FRANCHISE DISCLOSURE DOCUMENT

SugaringLA Franchise, LLC
a Delaware limited liability company
106 E. Liberty St., Suite 310
Ann Arbor, MI 48104
(760) 573-8447
franchise@sugaringla.com
www.sugaringla.com

You will operate a studio that specializes in full body hair removal using the sugaring method with chemical free, mostly plant-based products that are nutrient-rich and have benefits such as antioxidants, anti-inflammatory and antiseptic qualities. The studio will also offer proprietary retail products under the Sugaring LA brand (the "Studio").

The total investment necessary to begin operation of a single Sugaring LA® Studio ranges from $294,750 - $388,700. This includes the range of $72,900 - $74,300, that must be paid to the franchisor or affiliate. The total investment necessary to purchase the right to open two Studios and to begin operation of the first Sugaring LA® Studio ranges from $344,750 - $438,700. The total investment necessary to purchase the right to open three Studios and to begin operation of the first Sugaring LA® Studio ranges from $369,750 - $463,700. If you are acquiring the right to open two or three locations under our development agreement, instead of paying us the $60,000 initial franchise fee you will pay to us either $110,000 for the development of two Studios or $135,000 for the development of three Studios under the terms of our development agreement.

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payments 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 Danielle Correia at 539 Carlsbad Village Drive, #103, Carlsbad, CA 92008.

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

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

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

Issuance Date: March 31, 2023

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 G.
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 F 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 sugaringLA Studio in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be sugaringLA franchisee?	Item 20 or Exhibit G 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 H.

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

Special Risks to Consider About *This* Franchise

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

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

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

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

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

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

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

MICHIGAN NOTICE

The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you:

(a) A prohibition against you joining an association of franchisees.

(b) A requirement that you assent to a release, assignment, novation, waiver or estoppel which would deprive you of rights and protections provided under the Michigan Franchise Investment Law. This does not preclude you, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits the franchisor to terminate your franchise prior to the expiration of its term except for good cause. Good cause includes your failure 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 the franchisor to refuse to renew your franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration, of your 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 provision applies only if:

(i) The term of the franchise is less than five years; and

(ii) You are prohibited by the Franchise Agreement 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 if you do not receive at least six months advance notice of the franchisor's intent not to renew the franchise.

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

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

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

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

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

(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 you to resell to the franchisor items that are not uniquely identified with the franchisor. This does not prohibit a provision that grants the 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 it 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 you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in (c), above.

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to you 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 concerning this notice should be directed to the Michigan Department of Attorney General, Consumer Protection Division, Franchise Unit, 525 W. Ottawa Street, G. Mennen Williams Building, 1st Floor, Lansing, Michigan 48913, (517) 373-7117.

SUGARINGLA FRANCHISE, LLC

FRANCHISE DISCLOSURE DOCUMENT

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

To simplify the language in this disclosure document, "we", "us" or "our" means SugaringLA Franchise, LLC, the franchisor. "You" means the business entity, person or persons who sign the Franchise Agreement, the franchisee. If the franchisee is a corporation, limited liability company, or other entity, the term "you" does not include the entity's principals unless otherwise stated.

The Franchisor, and Any Parents, Predecessors and Affiliates

We are a Delaware limited liability company formed on December 5, 2022, and only do business under our corporate name and the name "Sugaring LA®". Our principal business address is 106 E. Liberty, Ste. 310, Ann Arbor, MI 48104. We have been offering franchises of the type described in this Disclosure Document since March 2023. We do not engage in any other business activities, nor do we operate a business of the type offered by this disclosure document.

Our predecessor sugaringLA Franchise, Inc. ("we," "our" or "us"), is a Delaware corporation that was incorporated in July 2021, for the purpose of offering franchises and has its principal place of business at 539 Carlsbad Village Drive, #103, Carlsbad, CA 92008. It no longer offers franchises of any type.

Our affiliate sugaringLA, LLC, ("we," "our" or "us"), is a California limited liability company that was formed on August 1, 2012, for the purpose of offering full body hair removal services and has its principal place of business at 539 Carlsbad Village Drive, #103, Carlsbad, CA 92008. It has never offered or sold franchises in any line of business.

