Ave Suite 230	Greensboro	NC	27511	303-881-7314
Four S Raleigh LLC	Haynes Chidsey	MacGregor Village -107 Edinburgh S Dr	Greensboro	NC	27408	303-881-7314
Four S Charlotte LLC	Haynes Chidsey	Winslow Bay, 590 River Highway, Suite E	Mooresville	NC	28117	303-881-7314
Sola of SD, LLC	Steve Schoepp	3475 45th St South Suite 100	Fargo	ND	58104	605-881-5541
Sola Jam, LLC	Jody Janousek	Shadow Lakes - 7640 Towne Center Parkway	Papillion	NE	68046	303-929-9147
Suite Logic LLC	Nicole and Brian Neesen	709 N 98th Street	Omaha	NE	68114	402-578-8160
Sola Salons, LLC	Russell Nordstrom	600 S. Green Valley Pkwy,	Henderson	NE	89012	313-883-0911
Suite Logic LLC	Nicole and Brian Neesen	17672 Welch Plaza	Omaha	NE	68135	402-578-8160
Suite Logic LLC	Nicole and Brian Neesen	2910 Pine Lake Rd.	Lincoln	NE	68516	402-578-8160
BEP Enterprises, LLC	Craig and Stephanie Perkins	100 Arthur F Brady Dr	Portsmouth	NH	3801	860-508-1484
Wayne Salon Studios LLC	Jerry and Tina Marcopoulos	1607 Route 23 South	Wayne	NJ	7927	201-788-9644

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Holmdel Salon Studios LLC	Jerry and Tina Marcopoulos	2103 NJ-35	Holmdel	NJ	7470	201-788-9644
Cedar Knolls Salon Studios LLC	Jerry and Tina Marcopoulos	170 E. Hanover Ave	Cedar Knolls	NJ	7733	201-788-9644
Princeton Salon Studios LLC	Jerry and Tina Marcopoulos	676 Nassau Park Blvd	Princeton	NJ	08540	201-788-9644
Madison Salon Studios, LLC	Jerry and Tina Marcopoulos	300 Main St.	Madison	NJ	7940	201-788-9644
Wall Salon Studios, LLC	Jerry and Tina Marcopoulos	2007 Route 35	Wall Township	NJ	07719	201-788-9644
SSNM, LLC	Rosie Gantos	6600 Indian School Rd., NE,	Albuquerque	NM	87110	505-967-5750
SSNM Two, LLC	Rosie Gantos	7501 Holly Avenue NE	Albuquerque	NM	87114	505-967-5750
Sola Salons, LLC	Russell Nordstrom	Tropicana & 215 - 9340 W. Tropicana Avenue	Las Vegas	NV	89147	313-883-0911
Sola Salons, LLC	Russell Nordstrom	7355 S Buffalo Suite D,	Las Vegas	NV	89148	313-883-0911
Sola Salons, LLC	Russell Nordstrom	The District - 170 S. Green Valley Parkway	Henderson	NV	89012	313-883-0911
Sola Salons NW LLC	Russell Nordstrom	Centennial1 - Anna &95 - 5643 Centennial Center Blvd., Suite 150	Las Vegas	NV	89149	313-883-0911
Sola Salons Summerlin LLC	Russell Nordstrom	Summerlin - 8975 W. Charleston Blvd, Suite 120,	Las Vegas	NV	89145	313-883-0911
Shark Ltd	Janet Wettig/Taylor Cain	4875 Kietzke Lane	Reno	NV	89509	775-846-7580
Studio One LLC	Ronald Lancial	360 Los Altos Parkway	Sparks	NV	89436	760-519-5124
Shark Ltd	Taylor Cain	577 South Meadows Parkway	Reno	NV	89521	775-846-7580
Sola Salons, LLC	Russell Nordstrom	6121 W Lake Mead Blvd	Las Vegas	NV	89108	313-883-0911
Salon Innovators, LLC	Donald Harty	1895 South Rd.	Poughkeepsie	NY	12601	917-544-9295
445 Salons, LLC	Frank LoFrisco	445 Hamilton Ave., Suite 100	White Plains	NY	10601	347-625-7652
Gtown Partners, LLC	Daniel Patyk and John Floegel	4699 Nesconset Highway	Port Jefferson Station	NY	11776	917-826-1492
Gtown Partners, LLC	Daniel Patyk and John Floegel	295 West Jericho Turnpike,	Huntington Station	NY	11746	917-826-1492
Brooklyn Styles LLC	Julian Best	222 East 34th Street	New York	NY	10016	732-887-2886
Gtown Partners Garden City Corp	Daniel Patyk and John Floegel	400 Garden City Plaza, Ste 110	Garden City	NY	11530	917-826-1492
Studio Group Partners LLC	Mike Meilleur and Ray Miranda	2220 Southwestern Blvd.	Orchard Park	NY	14127	614-753-7000
Joel Proegler	Joel Proegler	3409 Erie Blvd East	Dewitt	NY	13214	585-857-2281

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Gtown Partners Hauppauge Corp.	Daniel Patyk and John Floegel	586 Veteran's Memorial Highway, 1C	Hauppauge	NY	11788	917-826-1492
D&M Salon Suites, LLC	Jerry and Tina Marcopoulos	Forest Avenue Plaza, 1553 Forest Avenue	Staten Island	NY	10302	201-788-9644
Studio Group Partners LLC	Mike Meilleur and Ray Miranda	3799 Maple Crossings	Amherst	NY	14226	614-753-7000
Studio Group Partners LLC	Mike Meilleur and Ray Miranda	2350 Maple Rd. Suite 400	Amherst	NY	14221	614-753-7000
Sola Salon Studios Bohemia Corp	Daniel Patyk and John Floegel	4749 Sunrise Highway	Bohemia	NY	11716	917-826-1492
Salon Innovators, LLC	Donald Harty	The Mall at 59 237 West Route 59	Nanuet	NY	10954	917-544-9295
Proco Studios, Inc.	Joel Progler	Clay, 3845 NY-31 COR Centre	Liverpool	NY	13090	585-857-2281
South Shore Salon Studios, LLC	Jerry and Tina Marcopoulos	2935 Veterans Rd W	Staten Island	NY	10309	201-788-9644
Ohio Solas, LLC	Mike Meacham/ Dan Hoeck	16746 Pearl Road,	Strongsville	OH	44136	920-366-7652
Fairlawn Sola Group, LLC	Mike Meacham/ Dan Hoeck	3029 Smith Road	Fairlawn	OH	44333	920-366-7652
RFB Investments, LLC	Ray Battocletti and Jeff Rains	9313 Mason Montgomery Road	Mason	OH	45040	314-283-0326
Sola Professional Group LLC	Mike Meacham/ Dan Hoeck	24723 Cedar Road	Lyndhurst	OH	44124	920-366-7652
Mentor Sola Group, LLC	Mike Meacham/ Dan Hoeck	6994 Heisley Road,	Mentor	OH	44060	920-366-7652
Medina Sola Group, LLC	Mike Meacham/ Dan Hoeck	5050 Victor Drive	Medina	OH	44256	920-366-7652
Rockwood Management LLC	Michael Pearl	21639 Center Ridge Road	Rocky River	OH	44116	330-659-0425
Studio Group Partners LLC	Mike Meilleur and Ray Miranda	1158 Polaris Parkway	Columbus	OH	43240	614-753-7000
RFB Investments LLC	Ray Battocletti and Jeff Rains	4428 Indian Ripple Road,	Beavercreek	OH	45430	314-283-0326
RFB Investments LLC	Ray Battocletti and Jeff Rains	2058 Stringtown Road	Grove City	OH	43123	314-283-0326
Studio Group Partners LLC	Mike Meilleur and Ray Miranda	89 Westerville Plaza	Westerville	OH	43081	614-753-7000
Studio Group Partners LLC	Mike Meilleur and Ray Miranda	10516 Sawmill Rd	Powell	OH	43065	614-753-7000
RFB Investments LLC	Ray Battocletti and Jeff Rains	454 Ohio Pike (Beechmont Ave), #46	Cincinnati	OH	45255	314-283-0326

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Revolutionary Styles, LLC	Jeannie Hylant, Brian Sparks, and Kevin Lent	5201 Monroe Street Suite J	Toledo	OH	48187	419-351-9398
RFB Investments, LLC	Jeff Rains, Ray Battoclettin, and Craig Flom	2727 Fairfield Commons	Beavercreek	OH	45431	314-283-0326
American Salons Ohio LLC	Don Strang	30673 Detroit Rd	Westlake	OH	44145	216-406-9381
American Salons Ohio LLC	Don Strang	33417 Aurora Road	Solon	OH	44139	216-406-9381
Studio Group Partners LLC	Mike Meilleur and Ray Miranda	6315 Sawmill Rd	Dublin	OH	43017	614-753-7000
Sweet Life Management, LLC	Todd Sanders and Steve Kvasnik	1032 Waterwood Parkway	Edmond	OK	73034	515-778-8283
Todd Sanders, Steve Kvasnik, Terry Tyree	Sweet LST, LLC	9219 E. 71st St.	Tulsa	OK	74133	515-778-8283
Sweet Life Management, LLC	Todd Sanders and Steve Kvasnik	5401 N. May Ave.	Oklahoma City	OK	73112	515-778-8283
Sola Virginia LLC	Myrle McNeal	3905 SW 117th Ave., Suite M	Beaverton	OR	97005	303-641-2148
Style Lake Oswego, LLC	Myrle McNeal	Lake Oswego - 17942 SW McEwan Road	Tualatin	OR	97224	303-641-2148
Style Pearl, LLC	Myrle McNeal	510 NW 10th Ave.	Portland	OR	97209	303-641-2148
Sailboard Co	Paul & Amanda Schlumpberger	440 West 6th Avenue	Eugene	OR	97401	503-475-4325
Style Holdings LLC	Myrle McNeal	11415 SW Scholls Ferry Road	Beaverton	OR	97008	303-641-2148
Style Tanasbourne, LLC	Myrle and Julie McNeal	2245 NE Allie Avenue	Hillsboro	OR	97124	303-641-2148
Sailboard Co	Paul & Amanda Schlumpberger	1110 NE Wood Village Blvd.	Wood Village	OR	97060	503-475-4325
Style Lloyds, LLC	Myrle and Julie McNeal	1107 Ne 9th Ave Suite 105	Portland	OR	97232	303-641-2148
Eleven Eleven Pennsylvania, LLC	David Raduziner / Steve Breuner	5921 Baum Boulevard	Pittsburgh	PA	15206	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner / Steve Breuner	330 Mall Boulevard	Monroeville	PA	15146	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner / Steve Breuner	181 Wexford Bayne Road	Wexford	PA	15090	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner / Steve Breuner	485 Royer Drive, Suite 101A,	Lancaster	PA	17601	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner / Steve Breuner	690 N. Charlotte Street	Lancaster	PA	17603	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner / Steve Breuner	1500 Washington Road	Pittsburgh	PA	15228	303-522-5455

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Eleven Eleven Pennsylvania, LLC	David Raduziner / Steve Breuner	7811 McNight Road	Pittsburgh	PA	15237	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner / Steve Breuner	2343 Smallman Street	Pittsburgh	PA	15222	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner & Steve Breuner	Bridgeville - 3039 Washington Pike	Pittsburgh	PA	15017	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	116 Welsh Road	Horsham	PA	19044	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	220 Sugartown Road	Wayne	PA	19087	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	540 Kimberton Road, Store #5	Phoenixville	PA	19460	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	500 West Germantown Pike, Unit 1191	Plymouth Meeting	PA	19462	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	Granite Run, 1117 W. Baltimore Pike	Media	PA	19063	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner & Steve Breuner	Mall at Robinson, 1450 Robinson Centre Drive	Pittsburgh	PA	15205	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner & Steve Breuner	5241 Liberty Avenue, Unit 204	Pittsburgh	PA	15224	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner & Steve Breuner	2045 Mackenzie Way	Cranberry	PA	16066	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner & Steve Breuner	10020 Pendleton Way	Cranberry	PA	16066	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner & Steve Breuner	1500 Gilbert Way	Lancaster	PA	17601	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	2802 Audubon Village Drive	Audubon	PA	19403	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner & Steve Breuner	3905 Washington Road	McMurray	PA	15317	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	680 W. Dekalb Pike Space #1066	King of Prussia	PA	19406	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner & Steve Breuner	301 S. Hills Village Room 2100A	Bethel Park	PA	15241	303-522-5455
Eleven Eleven Pennsylvania, LLC	David Raduziner & Steve Breuner	177 Freeport Road	Blawnox	PA	15238	303-522-5455

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Howley Salon Group, Ltd.	Lee, Tom and Luke Howley	650 Bald Hill Road Unit 2	Warwick	RI	2886	440-759-0613
South Carolina Styling, LLC	Joe W. Pearce Jr	648 Longpoint Road Suite A,	Mt. Pleasant	SC	29464	843-229-9200
South Carolina Styling, LLC	Joe W. Pearce Jr	1220 Bower Parkway,	Columbia	SC	29220	843-229-9200
South Carolina Styling, LLC	Joe W. Pearce Jr	4400 Ft. Jackson Blvd. Suite 800	Columbia	SC	29205	843-229-9200
Palmetto Salon Management, LLC	Tanja Vossen	4025 N Kings Hwy., Unit 16	Myrtle Beach	SC	29577	704-763-2511
South Carolina Styling, LLC	Joe W. Pearce Jr	5222 Sunset Boulevard,	Lexington	SC	29072	843-229-9200
Four S Charlotte, LLC	Haynes Chidsey (Peter Pak)	3620 Pelham Road,	Greenville	SC	29615	303-881-7314
Palmetto Salon Management, LLC	Tanja Vossen	10800 Kings Rd	North Myrtle Beach	SC	29572	704-763-2511
South Carolina Styling, LLC	Joe W. Pearce Jr and David Coker	10055 Dorchester Rd.	Summerville	SC	29485	843-229-9200
Palmetto Salon Management, LLC	Tanja Vossen	1399 S. Commons D	Myrtle Beach	SC	29588	704-763-2511
Four S Charlotte LLC	Haynes Chidsey	816 Brayden Parkway Suite 106	Fort Mill	SC	29708	303-881-7314
Sola of S.D. LLC	Steve Schoepp	6010 S. Minn.	Sioux Falls	SD	57108	605-881-5541
Scott & Angie Duncan	Scott & Angie Duncan	501 Main St.	Rapid City	SD	57701	(605) 645-3003
Sola of Fargo ND LLC	Steve Schoepp	2571 South Westlake Drive	Sioux Falls	SD	57106	605-881-5541
Eleven Eleven Partners, LLC	David Raduziner / Steve Breuner	Bella Meade Galleria, Suite C05, 5133 Harding Pike	Nashville	TN	37205	303-522-5455
Eleven Eleven Tennessee, LLC	David Raduziner / Steve Breuner	Maryland Farms - 18 Cadillac Drive	Brentwood	TN	37027	303-522-5455
Eleven Eleven Tennessee, LLC	David Raduziner / Steve Breuner	1731 Mallory Lane, Suite 100,	Brentwood	TN	37027	303-522-5455
Eleven Eleven Tennessee, LLC	David Raduziner / Steve Breuner	4928 Homberg Drive Building B	Knoxville	TN	37919	303-522-5455
Eleven Eleven Tennessee, LLC	David Raduziner / Steve Breuner	206 Indian Lake Blvd.	Hendersonville	TN	37075	303-522-5455
Eleven Eleven Tennessee, LLC	David Raduziner / Steve Breuner	1113 Murfreesboro Road	Franklin	TN	37064	303-522-5455
Eleven Eleven Tennessee, LLC	David Raduziner / Steve Breuner	5714 Edmondson Pike	Nashville	TN	37211	303-522-5455