Our third-party provider of certain franchisee administration and support services, Franworth, LLC ("Franworth"), is an affiliate of one of our members. Franworth is a Michigan limited liability company with a business address at 106 E. Liberty, Ann Arbor, MI 48104. While Franworth provides franchise development and other consulting services to other franchise brands, they have not directly offered or sold franchises in any line of business.

Our third party provider of "Sugaring LA" branded products Liberty Distribution, LLC, ("Liberty"), is an affiliate of one of our members. Liberty is a Michigan limited liability company formed on September 22, 2017 located at 4370 Varsity Dr., Suite G, Ann Arbor, MI 48108. You will be required to maintain a minimum level of inventory from Liberty. Neither Liberty nor our Parent have ever offered franchises in any line of business.

The Franchise Offered

We grant franchises for the establishment, development, and operation of businesses that specializes in full body hair removal using the sugaring method with chemical free, mostly plant-based products that are nutrient-rich and have benefits such as antioxidants, anti-inflammatory and antiseptic qualities. The Studio will also offer proprietary retail products under the SugaringLA brand. ("Studio" or "Franchised Business").

Each Studio operates pursuant to our proprietary operating system, the characteristics of which include: (a) specific methods, products, uniform standards, specifications and procedures for operations; (b) interior and exterior designs, décor, and color schemes; (c) standards and specifications for the furniture, fixtures, and equipment necessary to operate a Studio; (d) sales techniques, and merchandising, marketing, advertising, and inventory management systems; and (e) standardized procedures for operating and managing a Studio (collectively, the "System").

We identify the System by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including, but not limited to, the mark "Sugaring LA", distinctive trade dress, and any other trade names, trademarks, and service marks we may now or in the future designate in writing for use in connection with the System (collectively, the "Proprietary Marks"). We continue to develop, use, and control the Proprietary Marks in order to identify for the public the source of products and services marketed under the System, and to represent the System's high standards of quality, appearance, and service.

You will operate your Studio pursuant to our current form of Franchise Agreement, which is attached to this Disclosure Document as Exhibit A. Under the Franchise Agreement, you are granted the right and obligation to open and operate a Studio at a certain approved location ("Approved Location") within a certain designated territory ("Territory").

The Market and Competition

You will sell services and products to the general public. The market for your services and products is competitive and developed. You will compete with other businesses offering similar services, including local businesses and national chains such as spas and beauty salons. In addition, local markets for sugaring services and products will be affected by changes in local and national economic conditions and concerns. The ability of each Studio to compete is dependent on a variety of factors, including the success of your demographics, the Studio's location and characteristics, marketing, merchandising, capitalization, and management's ability to implement your overall business plan and diligence.

Multi-Unit Offering

We also offer qualified individuals and entities the right to open and operate multiple Studios within a designated Site Selection Area under our current form of development agreement attached to this Disclosure Document as Exhibit C (the "Development Agreement"). In the Development Agreement, we outline a schedule that sets forth the periods of time by which you must open and begin operating each Studio (the "Development Schedule"). Development Agreements are offered in markets which fall within the top 100 most populated metropolitan statistical areas ("MSA") as established and defined by the U.S. Office of Management and Budget and measured by population according to the U.S. Census Bureau (referred to in this Disclosure Document as the "Top 100 MSAs").

You will have the right to find and secure locations from which to operate your Studio from within the Site Selection Area, but—similar to the Site Selection Area assigned in connection with a single-unit Franchise Agreement—you will not receive any territorial exclusivity within this area.

At our option, you will be required to sign a Franchise Agreement for your initial Studio at the same time you sign your Development Agreement, but we also have the option of waiting until you have found an accepted premises for your initial Studio before you are required to sign the corresponding Franchise Agreement. Regardless, you will need to sign our then-current form of franchise agreement for each Studio in accordance with a development schedule.