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Best & King, LLC	King Rogers and John Best	2115 Gunbarrel Rd.,	Chattanooga	TN	37421	205-440-2664
Eleven Eleven Tennessee, LLC	David Raduziner / Steve Breuner	Turkey Creek, 11324 Parkside Drive	Knoxville	TN	37934	303-522-5455
FMG Holdings LLC	Antonio Frye	2362 N Germantown Parkway,	Cordova	TN	38016	866-570-3689
Eleven Eleven Tennessee, LLC	David Raduziner / Steve Breuner	8135 Sawyer Brown Rd, Suite 705	Bellevue	TN	37221	303-522-5455
Eleven Eleven Tennessee, LLC	David Raduziner & Steve Breuner	2603 8th Ave S	Nashville	TN	37204	303-522-5455
Best & King, LLC	King Rogers and John Best	307 Manufacturers Rd	Chattanooga	TN	37405	205-440-2666
Best & King, LLC	King Rogers and John Best	5591 Highway 153, Suite 156	Hixson	TN	37343	205-440-2666
Eleven Eleven Tennessee, LLC	David Raduziner & Steve Breuner	2000 Richard Jones Rd, Suite 110	Nashville	TN	37215	303-522-5455
NDPDallas - 3405 Midway LLC	Mark Linder and Ryan Reazin	3405 Midway Road	Plano	TX	75093	214-244-8945
NDPDallas - 11909 Preston, LLC	Mark Linder and Ryan Reazin	11909 Preston Road, Suite 1436	Plano	TX	75230	214-244-8945
NDPartners, LLC	Mark Linder and Ryan Reazin	3190 S. Central Expressway, Suite 510	McKinney	TX	75070	214-244-8945
NDPartners, LLC	Mark Linder and Ryan Reazin	151 N. Nolan Drive, Suite 160	Southlake	TX	76092	214-244-8945
NDPartners, LLC	Mark Linder and Ryan Reazin	200 Marketplace Lane, Suite 200	Highland Village	TX	75077	214-244-8945
BCCD Holdings, LLC	Louie Crapitto and Mark Baird	23930 Westheimer Parkway,	Katy	TX	77494	713-888-4054
Sola Houston 1 LLC	John Platten	17947 I-45 S Ste 226,	Shenandoah	TX	77385	303-913-5281
NDPDallas - 5611 Colleyville, LLC	Mark Linder and Ryan Reazin	5611 Colleyville Blvd., Ste 240	Colleyville	TX	76034	214-244-8945
NDPDallas - 5200 Hulen LLC	Mark Linder and Ryan Reazin	5260 S Hulen Street,	Fort Worth	TX	76132	214-244-8945
NDPDallas - 1900 Preston LLC	Mark Linder and Ryan Reazin	1900 Preston Road, Ste 345,	Plano	TX	75093	214-244-8945
NDPDallas - 9140 North Freeway LLC	Mark Linder and Ryan Reazin	Alliance Town Center, 9140 North Freeway Ste 300,	Ft. Worth	TX	76177	214-244-8945
Halbro Texas 8 LLC	Scott Halperin	15909 San Pedro Ave.	San Antonio	TX	78232	713-202-8821
BCCD Sugarland Holdings LLC	Louie Crapitto and Mark Baird	3618 Highway 65, Suite 3640	Sugarland	TX	77478 -4402	713-888-4054
Salon Studios Austin, LLC	Mason Hamlin	Arboretum Crossing, 9333 Research Blvd Suite 280,	Austin	TX	78759	512-761-6801

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
BCCD Cinco Ranch East, LLC	Louie Crapitto and Mark Baird	Cinco East, 22167 Westheimer Parkway	Katy	TX	77450	713-888-4054
Sola Houston, LLC	John Platten	16000 Stuebner Airline	Spring	TX	77379	303-913-5281
Salon Studios Austin, LLC	Mason Hamlin	7301 Burnet Road, Suite 107,	Austin	TX	78757	512-761-6801
NDPDallas - 4140 Lemmon, LLC	Mark Linder and Ryan Reazin	4140 Lemmon Ave.	Dallas	TX	75219	214-244-8945
NDPDallas - 1106 W Arbrook LLC	Mark Linder and Ryan Reazin	1106-A West Arbrook Blvd.	Arlington	TX	76014	214-244-8945
IndoSolas, LLC	Prasad Potluri	110 Triple Creek Drive Suite 40	Longview	TX	75601	469-360-5667
Sola Houston LLC	John Platten	5836 N. Main Street	Houston	TX	77009	303-913-5281
Sola Franchise Ventures, LLC	Lance O'Pry / Mac Jones	7020 Quaker Avenue Suite 8,	Lubbock	TX	79424	713-376-7282
Maeker Be Stylish Rock Prairie Road Inc.	Stephen Maeker	1748 Rock Prairie Road	College Station	TX	77845	281-395-3509
BCCD Master, LLC	Louie Crapitto and Mark Baird	16921 El Camino Real,	Houston	TX	77058	713-888-4054
NDPartners LLC	Mark Linder and Ryan Reazin	475 SH 121 Bypass Ste. 200,	Lewisville	TX	75067	214-244-8945
BCCD Pasadena, LLC	Louie Crapitto and Mark Baird	4818 Fairmont Parkway,	Houston	TX	77505	713-888-4054
Sola Waco #1, LLC	Lance O'Pryand Mac Jones	1428 Wooded Acres Suite 100	Waco	TX	76710	713-376-7282
Sola Houston 1 LLC	John Platten	535 W 20th St.	Houston	TX	77008	303-913-5281
NDPDallas - 2705 Little Elm, LLC	Mark Linder and Ryan Reazin	2705 Little Elm Parkway #180	Little Elm	TX	75068	214-244-8945
BCCD Veranda, LLC	Louie Crapitto and Mark Baird	24022 Cinco Village Blvd. Suite 120	Katy	TX	77494	713-888-4054
Sola Houston I, LLC	John Platten	1900 West 18th St	Houston	TX	77008	303-913-5281
Halbro Texas 8 LLC	Scott Halperin	6454 N. New Braunfels Ave.	San Antonio	TX	78209	713-202-8821
Salon Studios Austin, LLC	Mason Hamlin	900 N Austin Ave #313	Georgetown	TX	78626	512-761-6801
Salon Studios Austin, LLC	Mason Hamlin	9500 IH-35	South Austin	TX	78748	512-761-6801
BCCD West U, LLC	Louie Crapitto and Mark Baird	5757 Woodway	Houston	TX	77057	713-888-4054
BCCD Holdings, LLC	Louie Crapitto and Mark Baird	Weslayan Street	Houston	TX	77005	713-888-4054
NDPDallas - 6959 Arapaho, LLC	Mark Linder and Scott Jackson	6959 Arapaho Road	Dallas	TX	75248	214-244-8945
BCCD Washington LLC	Louie Crapitto and Mark Baird	1818 Washington Ave	Houston	TX	77007	713-888-4054
Sola Mesquite #1, LLC	Lance O'Pry and Mac Jones	1515 Town East Boulevard	Mesquite	TX	75150	713-376-7282
Sola Midland #1, LLC	Lance O'Pry and Mac Jones	4400 North Midland Drive, Suite 2100	Midland	TX	79707	713-376-7282
Maeker Be Stylish Wildflower Drive Inc	Stephen and Christy Maeker	3001 Wildflower Dr, Ste C -3	Bryan	TX	77802	713-888-4054

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Halbro Texas 8 LLC	Mark Halperin & Scott Halperin	22906 US Hwy 281 N #104	San Antonio	TX	78258	901-233-4783
NDPDallas - 241 Town Pl LLC	Mark Linder and Scott Jackson	241 Town Pl	Fairview	TX	75069	214-244-8945
NDPDallas - 1321 Chisholm Trail LLC	Mark Linder and Scott Jackson	1321 Chisholm Trail #200	Euless	TX	76039	214-244-8945
Valentino Cove LLC (By Assignment)	Mary and Jeff French	19121 West Lake Houston Parkway Unit 106	Atascocita	TX	77346	713-857-6189
Steele Suites, LLC	Tom Steele	9285 South Village Shop Drive	Sandy	UT	84094	209-627-8201
Sola Orem, LLC	Tom Steele	570 East University Parkway	Orem	UT	84097	209-627-8201
Sola Sugar House, LLC	Tom Steele	1033 E. 2100 S. Suite 200	Salt Lake City	UT	84106	209-627-8201
Sola Richmond, LLC	David Aschheim	Short Pump - 4300 Pouncey Tract	Glen Allen	VA	23233	804-302-4498
Sola Swift Creek, LLC	David Aschheim	5005 Craig Rath Blvd.	Midlothian	VA	23112	804-302-4498
Sola Stonehenge LLC	David Aschheim	2021 Walmart Way,	Midlothian	VA	23113	804-302-4498
Sola Bermuda Crossroads LLC	David Aschheim	12108 Bermuda Crossroads Lane	Chester	VA	23831	804-302-4498
Edwards Street LLC	Don, Jim and Jeff DeBolt	301 Hooffs Run Drive	Alexandria	VA	22314	703-201-7733
Sola Carytown Square, LLC	David Aschheim	3224A West Cary Street	Richmond	VA	23226	804-302-4498
Sola Creighton Crossing, LLC	David Aschheim	8005 Creighton Parkway,	Mechanicsville	VA	23111	804-302-4498
Mojo Real Estate, LLC	Maureen and John Benkovich	8607 Westwood Center Drive	Tysons Corner	VA	22182	410-903-3815
Edwards Street LLC	Don, Jim and Jeff DeBolt	Hilltop - 6487 Old Beulah Street	Alexandria	VA	22315	703-201-7733
Sola Jefferson Commons, LLC	David Aschheim	12551 Jefferson Ave Suite 109	Newport News	VA	23602	804-302-4498
JAD Concord LLC	Don, Jim and Jeff DeBolt	6133 Backlick Road Suite D	Springfield	VA	22150	703-201-7733
JAD University Mall LLC	Don, Jim and Jeff DeBolt	10621 Braddock Road Suite K	Fairfax	VA	22032	703-201-7733
Sola Greenbrier, LLC	David Aschheim	717 North Eden Way Suite# 604	Chesapeake	VA	23320	804-302-4498
Sola New Town LLC	David Aschheim	Newtown - 5140 Main Street	Williamsburg	VA	23188	804-302-4498
JAD Central Park LLC	Don, Jim and Jeff DeBolt	1889 Carl D. Silver Pkwy	Fredericksburg	VA	22401	703-201-7733

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
JAD Ballston LLC	Don, Jim and Jeff DeBolt	One Ballston Plaza, 1010 N Glebe Rd,	Arlington	VA	22201	703-201-7733
Harris & Wesley Enterprises LLC	Kristin Harris	345 Merchant Walk Square	Charlottesville	VA	22902	425-246-7252
Sola Great Bridge, LLC	David Aschheim	565 Cedar Rd, #16	Chesapeake	VA	23322	804-302-4498
JAD Riverside LLC	Don, Jim and Jeff DeBolt	19945 Riverside Commons Plaza	Ashburn	VA	20147	703-201-7733
JAD Parkridge LLC	Don, Jim and Jeff DeBolt	10980 Bulloch Dr.	Manassas	VA	20109	703-201-7733
JAD Loudoun Station LLC	Don, Jim and Jeff DeBolt	22114 Gramercy Park Drive Building F	Ashburn	VA	20147	703-201-7733
Sola Salons Burlington, LLC	Phil Tonks	2141 Essex Road	Williston	VT	05495	802-456-7012
Seattle Sola, LLC	John Harlan / Stephen Rockafellow	909 112th Avenue NE., Suite 105	Bellevue	WA	98004	303-887-8815
Seattle Sola, LLC	John Harlan / Stephen Rockafellow	1823 Terry Avenue, Suite 105	Seattle	WA	98101	303-887-8815
Seattle Sola, LLC	John Harlan / Stephen Rockafellow	909 112th Avenue NE, Suite 205	Bellevue	WA	98004	303-887-8815
Seattle Sola, LLC	John Harlan / Stephen Rockafellow	15791 Bear Creek Parkway, Suite 100	Redmond	WA	98052	303-887-8815
Seattle Sola, LLC	John Harlan / Stephen Rockafellow	11007 5th Ave, Suite 9	Seattle	WA	98125	303-887-8815
Babita Salons LLC	Peter Pental / Jay Khara	5401 6th Ave Suite 300	Tacoma	WA	98406	206-255-6344
Susan J. Leslie	Susan Leslie	13875 SE Mill Plain Blvd.	Vancouver,	WA	98684	541-231-7488
Hunt Properties, LLC	Steve Hunt / Lois Bondy	351 Strander Blvd. Southcenter Plaza	Tukwila	WA	98188	360-731-1482
Salon Studios Northwest I	Gary C. Hughes	802 E. 29th Avenue, Suite #1	Spokane	WA	99203	509-552-1001
Top Notch Properties, LLC	Aaron Zach Lysen	13416 Bothell Everett Highway Suite 201	Mill Creek	WA	98012	425-246-7252
Hunt Properties, LLC	Steve Hunt / Lois Bondy	1414 South 324th Street,	Federal Way	WA	98003	360-731-1482
Babita Salons LLC	Peter Pental / Jay Khara	4301 South Meridian Street, Suite C	Puyallup	WA	98373	206-255-6344
Blue Springs, LLC	Susan Leslie	628 NE 81st Street, Suite B	Vancouver	WA	98665	541-231-7488
Nick Foster Holdings, Inc.	Nick Foster	0714 Bellis Fair	Bellingham	WA	98226	206-890-5068
Top Notch Properties, LLC	Zach Lysen	18420 33rd Avenue W	Lynnwood	WA	98037	425-246-7252