Under the Development Agreement, you will pay to us a one-time development fee that will be calculated based on the number of Studios we grant you the right to open (the "Development Fee"). You will not be required to pay any other initial franchise fee at the time you execute the franchise agreements for each subsequent Studios to be developed pursuant to your Development Agreement.

Upon establishing each additional outlet under the Development Schedule an Area Developer will be

required to sign a then-current Franchise Agreement, which may differ from the current Franchise Agreement included with this Franchise Disclosure Document.

Special Industry Regulation

Most states have laws and regulations requiring licensed sugarists or cosmetologists to perform hair removal services. Some states have laws and regulations that restrict the types of services and treatments sugarist can offer. In addition, there may be federal, state, and local laws and regulations that govern your franchised business, such as licensing and taxation, health, labor and zoning. You must investigate and comply with all applicable laws and regulations. You are solely responsible for determining the laws and regulations in your proposed Territory before you sign the Franchise Agreement. You may want to obtain a complete copy of your state's and other applicable statutes and regulations and discuss them with your attorney.

ITEM 2
BUSINESS EXPERIENCE

Founder / CEO: Danielle Correia

Ms. Correia has served as our CEO since December 5, 2022. She serves in this capacity in Carlsbad, California. She has also served as Founder and CEO of SugaringLA, LLC, since August 2012.

VP of Operations: Jamie Gilbert

Ms. Gilbert has served as our Vice President of Operations since December 2022. She serves in this capacity in Bellingham, Washington. She has also served as Director of Operations of our affiliate sugaringLA, LLC, since January 2017.

Board Member: John Rotche

Mr. Rotche has been a Board Member since December 2022. Mr. Rotche has served as Chief Executive Officer of Franworth in Ann Arbor, Michigan since 2015.

ITEM 3
LITIGATION

No litigation or other dispute resolution 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

When you purchase the right to develop a single Sugaring LA® Studio, at the time you sign the Franchise Agreement, you will pay to us an Initial Franchise Fee of $60,000. If you qualify for the VetFran program sponsored by the International Franchise Association ("IFA"), the Initial Franchise Fee you pay for a single Studio will be reduced by $5,000. The Initial Franchise Fee is deemed fully earned on your execution of the Franchise Agreement and is not refundable under any circumstances. The Initial Franchise Fee is uniform for all franchisees purchasing a single franchise.

Development Agreement

The right to develop multiple Studios are offered in markets which are located within the Top 100 MSAs. If we grant you the right to develop multiple Studios, at the time you execute the Development Agreement, you will pay to us a one-time Development Fee. If you are acquiring the right to open two or more locations under our development agreement, instead of paying us the $60,000 initial franchise fee you will pay to us a Development in accordance with the chart below. If you qualify for the VetFran program sponsored by the IFA, your total Development Fee will be reduced by $5,000.

Initial Franchise Fees	**Number of Franchised Units**
$55,000 per unit	Two (2) Franchised Units
$45,000 per unit	Three (3) to Five (5) Franchised Units
$40,000 per unit	Six (6) to Nine (9) Franchised Units
$35,000 per unit	Ten (10) or more Franchised Units

You will be required to enter into our then-current form of Franchise Agreement for each Studio you wish to open under your Development Agreement, but you will not be required to pay any additional Initial Franchise Fee at the time you execute each of these Franchise Agreements. If you enter into a Development Agreement, you must execute our current form of Franchise Agreement for the first Studio we grant you the right to develop within your Site Selection Area concurrently with the Development Agreement (unless we agree otherwise in writing). For each subsequent studio you open, you will sign the then current Franchise Agreement, which may differ from the Franchise Agreement associated with your first Studio.

Your Development Fee will be deemed fully earned upon payment and is not refundable under any circumstances. The Development Fee described above is calculated and applied uniformly to all of our franchisees.