FRANCHISEE/OWNER	CONTACT NAME	OUTLET STREET ADDRESS	CITY	STATE	ZIP	PHONE
Top Notch Properties, LLC	Zach Lysen	22833 Bothell Everett Highway, Suite 200	Bothell	WA	98011	425-246-7252
Elevare, LLC	Dan Schulte, Leslee Bertsch, and Melissa Davis	1321 N. Columbia Center Blvd Suite 205-A	Kennewick	WA	99336	917-699-7777
Top Notch Properties, LLC	Zach Lysen	27331 172nd Ave SE suite 104	Covington	WA	98042	425-246-7252
WI Sola Salon LLC	Dan Hoeck	4780 Integrity Way	Grand Chute	WI	54913	920-366-7652
Green Bay Sola Group LLC	Dan Hoeck	2605 South Oneida Street	Green Bay	WI	54304	920-366-7652
Forbici Management Group, Inc.	Doug Reigle / Greg Straub	3001 Village Square Drive	Delafield	WI	53029	262-627-6739
Weston Partners LLC	Richard Siladi and Bob Greene	501 S Yellowstone Drive	Madison	WI	53719	414-467-6214
Vecera Enterprises, LLC	David and Gina Vecera	5319 S. 108th Street	Hales Corners	WI	53130	920-737-7159
Green Bay East Sola Group, LLC	Dan Hoeck	2415 Monroe Road	Depere	WI	54115	920-366-7652
Green Bay North Sola Group, LLC	Dan Hoeck	2450 Velp Ave	Green Bay	WI	54303	920-366-7652
Sola Salons Brookfield, LLC	David and Gina Vecera	17345 W. Capitol	Brookfield	WI	53045	920-737-7159
East Sola Group, LLC	Dan Hoeck	Appleton - N162 Eisenhower Drive	Appleton	WI	54915	920-366-7652
Weston Partners LLC	Rick Siladi and Bob Greene	1650 Deming Way	Middleton	WI	53562	414.467.6214
Roberta Ann Johnson	Roberta and Larry Johnson	6920 Green Bay Road	Kenosha	WI	53142	414-559-2887
Sola Salons Menomonee Falls LLC	David and Gina Vecera	N80 W14500 Appleton Ave	Menomonee Falls	WI	53051	920-737-7159
Cisco Chain Salons LLC	John Mathie	505-517 E Menomonee Street	Milwaukee	WI	53217	414-350-3196
By Faith Mount Pleasant, LLC	Roberta and Larry Johnson	13200 Globe Drive	Mount Pleasant	WI	53177	414-559-2887
Wausau Sola Group LLC	Dan Hoeck	226820 Rib Mountain Dr	Wausau	WI	54401	920-366-7652
Oshkosh Sola Group, LLC	Dan Hoeck	1868 Jackson St	Oshkosh	WI	54901	920-366-7652

LIST OF FRANCHISEES WITH SIGNED AGREEMENTS BUT OUTLETS NOT OPEN AS OF DECEMBER 31, 2021

Franchisee/Owner	Contact Name	City	State	Phone
Sola Birmingham II, LLC	King Rogers	Birmingham	AL	205-440-2664
A&C Suite Success LLC	Anthony and Cynthia Sanchez	Peoria	AZ	402-680-1206
A&C Suite Success, LLC	Anthony and Cynthia Sanchez	Phoenix	AZ	402-680-1206
Orange Hill Partners LLC	Anthony Ferrara and Angela Ferrara	Tempe	AZ	312-961-5507
Sola Salons Los Angeles LLC	Scott Ditsworth and Scott Sinnett	Los Angeles County - San Fernando Valley	CA	858-997-4116
Sola Salons Los Angeles LLC	Scott Ditsworth and Scott Sinnett	Arcadia	CA	858-997-4116
Mirken S IV, LLC	Mirko Marrone and Ken and Renae Hwang	Bakersfield	CA	858-775-4064
Mirken S II, LLC	Mirko Marrone and Ken and Renae Hwang	Glendale	CA	858-775-4064
Sola Salons Los Angeles LLC	Scott Ditsworth and Scott Sinnett	Montebello	CA	858-997-4116
John Rapp and Mike Khaziri	John Rapp and Mike Khaziri	Mountainview	CA	949-306-8800
Hawbrook Southbay LLC	Austin and Nick Campbell	National City	CA	858-386-3630
Sola Salons Los Angeles LLC	Scott Ditsworth and Scott Sinnett	Rowland Heights	CA	858-997-4116
Hawbrook Park Valley LLC	Austin and Nick Campbell	San Diego	CA	858-386-3630
SB Salon Suites LLC	Nader Hashual, Ron Hashual, Ramzi Salem	TBD California	CA	619-447-8800
West Coast Salon Studios LLC	Brett & Shawna Bortolussi/ Shay Stevenson	TBD Fresno, Tulare and Madera Counties	CA	559-500-1979
NBI Development, LLC	Scott Durland and Greg Sanders	Lafayette	CO	303-257-9576
Sola Fontana, LLC	Luke Wiedel	Littleton	CO	303.503.6680
Charles Reilly	Charles and Meegon Reilly	Castle Rock	CO	303-947-6147
Winged Helmet Ventures, Inc.	Jeff Eichenberg and Johanna White	Stamford	CT	203-539-1560
Individual Styles of Delaware, LLC	Jim McBride	New Castle County	DE	302-388-1635
Daniel Bowers	Daniel Bowers	Coral Gables	FL	561-252-5179
Soflo Ventures, LLC	David McKinnon and Ryan McKinnon	Davie	FL	734-645-6900
Banana River Studios LLC	Tom Callinan	Melbourne	FL	772-473-3418
Salon Innovators, LLC	Donald Harty	Naples	FL	917-544-9295
SDS Salon Partners III FL, LLC	Heather Safrit and David Donahower	TBD Palm Beach	FL	561-600-7652
TGSuites, LLC	Reed Nelson	TBD FL and AL Counties	FL	904-673-6019
BMO Holdings, LLC	Brian and Kelley Morrissey	Atlanta	GA	617-850-2195
Elevare, LLC	Dan Schulte, Leslee Bertsch, and Melissa Davis	TBD Idaho Counties	ID	917-699-7777
JHCW Studios LLC	Jerry and Helen Trousdale	Geneva	IL	847-606-3043
West Suburban Studios LLC	Brian Penn	TBD South Chicago Suburbs	IL	402-680-1206
Style Holdings, LLC	Myrle and Julie McNeal	Kansas City	KS	303-641-2148
Carpe DM, LLC	Maura Black	Lexington	KY	440-759-0613

Franchisee/Owner	Contact Name	City	State	Phone
Geaux Solo I, LLC	John Landry and Steven Goguen	Shreveport	LA	(228) 257-9051
Middlesex Salon Suites LLC	Mark Bouzianis	Middlesex County	MA	(603) 498-5563
G5 Management Group, Inc.	Kris and Sharon Gates	TBD Western MA	MA	
Howley Salon Group Ltd.	Lee, Tom and Luke Howley	Plymouth	MA	858-354-8582
Macbro P, LLC	Adam Heard & Larry Oppenheimer	TBD Suffolk County,	MA	440-759-0613
JM Sola, LLC	Jim McEvoy	Westminster	MD	858.354.8585
American Salons Clinton LLC	Don Strang	Clinton	MD	216-406-9381
American Salons Greenbelt, LLC	Don Strang	Greenbelt	MD	216-406-9381
Sola Salons Roseville, LLC	Scott Ditsworth	Roseville	MI	858-997-4116
Salon Freedom LLC	David Raduziner & Steve Breuner	Cherry Hill	NJ	303-522-5455
Midland Park Salon Studios LLC	Jerry and Tina Marcopoulos	Midland Park	NJ	201-788-9644
Toms River Salon Studios, LLC	Jerry and Tina Marcopoulos	Toms River	NJ	201-788-9644
Carden Ventures, LLC	Matthew and Valerie Spring	El Paso County, Texas or Dona Ana County, New Mexico	NM or TX	213-518-1420
JJ #1 LLC	Jacques Jannett and Sara Novetsky Walsh (Ariel Walsh)	Brooklyn	NY	248-390-6560
KBTC DEVCO LLC	Karl Baumert	Manhattan	NY	917-439-7954
SAMM Property MGMT LLC	Mitch Cohen, Marvin Goldfarb, and Alvin Goldstein	Nassau County or Queens County	NY	516-322-2526
Spectacular Salons Inc.	Jack Cushman, Jordan Cushman, and Ann Ammann	TBD Upstate NY	NY	315-952-7520
Sweet Life Management, LLC	Todd Sanders, Steve Kvasnik, Terry Tyree	TBD in OK	OK	515-778-8283
Salon Freedom, LLC	David Raduziner & Steve Breuner	Feasterville-Trevose	PA	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	Levittown	PA	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	Philadelphia	PA	303-522-5455
Salon Freedom, LLC	David Raduziner & Steve Breuner	Wynnewood	PA	303-522-5455
Eleven Eleven Tennessee, LLC	David Raduziner & Steve Breuner	Nashville	TN	303-522-5455
CKA Ventures LLC	Lam Tran	Beaumont or Port Arthur, Texas	TX	972-898-6869
Geaux Glam, Inc	Jason and Jennifer Thibodeaux	Cypress	TX	(580) 716-1155
Kreativ Concepts, LLC	Thaine Fischer	Ogden, UT	UT	801-823-3320
SWM Enterprise LLC	Sean and Shawna Manning	UT Counties	UT	801-599-6787
Sola Ridge, LLC	David Aschheim	Henrico	VA	804-302-4498
Babita Salons LLC	Peter Pental and Jay Khara	Pierce County	WA	206-255-6344
Dan Schulte	Dan Schulte	TBD WA Counties	WA	917-699-7777
AEM Partners LLC	David and Gina Vecera	Waukesha County	WI	920-737-7159
Mija LLC	Alicia Modjeska	Janesville	WI	262-313-7853
Jermac Holdings LLC	Gerald (Jermac) Mcglumphy	Morgantown	WV	(304) 215-2952

FRANCHISES TERMINATED, CANCELLED, NOT RENEWED OR OTHERWISE CEASED TO DO BUSINESS AS OF DECEMBER 31, 2021

No Franchise Agreement with an open outlet was terminated in 2021. Two Franchisee Agreements were terminated for which an outlet had never opened. In addition, our affiliate, SSS CA LLC, acquired eight outlets in California from franchisees owned by Aaron Ramsey.

Franchisee/Owner	Contact Name	City	State	Phone
Cannery Sola, LLC	Aaron Ramsey	Sacramento	CA	303-419-9743
Roseville Sola LLC	Aaron Ramsey	Roseville	CA	303-419-9743
Sacramento 1 Sola LLC	Aaron Ramsey	Sacramento	CA	303-419-9743
Folsom Sola, LLC	Aaron Ramsey	Folsom	CA	303-419-9743
Rocklin Sola, LLC	Aaron Ramsey	Rocklin	CA	303-419-9743
Sacramento Sola II, LLC	Aaron Ramsey	Sacramento	CA	303-419-9743
Auburn Sola LLC	Aaron Ramsey	Auburn	CA	303-419-9743
Elk Grove Sola LLC	Aaron Ramsey	Elk Grove	CA	303-419-9743
Ryan Zaninovich	Ryan and Carrie Zaninovich	San Fernando Valley	CA	714-944-9440
KJ Salons LLC	Jerry Gunderson	Grand Junction/Bonneville	CO/ID	702-292-2948

TRANSFERS

Franchisee/Owner	Contact Name	City	State	Current Business Telephone Number or Last Known Telephone Number
Eleven Eleven Partners, LLC	David Raduziner & Steve Breuner	San Mateo	CA	303-522-5455
Eleven Eleven California, LLC	David Raduziner & Steve Breuner	San Francisco	CA	303-522-5455
R & K Studios, LLC	Kevin Kane	Sioux City	IA	605-376-6900
Salon Partners LLC	Van Witthuhn	Prairie Village	KS	785-623-0649
Salon Partners LLC	Van Witthuhn	Leawood	KS	785-623-0649
Salon Partners LLC	Van Witthuhn	Overland Park	KS	785-623-0649
Platinum Partners LLC	Tom Beyrer	Louisville	KY	317-514-5633
Platinum Partners LLC	Tom Beyrer	Louisville	KY	317-514-5633
Platinum Partners LLC	Tom Beyrer	Louisville	KY	317-514-5633
Lost Boys SM, LLC	Tom Beyrer and Gage Cook	Louisville	KY	317-514-5633
R & K Studios, LLC	Kevin Kane	Omaha	NE	605-376-6900
R & K Studios, LLC	Kevin Kane	Omaha	NE	605-376-6900
Tulsa Salons, LLC	Jim Rouchka and Cory Hughes	Tulsa	OK	816-305-0390
Infinite Duo Suites, LLC	William Kohl	Myrtle Beach	SC	623-330-2655
Infinite Duo Suites, LLC	William Kohl	North Myrtle Beach	SC	623-330-2655
Infinite Duo Suites, LLC	William Kohl	Myrtle Beach	SC	623-330-2655
Dakotah Sola LLC	Richard Van Horn	Rapid City	SD	605-645-3003
Knoxville Studios Holdings, LLC	William Kirkland and Seth Argo	Knoxville	TN	615-480-9005
Knoxville Studios Holdings, LLC	William Kirkland and Seth Argo	Knoxville	TN	615-480-9005
Counting Stars Corp.	Lucille Stokes	Longview	TX	972-839-7866

EXHIBIT F

SOLA FRANCHISE, LLC

STATE SPECIFIC ADDENDA

CALIFORNIA

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the franchise be delivered together with the Disclosure Document.

2. Item 1 – California specific regulations

   In California, Barbers and Cosmetologists are governed by the California Business and Professions Code, Chapter 10 Division 3, The Barbering & Cosmetology Act. Information regarding the licensing and operational requirements in California can be obtained by contacting the California State Board of Barbering and Cosmetology by telephone at (800) 952-5210 or from its website located at www.barbercosmo.ca.gov.

3. Neither the franchisor, nor any person or franchise broker identified in Item 2 of this Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling the person from membership in the association or exchange.

4. California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement or multi-unit development agreement contains a provision that is inconsistent with the law, the law will control.

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

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

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

8. The franchise agreement requires binding arbitration. The arbitration will occur at Denver, CO with each party paying their own costs, plus one-half the arbitrator's fees.

9. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professional Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the state of California.

10. The franchise agreement and multi-unit development agreement require application of the laws of Colorado. This provision may not be enforceable under California Law.

11. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

12. You must sign a general release of claims if you renew or transfer your franchise. California corporations code §31512 voids a waiver of your rights under the franchise investment law (California corporations code §§31000 through 31516). Business and professions code §20010 voids a waiver of your rights under the franchise relations act (business and professions code §§20000 through 20043).

13. The earnings claims figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

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

15. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

16. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

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

ILLINOIS

Item 17(v) of the Franchise Disclosure Document, Section 16.06 of the Franchise Agreement and Section 7.2 of the Multi-Unit Development Agreement are amended to state that any provision that designates jurisdiction or venue in a forum outside the State of Illinois will not be enforceable and is amended to the extent required by Illinois law.

Item 17(v)(w) of the Franchise Disclosure Document, Section 16.06 of the Franchise Agreement and Section 7.2 of the Multi-Unit Development Agreement are amended to state: The governing law or choice of law clause that allows for jurisdiction or venue other than Illinois will not be enforceable under Illinois law and that Illinois law shall govern the Agreements. This governing law clause shall not be construed to negate the application of the Illinois Franchise Disclosure Act in all situations to which it is applicable.

Section 705(41) of the Illinois Franchise Disclosure Act states any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of 3 years after the act or transaction constituting the violation upon which it is based, the expiration of 1 year after the franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to the franchisee of a written notice disclosing the violation, whichever shall first expire. Item 17(b) of the Franchise Disclosure Document, Section 3 of the Franchise Agreement and Section 7.4 of the Multi-Unit Development Agreement are amended accordingly.

The conditions under which a franchise can be terminated and your rights upon nonrenewal, as well as the application by which you must bring any claims, may be affected by Sections 705/19 and 20 of the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/19 and 705/20.

{See the last page of this Exhibit F for your Signature.}

INDIANA

It is unlawful for any franchise agreement between any franchisor and a franchisee who is a resident of Indiana or a non-resident who is to operate the franchise in Indiana to contain a provision that requires a franchisee not to compete with the franchisor in an area greater than the exclusive territory granted in the franchise agreement or, if no exclusive territory is granted, in an area of more than reasonable size, upon Termination of a franchise agreement. (Ind. Code § 23-2-2.7-1(9)). Accordingly, the Franchise Agreement, the Multi-Unit Development Agreement and Item 17 of the Disclosure Document are amended to apply to the area within a 50-mile radius of the Sola Salon Studio.

The Franchise Agreement requires binding arbitration. The arbitration will occur in a state other than Indiana, with costs being borne by the non-prevailing party. The provision concerning the place where arbitration will occur is deleted from the Franchise Agreement and the Multi-Unit Development Agreement.

The Franchise Agreement and Multi-Unit Development Agreement requires application of the laws of another state. This provision is deleted from the Indiana Franchise and MUDA Agreement.

Item 17 of the Disclosure Document, Sections (u), (v), and (w), is amended to omit any reference to selection of an out-of-Indiana forum or choice of law.

The franchise agreement requires you to sign a general release of claims as a condition of renewing or reselling the franchise. Under the law of Indiana any provision that purports to bind a person acquiring a franchise to waive compliance with the franchise laws of Indiana is void. The Franchise Agreement, the MUDA and Item 17 of the Disclosure Document, Sections (b) (renewal) and (k) (transfer) are amended to omit the requirement that an Indiana Franchisee sign a general release of claims as a condition of renewal or resale. This will not prevent Franchisor from requiring you to sign a general release of claims as part of a settlement of a dispute.

MARYLAND

The following amends the Franchise Disclosure Document, Franchise Agreement, Multi-Unit Development Agreement, and Exhibit C to the Franchise Disclosure Document, the Compliance Questionnaire:

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.). Item 17H of the Franchise Disclosure Document, Section 4.3 of the Multi-Unit Development Agreement and Section 5.05 of the Franchise Agreement are amended to add this provision.

Item 17M of the Franchise Disclosure Document and Section 14.04(b) of the Franchise Agreement are amended to state that the general release required as a condition of sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Item 17 W of the Franchise Disclosure Document, Section 16.03 of the Franchise Agreement and Section 7.2 of the Multi-Unit Development Agreement are amended to state; A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Item 17 V of the Franchise Disclosure Document, Section16.06 of the Franchise Agreement and Section 7.2 of the Multi-Unit Development Agreement are amended to state; Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Section 19 of the Franchise Agreement, Section 8 of the Multi-Unit Development Agreement and Exhibit C of the Franchise Disclosure Document, the Compliance Questionnaire are amended to state: All representations requiring prospective franchisees to assent to a release, estoppels or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

{See the last page of this Exhibit F for your Signature.}

MINNESOTA

We will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require (except in certain specific cases) that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement, and that consent to transfer of the franchise will not be unreasonably withheld.

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400(J) may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document, Franchise Agreement, or MUDA can abrogate or reduce any of your rights as provided for in Minnesota Statutes Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. Notwithstanding the foregoing, this shall not bar enforcement of an arbitration clause.

In accordance with Minnesota Rule 2860.4400(J), to the extent required by law, the Disclosure Document, Franchise Agreement, and MUDA are modified so that we cannot require you to waive your rights to a jury trial or to consent to liquidated damages, termination penalties, or judgment notes.

Minnesota Rule 2860.4400(D) prohibits us from requiring you to assent to a general release of liability imposed by Minn. Stat. Chapter 80C; provided, this shall not bar the voluntary settlement of disputes. The Disclosure Document and Franchise Agreement are modified accordingly, to the extent required by Minnesota law.

Pursuant to Minn. Stat. Sec. 80C.12, Subd. 1(g), Minnesota considers it unfair not to protect the franchisee's right to use the trademarks. To the extent required by Minnesota law, we will protect your right to use the primary trademark, service mark, trade name, logotype, or other commercial symbol from third parties or will indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit, or demand regarding your use of our primary trade name in accordance with the requirements of the Franchise Agreement and our standards.

Pursuant to Minn. Stat. Sec. 80C.17, Subd. 5, to the extent required by law, the Franchise Agreement, the MUDA, and Item 17 of the Disclosure Document are amended to state that no action may be commenced pursuant to Minn. Stat. Sec. 80C.17 more than three years after the cause of action accrues.

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT D OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

   Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

   A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

   B. No such party has pending actions, other than routine litigation incidental to the business, 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.

   C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

   D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "**Requirements for franchisee to renew or extend**," and Item 17(m), entitled "**Conditions for franchisor approval of transfer**":

   However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**":

   The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH DAKOTA

Item 17(c) Disclosure Document and Section 3.04 of the Franchise Agreement requiring you to sign a general release upon renewal of the franchise may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Item 17(i) of the Disclosure Document and Section 16.02 of the Franchise Agreement requiring you to consent to termination or liquidated damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Item 17(r) of the Disclosure Document and Section 15 of the Franchise Agreement restricting competition are generally considered unenforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Item 17(u) of the Disclosure Document, Section 16.06 of the Franchise Agreement and Section 7.2 of the Multi-Unit Development Agreement requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law. The site of arbitration or mediation must be agreeable to all parties.

Item 17(w) of the Disclosure Document, Section 16.06 of the Franchise Agreement and Section 7.2 of the Multi-Unit Development Agreement relating to choice of law, may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Disclosure Document, Section 16.06 of the Franchise Agreement and Section 7.2 of the Multi-Unit Development Agreement requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Sections of the Disclosure Document, Section 16.06 of the Franchise Agreement and Section 7.3 of the Multi-Unit Development Agreement requiring the franchisee to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

Sections of the Disclosure Document and Section 16.07 of the Franchise Agreement requiring the franchisee to consent to a limitation of claims within one year may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law.

The Franchise Agreement stipulates that the franchisee shall pay all costs and expenses incurred by the franchisor in enforcing the agreement, which may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law and are amended accordingly to the extent required by law. The prevailing party in any enforcement action is entitled to recover costs and expenses including attorney's fees.

RHODE ISLAND

The Rhode Island Securities Division requires the following specific disclosures to be made to prospective Rhode Island franchisees:

§19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Act."

VIRGINIA

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Sola Franchise, LLC for use in the Commonwealth of Virginia is amended as follows:

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 does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

The following is added to the "Special Risks to Consider About *This* Franchise" page of the Franchise Disclosure Document:

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

ACKNOWLEDGMENT:

If any one of the preceding State Specific Addenda ("Addenda") is checked as an "Applicable Addenda" below, then that Addenda will be incorporated into the Franchise Disclosure Document and/or, if applicable as indicated in such Addenda, the Franchise Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document or, as applicable, Franchise Agreement or other specified agreement(s), the terms of the Applicable Addenda will supersede the terms of the Franchise Disclosure Document or, as applicable, Franchise Agreement or other specified agreement(s).

□ California	□ New York
□ Illinois	□ North Dakota
□ Indiana	□ Rhode Island
□ Maryland	□ Virginia
□ Minnesota	

FRANCHISOR:

SOLA FRANCHISE, LLC

By: _____
Title: Authorized Signatory

FRANCHISEE

_____

By: _____

Title: _____

By: _____

Title: _____

EXHIBIT G

SOLA FRANCHISE, LLC

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EXHIBIT G
SOLA FRANCHISE, LLC
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EXHIBIT H

SOLA FRANCHISE, LLC

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

EXHIBIT H
SOLA FRANCHISE, LLC

NONDISCLOSURE AND NONCOMPETITION AGREEMENT

This Nondisclosure and Noncompetition Agreement ("**Agreement**") is made and entered into effective this date _____ by and between **Sola Franchise, LLC,** a Colorado limited liability company ("**Company**"), located at 300 Union Boulevard, Suite 600, Lakewood, Colorado 80228, _____("Franchisee"), and _____ ("**Associate"**), who resides at _____ _____, and is associated with Franchisee of the Business as _____.

RECITALS

A. The Company is engaged in the business of selling franchises for the operation of a location to provide salon studio licenses and/or rentals ("**Business**"), known as "**Sola Salon Studios**" or "**Sola Salons**" ("**Studios**"). The Business is operated under the Company's service mark "Sola Salon Studios" or "Sola Salons" and other service marks, trademarks, logo types, architectural designs, trade dress and other commercial symbols (collectively "**Marks**");

B. The Company has developed methods for establishing, operating and promoting the Business pursuant to the Company's distinctive business format, plans, methods, data, processes, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, trademarks, proprietary marks and information and know-how of the Company ("**Confidential Information**") and such Confidential Information as may be further developed from time to time by the Company;

C. The Company has established substantial goodwill and an excellent reputation with respect to the quality of salon studio rentals, which goodwill and reputation have been and will continue to be of major benefit to the Company;

D. The Company has granted Franchisee the right to operate a Business of the Company. Associate is or will become involved with the Company in the capacity of an officer, partner, director, agent, employee, principal, or as a beneficial owner of the Franchisee, or as an immediate family member of the Franchisee and will become privileged as to certain Confidential Information; and

E. Franchisee, Associate, and the Company have reached an understanding with regard to nondisclosure by Franchisee and by Associate of Confidential Information and with respect to noncompetition by Franchisee and Associate with the Company.

NOW THEREFORE, in consideration of the foregoing, the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Franchisee, Associate and the Company, intending legally to be bound, agree as follows:

1. Confidential Information. Franchisee, Associate, and the Company acknowledge that the distinctive business format, plans, methods, data, processes, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, trademarks, proprietary marks, non-public information, marketing materials, business strategies and financial information, reports, plans, data, and other confidential information, along with work papers, studies, and other documents prepared by or on behalf of Company which contain or reflect such information and information and know-how of the Company which are developed and utilized in connection with the operation of the Business are the Company's Confidential Information. Such Confidential Information is unique, exclusive property and a trade secret of the Company. Franchisee and

Associate acknowledge that any unauthorized disclosure or use of the Confidential Information would be wrongful and would cause irreparable injury and harm to the Company. Franchisee and Associate acknowledges that the Company has taken numerous precautions to guard the secrecy of the Confidential Information and that it would be very costly for competitors to acquire or duplicate the Confidential Information. Confidential Information will not include information that is already in the public domain, information that comes into the public domain through no fault or breach by you, and information that is already known to you before this Agreement.

2. Lists and Operations Manuals as Trade Secrets. It is understood that Confidential Information, constituting "trade secrets", as used in this Agreement, is deemed to include, without limitation, product components, supplier information, lists of and information regarding actual and prospective customers of any Business or Studio, and any and all information contained in the Company's Operating Manual (as defined in the Franchise Agreement), which may be provided as one or more separate print or electronic manuals, or written instructional guides, as the same are changed or supplemented from time to time, and any information of whatever nature which gives the Company an opportunity to obtain an advantage over its competitors who do not have access to, know or use such lists, written materials, or information.

3. Nondisclosure of Confidential Information. Franchisee and Associate shall not at any time, publish, disclose, divulge or in any manner communicate to any person, firm, corporation, association, partnership or any other entity whatsoever or use, directly or indirectly, for its own benefit or for the benefit of any person, firm, corporation or other entity other than for the use of the Company or the Business, any of the Confidential Information of the Company. Franchisee and Associate will take necessary steps to ensure that before allowing of the Business's employees or independent contractors to perform work at the Business or the franchise location or otherwise to access Franchisor's Confidential Information is aware of this agreement and will agree not to disclose any of Franchisor's Confidential Information.