Initial Training Fees

You will pay to us a $7,500 initial training fee for our two-stage initial training program. The initial training fee is due in a lump sum when you sign your Franchise Agreement and is not refundable under any circumstances. The initial training fee is uniformly imposed and includes a 4-day Business Training currently hosted in Ann Arbor and on-site Studio Training with a Studio Opener and

Corporate Sugarist. On-site Studio training is typically 4 days with both corporate representatives in person simultaneously for which a representative will assist you with the startup of your Sugaring LA® Studio. Initial Training Fee is due only in connection with the opening of your first Studio. Currently, Initial Training for subsequent studios, or in relationship to the transfer of an existing studio to new ownership, will be offered at the rates provided in Item 6 and typically includes the fees associated with the return of a Studio Opener and Corporate Sugarist if requested or required by the franchisor. We charge you $300 per day, per corporate employee, for any return on-site training exceeding the standard four days, plus travel, food, and accommodations and all other necessary expenses, subject to increase by us of up to $1,000 per day, per corporate employee.

Initial Product Inventory Package

Approximately 60 to 90 days prior to opening the Studio, you will purchase your initial inventory of display items, proprietary retail products, and graphics. The current purchase price of this inventory is approximately $5,400 to $6,800 plus applicable shipping costs, depending on the quantity and mix. The purchase price is subject to change given the introduction of products. You may elect to purchase additional product inventory with your initial package which would result in increased initial inventory costs. This payment is uniform for all franchisees and is considered fully earned upon payment; however, if for any reason the Studio does not open (other than in the event the parties mutually agree to extend the originally established Control Date), the vendor you purchased the inventory from will refund this fee to you subject to its receipt of the unopened, undamaged, complete inventory; less 15% restocking, and applicable shipping costs, otherwise, the fee is not refundable.

ITEM 6
OTHER FEES

Franchise Agreement

Type of Fee[1]	Amount	Due Date	Remarks
Royalty Fee	6% of Gross Revenue. After your second year of operations, a minimum Royalty Fee of $250 per week will be applied.	Monthly, currently the 8th business day of the month	The first month may be either a full or partial calendar month, depending on what day the Studio opens for business. See Note 1. See Note 2 for the definition of Gross Revenue.
Marketing Fee	2% of Gross Revenue	Monthly, currently the 9th business day of the month	We impose and collect 2% of Gross Revenue which compensates us for certain brand creative, marketing and promotional activities such as the management of online entities and the creation and production of promotional materials.
Local Advertising	At least $2,000 per month	Monthly local	You must spend the required minimum expenditure amount

Type of Fee[1]	Amount	Due Date	Remarks
	once Studio opens	advertising requirement must be spent before the end of each month	per month in your local market to promote the Studio. See Item 11.
Cooperative Advertising	At least $1,000 per month, when established	At such times and in the manner as required by any cooperative	If we require you to participate in an established cooperative advertising campaign for your market area, your $1,000 minimum monthly cooperative contribution will satisfy your local advertising requirement once the Studio is open at least 12 full months. See Note 5.
Additional Training, including but not limited to advanced training, opening training, transfer/resale training, Ongoing Assistance, Continuing Education, and train the trainer	$300 per day for each individual (which may be an attendee or trainer), plus reimbursement of our travel, lodging and dining costs (if applicable).	Before assistance	This fee applies to all training onsite or offsite. The $300 per day, per attendee fee is payable to us before we provide the applicable training. We may, at our option, send our personnel to your Studio to provide mandatory training if you have failed two consecutive quality inspections
Continuing Education Requirements	actual costs	Upon demand	See Note 3.
Convention Enrollment Fee	Currently, $600 per attendee	Before Convention	At least one representative is required to attend, no more than once per year, any designated convention or annual training meeting. For any annual convention you do not attend, you will be charged $1,000 non-attendance penalty. You are responsible for all costs of attending convention, including travel, lodging, meals and wages.