4. Noncompetition Covenant. Franchisee and Associate acknowledges that, in addition to the license of the Marks hereunder, which shall be defined as any trademarks, trade names, service marks, and logos, which the Franchisor has also licensed commercially, as well as valuable information which comprises and is a part of the Business, including without limitation, proprietary processes, operations, Company's Confidential Information, including marketing and related information and materials, derive value not only from the time, effort and money which went into its compilation, but from the usage of the same by all franchisees of Company using the Marks and Company's Confidential Information. Therefore, in order to protect Company's trade secrets and other Confidential Information, Franchisee and Associate agree that other than the Business licensed herein, neither Franchisee, Associate nor any of Franchisee's officers, directors, shareholders, partners, members, nor any member of his, her or their immediate families (but as it relates to an immediate family member only if such family member has performed work for the Business or has accessed the Company's Confidential Information), will during the term of this Agreement:

(a) have any direct or indirect controlling interest as a disclosed or beneficial owner in a Competitive Business (as defined below);

(b) perform services as a director, partner, officer, manager, employee, consultant, representative, agent or otherwise for a Competitive Business; or

(c) divert or attempt to divert any business related to, or any tenant or account of the Sola Salon Studio, the Franchisee, and/or the Company to any Competitive Business by any direct inducement or otherwise.

The term "**Competitive Business**" as used in this Agreement will mean any other business or enterprise that develops, operates, constructs, manages, provides, rents or leases studios, suites, offices or rooms to individuals, businesses or groups that provide spa services, barbering, beauty services, cosmetology

services, wellness services, personal care services, massage services, nail care services, skin care services, teeth-whitening services, skin tanning services, hair loss treatments services and hair treatment services and other similar personal services. Notwithstanding the foregoing, Associate, Franchisee, its owners, members, partners, principals, and if an individual, members of its immediate family will not be prohibited from owning securities in a Competitive Business if such securities are listed on a stock exchange or traded on the over-the-counter market and represent in the aggregate five percent (5%) or less of that class of securities issued and outstanding.

5. Post-Termination Covenant Not to Compete. The Agreement will remain in effect until the earlier of (a) the date that Franchisee is no longer a franchisee of the Company—that is, until any franchise agreement between Franchisee and Company expires, is not renewed, or otherwise terminates, or (b) the date that Associate (or Associate's immediate family member) is no longer an officer, partner, director, agent, employee, principal, or as a beneficial owner of Franchisee. Upon termination or expiration of this Agreement for any reason, Franchisee and Associate agree that, for a period of two (2) years commencing on the effective date of termination or expiration, or the date on which Franchisee or Associate ceases to conduct business, whichever is later, neither Associate nor any of Franchisee's officers, directors, shareholders, managers, members, or partners will have any direct or indirect interest (through any immediate family member of Franchisee, or its owners or otherwise) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent or in any other capacity in any Competitive Business, as defined above, (i) located or operating within a twenty (20) mile radius from the (a) address of Franchisee's Studio, and (b) from any other franchised or company-owned Sola Salons; (ii) on the Internet; and (iii) on any other multi-area marketing channels used by Company. The restrictions of this Section will not be applicable to the ownership of shares of a class of securities listed on a stock exchange or traded on the over-the-counter market that represent five percent (5%) or less of the number of shares of that class of securities issued and outstanding. Franchisee and Associate, expressly acknowledge that Associate and Franchisee, its officers, directors, shareholders, managers, members and partners possess skills and abilities of a general nature and have other opportunities for exploiting such skills. Consequently, enforcement of the covenants made in this Section will not deprive them of their personal goodwill or ability to earn a living.

6. Acknowledgment. Franchisee and Associate hereby acknowledge and agree that neither Franchisee nor Associate is an employee or joint employee of the Company.

7. Injunction. Franchisee and Associate hereby acknowledge and agree that in the event of any breach or threatened breach of this Agreement, the Company shall be authorized and entitled to seek, from any court of competent jurisdiction, preliminary and permanent injunctive relief in addition to any other rights or remedies to which the Company may be entitled.

8. Effect of Waiver. The waiver by Franchisee, Associate, or the Company of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach thereof.

9. Binding Effect. This Agreement shall be binding upon and inure to the benefit of Franchisee, Associate, and the Company and their respective heirs, executors, representatives, successors and assigns.

10. Entire Agreement. This instrument contains the entire agreement of Franchisee, Associate, and the Company relating to the matters set forth herein. It may not be changed verbally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

11. Governing Law. This instrument shall be governed by and construed under the laws of the state of Colorado.

12. Jurisdiction and Venue. In the event of a breach or threatened breach by Franchisee or Associate of this Agreement, Franchisee and Associate hereby irrevocably submits to the jurisdiction of the

state and federal courts of Colorado, and irrevocably agrees that venue for any action or proceeding shall be in the state and federal courts of Colorado. Both parties waive any objection to the jurisdiction of these courts or to venue in the state and federal courts of Colorado. Notwithstanding the foregoing, in the event that the laws of the state where the Associate resides prohibit the aforesaid designation of jurisdiction and venue, then such other state's laws shall control.

13. Severability. If any provision of this Agreement shall be held, declared or pronounced void, voidable, invalid, unenforceable or inoperative for any reason, by any court of competent jurisdiction, government authority or otherwise, such holding, declaration or pronouncement shall not affect adversely any other provisions of this Agreement which shall otherwise remain in full force and effect.

14. Attorneys' Fees. In any action at law or in equity to enforce any of the provisions or rights under this Agreement, the unsuccessful party in such litigation, as determined by the court in a final judgment or decree, shall pay the successful party or parties all costs, expenses and reasonable attorneys' fees incurred therein by such party or parties (including without limitation such costs, expenses and fees on any appeals), and if such successful party shall recover judgment in any such action or proceeding, such costs, expenses and attorneys' fees shall be included as part of such judgment.

{Signatures appear on the following page}

IN WITNESS WHEREOF, the parties have signed this Agreement on the date first above written.

SOLA FRANCHISE, LLC

_____
[Signature]

Ben Jones
[Print name]

Title: Authorized Signatory

ASSOCIATE:

_____
[Signature]

_____
[Print Name]

CAPACITY WITH FRANCHISED BUSINESS

_____

FRANCHISEE:

_____
[Signature]

_____
[Print Name]

_____
[Title]

EXHIBIT I

SOLA FRANCHISE, LLC

MULTI-UNIT DEVELOPMENT AGREEMENT

EXHIBIT I
SOLA FRANCHISE, LLC

MULTI-UNIT DEVELOPMENT AGREEMENT

THIS MULTI-UNIT DEVELOPMENT AGREEMENT (the "Agreement") is made this date _____ ("Effective Date") by and between _____ _____, with a principal business address at _____ ("Developer" or "you"), and SOLA FRANCHISE, LLC, a Colorado limited liability company, located at 300 Union Boulevard, Suite 600, Lakewood, Colorado 80228 ("Franchisor").

RECITALS

WHEREAS, Franchisor offers franchises for the establishment of businesses, known as "Sola Salon Studios" or "Sola Salons" ("Locations"). The Locations are operated under the Franchisor's service word mark "Sola Salon Studios," "Sola Salons," other logos, trademarks, service marks and commercial symbols (collectively, "Marks") and pursuant to the Franchisor's distinctive business format, systems, methods, procedures, designs, layouts and specifications ("Licensed Methods") for the establishment, operation and promotion of the Locations;

WHEREAS, Developer desires to use the Franchisor's Marks and Licensed Methods in connection with the development of a certain number of Locations in a specific geographical area as described herein. The Franchisor desires to grant the Developer the right to establish and operate such Locations under the terms and conditions which are contained in this Agreement; and,

WHEREAS, all capitalized references not defined in this Agreement will have the same meaning as described in the Initial Franchise Agreement (as defined below) being executed by the Franchisor and Developer or Developer's affiliate concurrently with this Agreement as of the Effective Date.

NOW THEREFORE, the parties therefore agree as follows:

1. GRANT OF DEVELOPMENT RIGHTS

1.1. Development Area. The Franchisor grants to the Developer the right, and the Developer undertakes the obligation, to develop and establish Locations using the Franchisor's Marks and Licensed Methods at locations within the geographic area ("Development Area") described in the Addendum to Multi-Unit Development Agreement, attached as Attachment A to this Agreement ("Addendum").

1.2. Franchisor's Reservation of Rights. The Developer acknowledges that the rights granted in this Agreement are non-exclusive and that the Franchisor, its affiliates and successors reserve the rights, among others and without payment of compensation to the Developer to use and to license others to use, the Marks and Licensed Methods in connection with the operation of Sola Salons at any location other than the Protected Territory established around Developer's Locations.

1.3. Franchise Agreements. Developer or Developer's affiliate must sign Franchisor's then-current form of franchise agreement for each unit opened under the terms of this Agreement. These franchise agreements may not be the same as the Initial Franchise Agreement signed concurrently with this Agreement. The Developer or Developer's affiliate shall comply with the terms and conditions of each franchise agreement as a part of Developer's obligations hereunder. Developer acknowledges that any failure to execute or comply with the franchise agreements will be treated as a breach of this Agreement.

2. INITIAL FEES

2.1. Fees. Concurrently with the execution of this Agreement, the Franchisor acknowledges that, in consideration of the development rights granted herein, and the development opportunities lost or deferred as a result of the rights granted to the Developer hereunder, the Developer shall pay the following sums (collectively, the "Fees"):

	Two (2) Units	Three (3) Units	Six (6) Units	Twelve (12) Units
New Franchisee	$20,000	$45,000	$120,000	$220,000
Existing Franchisee	$20,000	$40,000	$100,000	$220,000

These Fees are in addition to any Initial Franchise Fee due from or paid by Developer or Developer's affiliate under the franchise agreement signed concurrently herewith (the "Initial Franchise Agreement"). The Initial Franchise Agreement will count as the first unit developed under this Agreement. There are no refunds of the Fees under any circumstances.

As used in this Section 2.1, "New Franchisee" means a developer that, as a franchisee as of the Effective Date, has not previously opened for business a Location pursuant to an executed franchise agreement with Franchisor. As used in this Section 2.1, "Existing Franchisee" means a developer that, as a franchisee as of the Effective Date, has opened for business a Location pursuant to an executed franchise agreement with Franchisor.

2.2. Fees Nonrefundable. All Fees hereunder are nonrefundable once paid to the Franchisor and under no circumstances will the Developer be entitled to a refund, return or rebate of any portion of these fees.

3. DEVELOPMENT OBLIGATIONS

3.1. Development Schedule.

a. Two Unit Development Schedule: At a minimum, the Developer shall develop the number of Locations in the Development Area during each period from the Effective Date of this Agreement ("Development Period") in accordance with the schedule ("Development Schedule") described in the Addendum, but in no event will the development exceed 30 months (2.5 years). For purposes herein, "develop" means to be open for retail business. The Developer agrees that time is of the essence with respect to compliance with the Development Schedule.

b. Three Unit Development Schedule: At a minimum, the Developer shall develop the number of Locations in the Development Area during each period from the Effective Date of this Agreement ("Development Period") in accordance with the schedule ("Development Schedule") described in the Addendum, but in no event will the development exceed 42 months (3.5 years). For purposes herein, "develop" means to be open for retail business. The Developer agrees that time is of the essence with respect to compliance with the Development Schedule.

c. Six Unit Development Schedule: At a minimum, the Developer shall develop the number of Locations in the Development Area during each period from the Effective Date of this Agreement ("Development Period") in accordance with the schedule ("Development Schedule") described in the Addendum, but in no event will the development exceed 66 months (5.5 years). For purposes herein, "develop" means to be open for retail business. The Developer agrees that time is of the essence with respect to: compliance with the Development Schedule.

d. Twelve Unit Development Schedule: At a minimum, the Developer shall develop the number of Locations in the Development Area during each period from the Effective Date of this Agreement ("Development Period") in accordance with the schedule ("Development Schedule") described in the Addendum, but in no event will the development exceed 90 months (7.5 years). For purposes herein, "develop" means to be open for retail business. The Developer agrees that time is of the essence with respect to: compliance with the Development Schedule.

3.2. Training and Other Development Assistance. The Developer may request that Franchisor waive the initial training program which is the same as or similar to the training provided under Section 6.1 of the Initial Franchise Agreement executed concurrently herewith, for the second and any subsequent Location developed under the terms of this Agreement, and Franchisor will not unreasonably deny such request. The Developer may request additional assistance from the Franchisor in connection with site selection, site feasibility studies, lease negotiations and other issues related to development of its Development Area. If the Franchisor agrees to provide, or designates a third party to provide, such assistance, in the Franchisor's sole discretion, the Developer shall pay all travel, lodging, living expenses, telephone charges and other identifiable expenses incurred in connection with such assistance, plus a fee based on hourly time spent by any of the Franchisor's or its designee's employees in connection with such assistance.

4. TERM AND TERMINATION

4.1. Term. This Agreement shall commence as of the date of execution hereof and, unless earlier terminated, shall end on the last day of the calendar month that the final Location is required to be developed and opened under the Development Schedule. After expiration of the term, or earlier termination of this Agreement as provided below, subject to any Protected Territory granted under any franchise agreements which have not expired or been terminated, the Franchisor shall have the right to establish, or license any other party to establish Locations anywhere within the Development Area.

4.2. Termination By Developer. This Agreement may be terminated by the Developer for any reason upon sixty (60) days prior written notice to all parties, provided that the Developer will not be entitled to a refund of any fees paid hereunder under any circumstances. Upon termination under this Section 4.2, neither party shall have any further rights or obligations under this Agreement, and Developer shall not be responsible for any lost royalties or other fees payable to Franchisor for any Locations permitted hereunder by not developed by Developer.

4.3. Termination By Franchisor - Immediately Upon Notice. The Franchisor may, at its option, terminate this Agreement and all rights granted to the Developer hereunder, without affording the Developer any opportunity to cure any default (subject to any state laws to the contrary, where state law shall prevail), effective upon notice to the Developer, addressed as provided in Section 9.7, upon the occurrence of any of the following events:

a. Abandonment. If the Developer ceases to actively engage in development activities in the Development Area or otherwise abandons the business authorized hereunder for a period of three consecutive months, or any shorter period that indicates an intent by the Developer to discontinue development of Sola Salons in the Development Area. The Developer's inability to locate and acquire or lease feasible and approvable sites for Locations will not be deemed abandonment; provided, however, the Franchisor may require reasonable documentation of active efforts in this regard;

b. Insolvency; Assignments. If the Developer or its affiliates becomes insolvent or is adjudicated a bankrupt; or if any action is taken by the Developer or its affiliates, or by others against the Developer or its affiliates under any insolvency, bankruptcy or reorganization act (this provision may not

be enforceable under federal bankruptcy law, 11 U.S.C. §§ 101 et seq.); or if the Developer or its affiliates makes an assignment for the benefit of creditors or a receiver is appointed by the Developer or its affiliates;

c. Unsatisfied Judgments; Levy; Foreclosure. If any material judgment (or several judgments which in the aggregate are material) is obtained against the Developer and remains unsatisfied or of record for 30 days or longer (unless a supersedeas or other appeal bond has been filed); or if execution is levied against the Developer's business or any of the property used in the operation of the Sola Salons and is not discharged within five days; or if the real or personal property of the Developer's business shall be sold after levy thereupon by any sheriff, marshal or constable;

d. Criminal Conviction. If the Developer or any Developer's affiliates, or any of its owners, partners, managing members, officers or directors ("Principals") is convicted of a felony, a crime involving moral turpitude, or any crime or offense that is reasonably likely, in the sole opinion of the Franchisor, to materially and unfavorably affect the Licensed Methods, Marks, goodwill or reputation thereof;

e. Failure to Make Payments. If the Developer fails to pay any Initial Fees or any other amounts due the Franchisor or its affiliates within 10 days after notice to Developer that such fees or amounts are overdue;

f. Misuse of Marks. If the Developer misuses or fails to follow the Franchisor's directions and guidelines concerning use of the Franchisor's Marks and fails to correct the misuse or failure within 10 days after notification from the Franchisor;

g. Unauthorized Disclosure. If the Developer intentionally or negligently discloses to any unauthorized person the contents of or any part of the Franchisor's Manual (as defined and described in the Franchise Agreement), or any other trade secrets or confidential information of the Franchisor;

h. Violation of Restrictive Covenants. If the Developer, its affiliates, Principals, or any individual subject to the Restrictive Covenants described in Article 5 below intentionally or negligently violates those covenants;

i. Repeated Noncompliance. If the Developer has previously received notices of three or more defaults (whether different defaults noticed together or three separate instances of the same default) pursuant to Section 4.4 below in a Development Period and is again in default of this Agreement within the Development Period, regardless of whether the previous default was cured by the Developer;

j. Unauthorized Transfer. If the Developer sells, transfers or otherwise assigns this Agreement, a franchise agreement executed pursuant to this Agreement, or any rights to develop a Location hereunder, or an interest in the Developer entity or this Agreement, without complying with the provisions of Article 6 below;

k. Material Misrepresentations. If the Developer has made any material misrepresentation or omission in connection with Developer's purchase of the development rights under this Agreement that materially impacts Franchisor; or

l. Termination of Franchise Agreement. If Franchisor terminates any franchise agreement between the Franchisor and the Developer (or Developer's affiliate) for cause.

4.4. Termination by Franchisor - Thirty Days' Notice. The Franchisor shall have the right to terminate this Agreement (subject to any state laws to the contrary, where state law shall prevail), effective

upon 30 days written notice to the Developer ("Breach Notice"), if the Developer breaches any provision of this Agreement other than those provisions listed in Section 4.3 above and fails to cure the default during such 30 day period. In that event, effective upon expiration of the 30-day period, this Agreement will terminate without further notice to the Developer. Defaults shall include, but not be limited to, the following:

a. Failure to Maintain Standards. The Developer fails to maintain the then current operating procedures and adhere to the specifications and standards established by the Franchisor as set forth herein or in the Manual (as defined and described in the Initial Franchise Agreement), or as otherwise communicated to the Developer;

b. Deceptive Practices. The Developer engages in any unauthorized business or practice or sells any unauthorized product or service under the Franchisor's Marks or under a name or mark which is confusingly similar to the Franchisor's Marks;

c. Failure to Obtain Consent. The Developer fails, refuses or neglects to obtain the Franchisor's prior written approval or consent as required by this Agreement;

d. Failure to Comply with Manual. The Developer fails or refuses to comply with the then-current requirements of the Manual (as defined and described in the Initial Franchise Agreement);

e. Breach; Failure to Timely Develop. If the Developer fails to perform, satisfy or observe any term or condition of this Agreement; including without limitation, failure to open new Locations in accordance with the Development Schedule.

Notwithstanding the foregoing, if the breach (i) is other than as stated in Section 4.4(e) and (ii) is curable, but is of a nature which cannot be reasonably cured within such 30-day period and the Developer has commenced and is continuing to make good faith efforts to cure the breach during such 30-day period, the Developer may apply in writing for an extension of time to cure the breach, and, if Franchisor agrees to grant an extension at Franchisor's sole option, this Agreement shall not terminate as long as Developer completes such cure within ninety (90) days after Franchisor's delivery of the Breach Notice under this Section 4.4. Absent an application for an extension of time to cure the breach or if Franchisor rejects Developer's application of an extension, this Agreement shall automatically terminate at the end of such 30-day notice period, unless the Developer cures the default set forth in such notice within said 30-day period.

For a breach stated in Section 4.4(e), whereby Developer fails to open the cumulative Minimum Number of Locations in the Development Area within any Development Period set forth in the Development Schedule, Developer may request, in writing, an extension of time from the Franchisor ("Extension Request"). The Extension Request must be submitted to Franchisor prior to the Last Day of Development Period set out in the Development Schedule. Franchisor may approve or disapprove the Extension Request in is sole determination. If Franchisor approves the request, the Last Day of the Development Period for the applicable Development Period will be extended for a 30-day period ("Extension Period"). No more than two extensions for any Development Period will be granted. No extension for any Development Period will affect the duration of any other Development Period or any of Developer's other development obligations. Each extension may be conditioned upon payment of a $5,000 extension fee. If Developer does not submit an Extension Request prior to the Last Day of Development Period, this Agreement shall automatically terminate at the end of the 30-day notice period, unless the Developer cures the default set forth in such notice within said 30-day notice period. If Developer is granted an extension in accordance with this Section 4 and Developer fails to open the Location within the Extension Period, this Agreement will automatically terminate at the end of the Extension Period, unless

Franchisor grants a second extension in accordance with this Section 4. If Developer is granted a second extension in accordance with this Section 4 and Developer fails to open the Location within the second Extension Period, this Agreement will automatically terminate at the end of the second Extension Period.

5. NON-COMPETITION AND NONDISCLOSURE

Before Developer or any of its owners, members, company managers, partners, shareholders, officers, directors, agents, beneficial owners, principal employees, or immediate family members perform any work under this Agreement or otherwise have access to Franchisor's confidential information, said Developer, owner, member, manager, partner, shareholder, officer, director, agent, beneficial owner, principal employee, or immediate family member who is to perform such work or have access to such confidential information shall execute Franchisor's then-current Nondisclosure and Noncompetition Agreement. A copy of all such signed agreements shall be delivered to Franchisor within one week of their execution.

6. ASSIGNMENT

6.1. Assignment By Franchisor. This Agreement is fully assignable by the Franchisor and shall inure to the benefit of any assignee or other legal successor in interest, and the Franchisor shall be fully released from any and all obligations hereunder.

6.2. Assignment By Developer. The Developer or, if Developer is an entity, then also the owner(s) of Developer, may not sell, transfer or assign its (or their) rights under this Agreement or any interest in it or any part of the Developer entity. The only exception to this prohibition is a transfer or assignment to an entity that is an Approved Affiliate as defined below. An Approved Affiliate must be a wholly owned subsidiary of the Developer or an entity (A) controlled by Developer or the individual owners of Developer as either the (i) general partner of a limited partnership, (ii) the managing member of a limited liability company or (iii) the majority shareholder and chairman of the board of a corporation and (B) of which Developer or the individual owners of Developer own at least 33% of all ownership interest, unless these requirements are waived by the Franchisor, in its sole discretion. The assignment to an Approved Affiliate will be approved by the Franchisor provided that:

a. One of the individual owners of the Approved Affiliate or the Developer, if the Developer is the parent of the Approved Affiliate, who has a minimum of 33% of the ownership interest in the Approved Affiliate or the Developer, shall be designated by the Developer to supervise and direct the development of each Location to be developed hereunder ("Managing Owner"); and

b. The Managing Owner and each other owner shall, at the request of the Franchisor, execute a separate Confidentiality and Noncompete Agreement with the Franchisor.

7. BUSINESS RELATIONSHIPS

7.1. Independent Contractor. During the term of this Agreement, the Developer shall be an independent contractor and shall in no way be considered as an agent, partner or employee of the Franchisor. It is understood and agreed that no agency or partnership is created by this Agreement. As such, the Developer has no authority of any nature whatsoever to bind the Franchisor or incur any liability for or on behalf of the Franchisor or to represent itself as anything other than an independent contractor.

7.2. Indemnification. The Developer shall indemnify and hold harmless the Franchisor and its affiliated companies and their respective officers, directors, members, managers, agents and representatives ("Indemnified Parties") from all fines, suits, proceedings, claims, demands or actions of any kind or nature,

including reasonable attorneys' fees, from anyone whomsoever, directly or indirectly arising or growing out of, or otherwise connected with the Developer's activities, actions or failure to act, under this Agreement, or the Developer's operation of its Location(s) developed under this Agreement. For purposes of this indemnification, claims shall mean and include all obligations, actual and costs reasonably incurred in the defense of any claim against the Indemnified Parties, including, without limitation, reasonable accountants', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. The Franchisor shall have the right to defend any such claim against it and shall be entitled to indemnity therefor without first seeking coverage or recovery from any insurer or other third party. Failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts due to the Indemnified Parties hereunder. This indemnity shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

8. MISCELLANEOUS; DISPUTE RESOLUTION

8.1. Mediation of Disputes. Neither party shall file a legal action seeking enforcement or any other legal remedy relating to or arising under this Agreement until the dispute has been submitted to a non-binding mediation proceeding conducted in accordance with the following procedures:

a. Either party may initiate a mediation proceeding (the "Initiating Party") by notifying the other party in writing (the "Responding Party"). The mediation shall be conducted in accordance with the American Arbitration Association's ("AAA") then current mediation rules, but need not be administered by the AAA unless the parties cannot agree upon the selection of a mediator within 30 days of the receipt of the written demand for mediation. If the parties cannot reach agreement upon the selection of a mediator, either party may commence the mediation process by filing a written demand for mediation with the AAA, with a copy to the other party. The notice shall describe with specificity the nature of the dispute and Initiating Party's claim for relief. Both parties will be obligated to engage in the mediation under the AAA's then current rules, except to the extent the rules conflict with this Agreement, in which case this Agreement shall control.

b. The mediation will be conducted by a single mediator with no past or present affiliation or conflict with the Franchisor, the Developer, or any other party to the mediation. The parties agree that the mediator shall be disqualified as a witness, expert, consultant or attorney in any pending or subsequent proceeding relating to the dispute which is the subject of the mediation.

c. In the event the parties cannot agree on a mediator and the AAA administers the mediation, the AAA shall provide the parties with a list of mediators willing to serve. If the parties do not agree upon a mediator, and so advise the AAA in writing, within 10 days of receipt of such list, the AAA shall appoint the mediator. The fees and expenses of the AAA, if applicable, and the mediator's fee, shall be shared equally by the parties. Each party shall bear its own attorneys' fees and other costs incurred in connection with the mediation irrespective of the outcome of the mediation or the mediator's evaluation of each party's case.

d. The mediation proceeding shall commence within 30 days after selection of the mediator. Regardless of whether the Franchisor or the Developer is the Initiating Party, the mediation shall be conducted at the Franchisor's principal offices, unless the Franchisor and the Developer agree upon a mutually acceptable alternative location.

e. At least seven days before the first scheduled session of mediation, each party shall deliver to the mediator and to the other party a concise written summary of its position with respect to the matters in dispute and Initiating Party's claims for relief, and such other matters required by the mediator.

f. The parties shall participate in good faith in the mediation with the intention of resolving the dispute, if at all possible. The parties recognize and agree, however, that the mediator's recommendations and decision shall not be binding on the parties unless otherwise agreed in writing.

g. During the mediation, the mediator may have joint and separate meetings with the parties and their counsel, at the mediator's discretion. The mediation proceeding shall continue until conclusion, which is deemed to occur when: (i) a written settlement is reached, (ii) the mediator concludes and informs the parties in writing that further efforts would not be useful, or (iii) the parties agree in writing that an impasse has been reached. Neither party may withdraw before the conclusion of the mediation proceeding.

h. The mediation proceeding will be treated as a compromise settlement negotiation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation proceeding by any party or their agents, experts, counsel, employees or representatives, and by the mediator are confidential. Such offers, promises, conduct and statements may not be disclosed to any third party and are privileged and inadmissible for any purpose, including impeachment, under applicable laws or rules of evidence; provided however, that evidence otherwise discoverable or admissible shall not be rendered not discoverable or inadmissible as a result of its use in the mediation. If a party informs the mediator that information is conveyed in confidence by the party to the mediator, the mediator will not disclose the information.

8.2. Governing Law/Consent to Venue and Jurisdiction; Jury Trial Waiver. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), the Federal Arbitration Act, or other federal law, this Agreement shall be interpreted under the laws of the state of Colorado and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the state of Colorado, which laws shall prevail in the event of any conflict of law. The Developer and the Franchisor have negotiated regarding a forum in which to resolve any disputes which may arise between them and have agreed to select a forum in order to promote stability in their relationship. Therefore, if a claim is asserted in any legal proceeding involving the Developer, its officers, directors, managers or partners (collectively, "Developer Affiliates") and the Franchisor, its officers, directors or sales employees (collectively, "Franchisor Affiliates"), the parties agree that the exclusive venue for disputes between them shall be in the state and federal courts of Colorado and each party waives any objection they may have to the personal jurisdiction of or venue in the state and federal courts of Colorado. THE FRANCHISOR, THE FRANCHISOR AFFILIATES, THE DEVELOPER AND THE DEVELOPER AFFILIATES EACH WAIVE THEIR RIGHTS TO A TRIAL BY JURY.

8.3. Injunctive Relief. Notwithstanding the above provision for mediation, the Franchisor and the Developer will each have the right in a proper case to obtain injunctive relief and any damages incidental thereto from a court of competent jurisdiction. The Developer agrees that the Franchisor may obtain such injunctive relief, without posting a bond or bonds in excess of a total of $500, but upon due notice, and the Developer's sole remedy in the event of the entry of such injunctive relief will be the dissolution of such injunctive relief, if warranted, upon hearing duly had; provided, however, that all claims for damages by reason of the wrongful issuance of any such injunction are hereby expressly waived by the Developer. Any such action will be brought as provided in Section 8.2 above and the prevailing party shall be entitled to its costs and attorneys' fees.

8.4. Limitation on Remedies. Except for the Developer's obligation to indemnify the Franchisor under Section 7.2 above, the Franchisor and the Franchisor Affiliates and the Developer and the Developer Affiliates waive to the fullest extent permitted by law any right or claim to any punitive or exemplary damages. The Franchisor and the Franchisor Affiliates and the Developer and the Developer Affiliates agree that any legal proceeding shall be conducted on an individual, not a class wide basis, and

that a legal proceeding between the Franchisor and the Franchisor Affiliates and the Developer and the Developer Affiliates shall not be consolidated with any other proceeding involving the Franchisor and the Franchisor Affiliates and any other party.

9. GENERAL PROVISIONS

9.1. Binding Effect. This Agreement shall be binding upon and inure to the benefit of each of the parties' respective heirs, successors, assigns and personal representatives.

9.2. Review. The Developer acknowledges that it had a copy of this Agreement in its possession for a period of time not fewer than 14 calendar days, or 10 full business days, whichever is the requisite period for disclosure under the federal and any applicable state franchise laws, during which time the Developer has had the opportunity to submit the same for professional review and advice of the Developer's choosing prior to freely executing this Agreement.

9.3. No Waiver. No waiver of any condition or covenant contained in this Agreement or failure to exercise a right or remedy by any party hereto shall be considered to imply or constitute a further waiver of the same or any other condition, covenant, right or remedy.

9.4. Modification. This Agreement may be modified only upon execution of a written agreement between the parties.

9.5. Entire Agreement. This Agreement contains the entire agreement between the parties and supersedes any and all prior agreements, both oral and written, concerning the subject matter hereof, provided that any Franchise Agreement executed by the parties hereto shall remain binding, except to the extent that this Agreement specifically supersedes any term thereof. The Developer acknowledges that it has not relied on any verbal representations or commitments made prior to the execution hereof and agrees that the Franchisor will not be liable or obligated for any claims of negligent or fraudulent misrepresentation based on any such verbal representations or commitments. The Franchisor does not authorize and will not be bound by any representation of any nature other than those expressed in this Agreement and the most recent Franchise Disclosure Document ("FDD") provided by the Franchisor in connection herewith. The Developer further acknowledges and agrees that no representations have been made to it by the Franchisor regarding projected sales volumes, market potential, revenues, profits of the Developer's Sola Salon Studio, or operational assistance other than as stated in this Agreement or in the most recent FDD provided by the Franchisor. Nothing in this agreement or in any related agreement is intended to disclaim any of the representations made in the disclosure document.

9.6. Invalidity. If any provision of this Agreement is held invalid by any court of competent jurisdiction in a final decision from which no appeal is or can be taken, such provision shall be deemed modified to eliminate the invalid element and, as so modified, such provision shall be deemed a part of this Agreement as though originally included. The remaining provisions of this Agreement shall not be affected by such modification.

9.7. Notices. All notices required to be given under this Agreement shall be given in writing, by certified mail, return receipt requested, or by an overnight delivery service providing documentation of receipt, at the address set forth on page 1 of this Agreement, or at such other address as either party may designate from time to time by written notice as set forth herein. Notice shall be deemed effective when deposited in the United States mail postage prepaid or when received by overnight delivery, as may be applicable.

9.8. Controlling Terms. In the event of any conflict between the terms of this Agreement and the terms of any Franchise Agreement, the terms of this Agreement shall control.

9.9. Attorneys' Fees and Costs. In the event of any dispute between the parties to this Agreement, in addition to all other remedies, the non-prevailing party in any legal action, arbitration or other proceeding will pay the prevailing party all amounts due and all damages, costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in such action or other proceeding.

9.10. Survival of Provisions. Any provisions that by their terms extend beyond termination or expiration of this Agreement shall continue in full force and effect subsequent to and notwithstanding the termination or expiration of this Agreement.

9.11 Electronic Signatures. The parties agree that electronic signatures, facsimile signatures or signatures transmitted by electronic mail in so-called "pdf" format shall be legal and binding and shall have the same full force and effect as if an original of this Agreement had been signed and delivered by hand. Franchisor and Franchisee both (i) intend to be bound by the signatures (whether original, faxed or electronic) on any document sent by electronic means, (ii) are aware that the other party will rely on such signatures, and (iii) hereby waive any defenses to the enforcement of the terms of this Agreement based on the foregoing forms of signature.

{Signatures appear on the following page}

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed effective as of the date first above written.

FRANCHISOR: SOLA FRANCHISE, LLC

By: _____
Ben Jones
Title: Authorized Signatory

DEVELOPER: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

ATTACHMENT A

ADDENDUM TO MULTI-UNIT DEVELOPMENT AGREEMENT

THIS ADDENDUM ("Addendum") to the Multi-Unit Development Agreement dated _____, is made effective as of the same date, by and between SOLA FRANCHISE, LLC ("Franchisor") and _____ ("Developer"), to supplement and amend certain terms of the Multi-Unit Development Agreement. To the extent not defined herein, all initial-capitalized references in this Addendum will have the same meaning as defined in the Multi-Unit Development Agreement.

1. Development Area. The Development Area, as referred to in Section 1.1 of the Multi-Unit Development Agreement, is described below by geographic boundaries and will consist of the following area or areas:

_____
_____
_____
_____

2. Fees. The total amount paid as of the Effective Date of the Multi-Unit Development Agreement, as calculated in accordance with Section 2.1 of the Multi-Unit Development Agreement, is $_____. The total amount shall be paid upon execution thereof.

3. Development Schedule. The Development Schedule referenced in Section 3.1 of the Multi-Unit Development Agreement is as follows:

Development Period	Cumulative Minimum Number of Locations in Development Area	Last Day of Development Period (i.e., be open for retail business)
First		
Second		
Third		
Fourth		
Fifth		
Sixth		
Seventh		
Eighth		
Ninth		
Tenth		
Eleventh		
Twelfth		
TOTAL LOCATIONS		

The first Development Period commences on the Effective Date and expires on the date shown above. Each subsequent Development Period commences on the date succeeding the last day of the preceding Development Period and expires on the respective date shown above. Development of Locations during the term of the Agreement are cumulative. Therefore, if the Developer meets its total development goal prior to the end of the Development Period, the Developer's development goal will be satisfied for that Development Period. Locations located in the Development Area existing as of the Effective Date do not count toward fulfillment of the Developer's cumulative development goal.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum on the date first set forth above.

FRANCHISOR: SOLA FRANCHISE, LLC

By: _____
Ben Jones
Title: Authorized Signatory

DEVELOPER: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXHIBIT J

SOLA FRANCHISE, LLC

DESIGN AGREEMENT

DESIGN AGREEMENT

This Design Agreement (**"Agreement**") for basic space planning and design services related to the Sola Salon Studio to be located at _____ (the "**Premises**" or "**Project**"), is entered into and effective this _____ (the "**Effective Date**"), by and between_____, with a principal business address of _____(the "**Franchisee**"), and Sola Franchise, LLC, a Colorado limited liability company, located at 300 Union Boulevard, Suite 600, Lakewood, Colorado 80228 (the "**Franchisor**") (the Franchisee and Franchisor being collectively known as the "parties").

In consideration of the mutual promises in this Agreement, the parties agree as follows:

1. SCOPE OF SERVICES

1.01 Design Plans.

i. Conceptual Plan: Franchisor will provide to Franchisee a one-page basic layout of the interior of the premises showing positioning of hallways, bathrooms, common areas and studio space not scaled and without detail concerning angles, windows, fixtures or equipment (the "Conceptual Plan"). The Parties intend the purpose of the Conceptual Plan to be an initial view of the possible interior spacing and layout of the common areas and studios.

ii. Fixture Plan: If requested in writing by Franchisee, Franchisor will provide to Franchisee a one-page basic layout of the interior of the premises showing hallways, bathrooms, common areas and studio space with indications of suggested placement of the fixtures and equipment, doors, windows and angles of hallways and studio space (the "Fixture Plan"). The Parties intend the purpose of the Fixture Plan to be a view of the Conceptual Plan showing initial view of suggested locations hallways, doors, windows, fixtures and equipment.

1.02 Document Transmittal Format. Franchisor will provide Franchisee with a PDF file of the Concept Plan and, if any, the Fixture Plan. A PDF file or an AutoCAD file of the design plans will be provided to Franchisee on request and subject to Franchisee's completion and execution of the AutoCAD File – Release and Conditional Use Agreement, a copy of which is attached to this Agreement as "**Attachment I.**"

1.03 Revisions. Following delivery of any plan, Franchisor will, at no additional cost and at Franchisees written request, revise each plan up to five separate times. For any revision beyond the fifth revision for any plan, Franchisee will pay Franchisor additional fees. The amount of additional fee will be equal to the amount of time required by Franchisor's staff to prepare the revision at $45 per hour with a one-hour minimum. Such charges will be in addition to all other amounts payable under this Agreement, despite any contract price or final price identified herein. Such charges will not be incurred without the Franchisee's written consent.

1.04 Acceptance. Within five days following Franchisor's delivery to Franchise of any plan, Franchisee will (a) thoroughly review the delivered plan and (b) either, (i) approve the plan in writing or (ii) provide written comment and/or corrections in sufficient detail to identify Franchisee's requested revision objections or corrections to Franchisor.

2. FEES AND CHARGES

2.01 Fees. Franchisee will pay to Franchisor fees in the amounts and according to the following Payment Schedule:

i. Conceptual Plans: No initial design fee for the Conceptual Plan.

ii. Fixture Plan: $3,200 (upon Franchisee's receipt of Fixture Plan).

iii. Additional Expenses (invoiced upon completion): As incurred pursuant to Section 2.02 below.

2.02 Additional Expenses. Franchisee shall pay the Franchisor's expenses incurred in connection with this Agreement as follows: (a) revisions for any plan beyond the fifth revision, (b) incidental and out-of-pocket expenses including but not limited to costs for postage, shipping, overnight courier, blueprints, models, presentation materials; and (c) travel expenses including transportation, meals, and lodging, incurred by Franchisor with Franchisee's prior approval. (collectively, "Additional Expenses"). Prior to incurring any Additional Expenses, Franchisor shall obtain the written consent of the Franchisee.

2.03 Invoices. All invoices are payable within ten (10) days of receipt. A service charge of 1.5 percent (or the greatest amount allowed by state law) is payable on all overdue balances. All payments must be made by Automated Clearing House (ACH).

3. FRANCHISEE RESPONSIBILITIES

3.01 Franchisee Responsibilities. Franchisee will perform each of the following in a timely manner:

a) coordinate and communicate decisions regarding the Premises and any design with vendors, contractors, brokers, landlords, architects, engineers and other such third parties except that the Franchisee agrees that Franchisor may communicate with such third parties in its sole discretion;

b) verify all dimensions and existing conditions of the Premises prior to the Franchisor's generation of the Fixture Plan;

c) ensure all plans delivered by Franchisor are reviewed and approved by a licensed architect and/or engineer;

d) carefully review and proofread the design plans and in the event that Franchisee has approved the design plans but later discovers errors, Franchisor may require Franchisee to incur the cost of correcting such errors;

e) ensure all information and claims contained in any materials, information, photography, writings and other content provided by Franchisee to Franchisor for use in the preparation of and/or incorporation in the any plan are accurate, legal and conform to applicable standards in Franchisee's industry;

f) select and procure all fixtures and furnishings;

g) coordinate and communicate with and obtain approval from landlords, land owners, neighbors, trades union and any governmental or quasi-governmental agency or body that has any sort of approval or review authority over the plans;

h) provide timely, accurate and complete information and materials requested by Franchisor for preparation of any plan;

i) arrange for the documentation, permissions, licensing and implementation of all electrical, structural or mechanical elements needed to support, house or power signage; coordination of sign manufacture and installation with other trades;

j) comply with all applicable rules, codes or regulations and ensure a locally licensed architect or engineer reviews and stamps the design plans to ensure the plans conform to and comply with rules, codes or regulations; and

k) obtain bids and negotiate contracts with any third parties including contractors, subcontractors, architects, engineers, fabricators or vendors.

3.02 Pre-Design Field Observation/Space Verification. Franchisee will be responsible for the accurate measurement and verification of the existing physical conditions (such as locations of windows, doors, ceiling height, building materials, etc.) of the Project. Franchisee will ensure that the Project is field measured and verified by a licensed professional architect or general contractor. Franchisee will complete and submit its measurements to Franchisor using the Space Verification Form supplied by Franchisor. Franchisee is solely responsible for any errors and/or omissions contained in the Project measurements and information submitted to Franchisor. Franchisee will verify the presence in the Premises and good working order of the following systems, and if any should not exist or be in good working order, then Franchisee will immediately inform Franchisor in writing:

(i) Fire safety system including overhead fire sprinkler system;

(ii) 400A 230V/208V/120V three phase electrical panel;

(iii) 1.5 inch water supply line;

(iv) 4 inch sanitary sewer line;

(v) 1 ton per 250 square feet of HVAC/AC/TRU capacity/capability;

(vi) public utility natural gas service stubbed to the Premises.

3.03 Engineering. Franchisee acknowledges and agrees that Franchisor is not a licensed architect, engineer, or construction professional and that responsibility for the interpretation of design drawings and the design and engineering of all work performed under this Agreement ("Engineering") is the sole responsibility of Franchisee and/or its architect, engineer or fabricator. Franchisee will procure mechanical, HVAC, plumbing, electrical, or any other drawings required by any applicable codes, regulations, rules or laws from engineers, architects, or other design professionals to obtain any necessary permits.

Initial: _____

4. ACCREDITATION/PROMOTIONS

Franchisor retains the right to reproduce, publish and display the plans in its portfolios and websites, and in galleries, design periodicals and other media or exhibits for any purpose. Franchisor may document, photograph or otherwise record all completed designs or installations of the Project, and may reproduce, publish and display such documentation, photographs or records for Franchisor's purposes.

5. RELATIONSHIP OF THE PARTIES

This Agreement does not create a partnership or joint venture and neither party is authorized to act as agent or bind the other party except as expressly stated in this Agreement. All rights, if any, granted to Franchisee are contractual in nature and are wholly defined by the express written agreement of the parties and the various terms and conditions of this Agreement.

6. RIGHTS RESERVED

6.01 Final Works. Upon completion of the plans, and expressly conditioned upon full payment of all fees and costs due, Franchisor grants to Franchisee limited, non-exclusive usage rights in the plans. All other rights, including copyrights, are reserved by Franchisor. The rights granted to Franchisee are for use as an initial space design and layout for the designated Project only. The rights granted to Franchisee will include the right to adapt, modify and create derivative works based on the final design plans but solely in connection with the Project and usage rights set forth herein.

6.02 Preliminary Works/Working Files. Franchisor retains all proprietary rights, including property ownership, intellectual property rights and copyrights, in and to all plans prepared hereunder.

6.03 Trademarks. Design documents and any plans are copyrighted by Franchisor and their use is limited to Franchisees construction of the designated Project. These documents may not be used by Franchisee for any other purpose. Drawings, specifications and other documents, electronic or otherwise, prepared by the Franchisor are "Instruments of Service" for use solely with respect to this Project. Franchisor shall be deemed the authors and owners of their respective Instruments of Service and shall retain all common law, statutory and other reserved rights, including copyrights. The Instruments of Service shall not be used by Franchisee for future additions or alterations to this project or for other projects, without the prior written agreement of Franchisor.

7. WARRANTIES

Subject to Franchisee satisfying each of its obligations hereunder, Franchisor warrants to Franchisee that Franchisor will provide plans identified in the Agreement in accordance with reasonable professional standards for such limited design services with professionals working in the State of Colorado. Except for the express representations and warranties stated in this Agreement, Franchisor makes no warranties whatsoever regarding the plans or any other services to be performed by Franchisor hereunder. **Franchisor explicitly disclaims any other warranties of any kind, either express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose or compliance with laws or government rules or regulations applicable to the Project**.

8. INDEMNIFICATION/LIABILITY

8.01 By Franchisee. Franchisee agrees to indemnify, save and hold harmless Franchisor from any and all damages, liabilities, costs, losses or expenses arising out of any claim, demand, or action by a

third party arising out of any breach of Franchisee's responsibilities or obligations, representations or warranties under this Agreement.

8.02 By Franchisor. Subject to the terms, conditions, express representations and warranties provided in this Agreement, Franchisor agrees to indemnify, save and hold harmless Franchisee from any claim, demand, or action by a third party resulting from Franchisor's breach of its responsibilities or obligations, representations, or warranties under this Agreement, except in the event any such claims, damages, liabilities, costs, losses or expenses arise as a result of acts or omissions of Franchisee and so long as (a) Franchisee promptly notifies Franchisor in writing of the claim; (b) Franchisor shall have sole control of the defense and all related settlement negotiations; and (c) Franchisee shall provide Franchisor with the assistance, information and authority necessary to perform Franchisor's obligations under this section. Notwithstanding the foregoing, Franchisor shall have no obligation to defend or otherwise indemnify Franchisee for any claim or adverse finding of fact arising out of or due to materials or information provided by Franchisee to Franchisor, any unauthorized content, improper or illegal use, or the failure to update or maintain any plans provided to Franchisee by Franchisor.

8.03 Limitation of Liability. The services and the work product of Franchisor are sold "as is." In all circumstances, the liability of Franchisor, its directors, officers, employees, agents and affiliates ("Franchisor Parties"), to Franchisee for damages for any and all causes whatsoever, and Franchisee's maximum remedy, regardless of the form of action, whether in contract, damages, tort or otherwise, shall be limited to the amount actually paid by Franchisee for the plans or services performed by Franchisor hereunder. In no event shall Franchisor be liable for any lost data or content, lost profits, business interruption or for any indirect, incidental, special, consequential, exemplary or punitive damages arising out of or relating to the plans or the services provided by Franchisor.

9. TERM AND TERMINATION

9.01 Term. This Agreement shall commence upon the Effective Date and shall remain effective until the Services are completed and delivered.

9.02 Termination. This Agreement may be terminated for convenience at any time by either party effective immediately upon notice, or the mutual agreement of the parties, or for cause if any party:

i. becomes insolvent, files a petition in bankruptcy, makes an assignment for the benefit of its creditors; or

ii. breaches any of its material responsibilities or obligations under this Agreement, which breach is not remedied within ten (10) days from receipt of written notice of such breach.

9.03 In the event of termination, Franchisor shall be compensated for the services performed through the date of termination in the amount of (a) any advance payment, (b) a prorated portion of the fees due, or (c) hourly fees for work performed by Franchisor or its agents as of the date of termination, whichever is greater; and Franchisee will pay all expenses incurred by Franchisor through the date of cancellation. In the event of termination for convenience by Franchisee, it will pay, in addition to the above, an early termination fee equal to 25% of the total project fee, Attachment I shall not be effective, and Franchisee shall not have rights to use any plans except upon written consent from Franchisor provided after such termination.

9.04 In the event of termination for convenience by Franchisor or for cause by Franchisee, and upon full payment of compensation as provided herein, Franchisor grants to Franchisee such right and title

as provided for in Attachment I of this Agreement with respect to those plans provided to and accepted by Franchisee as of the date of termination.

10. GENERAL

10.01 Modification/Waiver. This Agreement may be modified by the parties. Any modification of this Agreement must be in writing. Failure by either party to enforce any right or seek to remedy any breach under this Agreement shall not be construed as a waiver of such rights nor shall a waiver by either party of default in one or more instances be construed as constituting a continuing waiver or as a waiver of any other breach.

10.02 Notices. All notices to be given hereunder shall be transmitted in writing either by facsimile or electronic mail with return confirmation of receipt or by certified or registered mail, return receipt requested, and shall be sent to the addresses identified below, unless notification of change of address is given in writing. Notice shall be effective upon receipt or in the case of fax or email, upon confirmation of receipt (by automated confirmation or substantive reply by the recipient).

10.03 No Assignment. Franchisee may not assign or encumber its rights or obligations under this Agreement or permit the same to be transferred, assigned or encumbered by operation of law or otherwise, without the prior written consent of the Franchisor. Franchisor, on notice to Franchisee, may assign, in whole or in part, its rights, duties and obligations under this Agreement.

10.04 Force Majeure. Franchisor will not be deemed in breach of this Agreement if Franchisor is unable to complete the services hereunder or any portion thereof by reason of fire, earthquake, flood, hurricane or other severe weather, labor dispute, act of war, terrorism, riot or other severe civil disturbance, epidemic, pandemic, death, illness or incapacity of Franchisor, or any local, state, federal, national or international law, governmental order or regulation or any other event beyond Franchisor's control (collectively, "**Force Majeure Event**"). Upon occurrence of any Force Majeure Event, Franchisor will give notice to Franchisee of its inability to perform or of delay in completing the services and shall propose revisions to the schedule for completion of the services.

10.05 Governing Law and Dispute Resolution. The formation, construction, performance and enforcement of this Agreement shall be in accordance with the laws of the United States and the state of Colorado without regard to its conflict of law provisions or the conflict of law provisions of any other jurisdiction. In the event of a dispute arising out of this Agreement, the parties agree to attempt to resolve any dispute by negotiation between the parties. If they are unable to resolve the dispute, either party may commence commercial mediation and/or binding commercial arbitration through American Arbitration Association or other forum mutually agreed to by the parties. The prevailing party in any dispute resolved by binding arbitration or litigation shall be entitled to recover its attorneys' fees and costs. In all other circumstances, the parties specifically consent to the local, state and federal courts located in the state of Colorado. The parties hereby waive any jurisdictional or venue defenses available to them and further consent to service of process by mail. Franchisee acknowledges that Franchisor will have no adequate remedy at law in the event Franchisee uses the plans in any way not permitted hereunder, and hereby agrees that Franchisor is entitled to equitable relief by way of temporary and permanent injunction, and such other and further relief at law or equity as any arbitrator or court of competent jurisdiction may deem just and proper, in addition to any and all other remedies provided for herein.

10.06 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement will nevertheless remain in full force and effect and the invalid or unenforceable provision will be replaced by a valid or enforceable provision.

10.07 Headings. The numbering and captions of the various sections are solely for convenience and reference only and shall not affect the scope, meaning, intent or interpretation of the provisions of this Agreement nor shall such headings otherwise be given any legal effect.

10.09 Integration. This Agreement comprises the entire understanding of the parties hereto on the subject matter herein contained, and supersedes and merges all prior and contemporaneous agreements, understandings and discussions between the parties relating to the subject matter of this Agreement. Any other ambiguities shall be resolved with the most reasonable and legally valid construction, without regard to authorship of such provisions.

By their execution below, the parties hereto have agreed to all of the terms and conditions of this Agreement effective as of the last date of signature below, and each signatory represents that it has the full authority to enter into this Agreement and to bind her/his respective party to all of the terms and conditions herein.

FRANCHISOR:

Sola Franchise, LLC
300 Union Boulevard, Suite 600, Lakewood, Colorado 80228

Signed: _____

Date: _____

FRANCHISEE:

[name]
[Address]

Signed: _____
By: [officer name]

Title: _____

Date: _____

ATTACHMENT I TO DESIGN AGREEMENT

AUTOCAD FILE – RELEASE AND CONDITIONAL USE AGREEMENT

Date of Agreement: _____

Franchisee Store Owner Name: _____

Franchisee Store Address: _____

Architectural/Engineering Firm Name: _____

Firm Address: _____

Architect/Engineer Representative: _____

Architect/Engineer Email Address to send files to: _____

This agreement is by and between Sola Franchise, LLC (the "Franchisor"), _____ (the "Franchisee") and above named architectural/engineering firm (the "Firm"). The Franchisor, under the direction and permission of the Franchisee, performed an initial design service specific to the store location as identified above. The design has been created using a current version of Autodesk AutoCAD software. The initial design is intended to provide the Franchisee with a general layout and design intent for their particular store.

The Franchisee, as named above, has determined that architectural and/or engineering drawings are required in order to obtain building permits.

The Franchisee has instructed the Franchisor to provide the conditional use copy of the Autodesk AutoCAD file to the Firm. The use of the Autodesk AutoCAD file being provided to the Firm is a one-time, conditional use permit. The permitted use is for the above-named franchise store location only and is never to be used for any other past or future locations.

The Firm acknowledges that they, as a licensed in good standing architectural and/or engineering firm, remain as the final authority for any and all work product associated with the use of the Autodesk AutoCAD file. The Firm further acknowledges that the content of the Autodesk AutoCAD as created by the Franchisor does not necessarily represent what is required by governing jurisdictional code. The Firm accepts all responsibility for their completed work product and further releases the Franchisor of any liability associated with the work prepared by the Firm.

The Franchisor hereby grants conditional use of its work product including all blocks and references to the above-named Firm. The intent of the conditional use is to aid the Firm in the process of creating a full set of documents needed by the Franchisee to obtain building permits for the above-named store location only.

If requested by the Franchisor, the Firm agrees to forward an Autodesk AutoCAD file copy of the completed set of permit drawings to the Franchisor for their final review. The Franchisor must receive a copy of the completed set of plans from the Firm in order to confirm and verify any changes to the store layout, its fixtures and/or fixture locations.

The Firm hereby agrees that the use of the Autodesk AutoCAD file is conditional and applicable only to the above-named Franchisee and specific store location.

Franchisee Name & Title (Print)

Franchisee Signature

Date

Firm Name & Title (Print)

Firm Signature

Date

Sola Salons Name & Title (print)

Sola Salons Signature

Date

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration:
California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	July 14, 2022
Hawaii	Pending
Illinois	April 28, 2022
Indiana	July 1, 2022
Maryland	Pending
Michigan	March 31, 2022
Minnesota	May 24, 2022
New York	Pending
North Dakota	May 8, 2022
Rhode Island	May 19, 2022
South Dakota	April 28, 2022
Virginia	June 9, 2022
Wisconsin	April 27, 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.

RECEIPT (FRANCHISOR COPY)

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 Sola Franchise, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that Sola Franchise, LLC give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration to us or an affiliate in connection with the proposed franchise sale.

Michigan requires that Sola Franchise, LLC give you this Disclosure Document at least 10 business days before the execution of the franchise or other agreement or the payment of any consideration, whichever occurs first.

If Sola Franchise, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commissioner, Washington. D.C. 20580 and the state agency listed on Exhibit D for your state.

Issuance Date: April 27, 2022

The name, principal business address, and telephone number of the franchise seller offering the franchise is:

Name	Principal Business Address	Telephone Number
Ben Jones	300 Union Boulevard, Suite 600, Lakewood, Colorado 80228	(303) 351-0121

See Exhibit D for our registered agents authorized to receive service of process.

I have received a disclosure document dated April 27, 2022 that included the following Exhibits:

Exhibit A	Financial Statements
Exhibit B	Franchise Agreement (including attachments)
Exhibit C	Compliance Questionnaire
Exhibit D	State Administrators and Agents for Service of Process
Exhibit E	List of Franchisees
Exhibit F	State Specific Addenda
Exhibit G	Manual Table of Contents
Exhibit H	Nondisclosure and Noncompetition Agreement
Exhibit I	Multi-Unit Development Agreement (including attachments)
Exhibit J	Design Agreement

Dated: _____

PROSPECTIVE FRANCHISEE:

_____
(Print Name)

By: _____

(Please sign this copy of the receipt, date your signature, and return it to Sola Franchise, LLC.)

RECEIPT (FRANCHISEE COPY)

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Exhibit H	Nondisclosure and Noncompetition Agreement
Exhibit I	Multi-Unit Development Agreement (including attachments)
Exhibit J	Design Agreement

Dated: _____

PROSPECTIVE FRANCHISEE:

_____
(Print Name)

By: _____

(Please sign this copy of the receipt, date your signature, and retain it for your records.)