Type of Fee[1]	Amount	Due Date	Remarks
Technology Fee	Currently, $250 per month per Studio	Monthly, currently the 8th business day of the month	Technology Fees are for use of our online systems, intra-net, data sharing, business intelligence and more. We reserve the right to increase this fee. There is no limit to any increases to this fee. To be paid in the same manner and time frame as the Royalty Fee. See Item 11.
Supplier Approval Fee	Cost of inspection	Upon demand	You may recommend suppliers to us at any time; however, you must pay our actual costs and expenses if you request us to inspect and evaluate a proposed supplier.
Transfer Fee[4]	$5,000, plus our related attorneys' fees	Before transfer	We do not charge a fee if the transfer of the Studio is from an individual to a business entity for convenience of operation, however, you must reimburse us for our related costs and expenditures. See Note 4 for other circumstances where we charge a reduced Transfer Fee. See Item 17 for more information about restrictions and conditions of transfers.
Extended Term Fee	$1,000 per year added to remaining term assumed by transferee (not to exceed an initial term of 10 years)	When transferee signs their franchise agreement	Upon transfer, transferee must assume the remaining term on your franchise agreement and may, at their option, purchase additional years for the Extended Term Fee, not to exceed an initial term of 10 years. See Item 17 for more information regarding transfers.
Renewal Fee	$3,000	When you sign the new franchise	See Item 17 for more information regarding renewal

Type of Fee[1]	Amount	Due Date	Remarks
		agreement	
Audit	1.5 times the amount disclosed in the audit, plus our costs to conduct the audit	Upon demand	Only payable, if an audit discloses an underpayment of the Royalty Fee due to us of 2% more.
Late Charges	18% per year or the highest amount allowed by law, whichever is less, calculated weekly.	Upon demand	Payable only if any sums due us are not paid promptly when due.
Point of Sale (POS) and Text Messaging Systems	Currently, $355 per month	As incurred	This fee is imposed by us but payable to a third party and is subject to change. This subscription includes technical support provided by the POS supplier.
QuickBooks Online	Currently, $30 per month	As incurred	This fee is imposed by us but payable to third party and subject to change.
VOIP Phone system, Email, Microsoft Office 365, and Antivirus Software	Currently, $17 per month per telephone and $4 per month per telephone line, $17.50 per month for Email and Office 365, $4 per month for antivirus software	As incurred	You must use our designated supplier for your voice over internet protocol phone system. This fee is imposed by us but payable to a third party and is subject to change.
SoundTrack Your Brand	$25 per month	As incurred	This fee is payable to a third party provider and subject to change. This fee covers monthly music licensing.
Charge for Nonpayment Due to "Insufficient Funds"	$50 (which we can increase annually by an amount not to exceed 10% of our previously published fee) plus reimbursement of our costs and expenses from your non-payment.	Upon demand	Payable only if any check, draft, electronic or other payment is unpaid because of insufficient funds or otherwise.
Administrative Default Fee	$100 per occurrence, $100 per week until cured	Upon demand	We may charge this fee if you breach any of the terms, conditions, or policies outlined in the Franchise Agreement or

Type of Fee[1]	Amount	Due Date	Remarks
			the operations manual, otherwise fail to comply with our standards and specifications, or use unauthorized products, equipment, or vendors. We will address such matters through compliance reports prepared for non-compliant franchisees with a reasonable cure period.
Private or Public Offer of Securities	Our costs and expenses associated with reviewing the proposed offer	Before the offering	No offering shall imply in any manner whatsoever that we are participating in an underwriting, issuance, or offering of your securities.
Costs and Attorneys' Fees	Actual fees incurred	Payable as incurred	You must reimburse us for our expenses in enforcing or terminating the Agreements.
Indemnification	Amount of loss suffered	Upon demand	You must reimburse and pay our attorneys' fees and related costs if we are held liable for claims from your operation of the Studio.

Notes:

Note 1. All fees are payable to us and are uniformly imposed and non-refundable. Unless otherwise noted, all fees are payable to us.

Note 2. "Gross Revenue" means the aggregate of: (1) all revenue from the sale of products and services, whether made for cash, on credit, or otherwise, without reserve or deduction for inability or failure to collect, that you, in the normal course of your operations would credit or attribute to the operation of a Sugaring LA® Studio; (2) all monies, trade value or other things of value that you receive from Studio operations at, in, or from the Studio premises that are not expressly excluded from Gross Revenue; and (3) business interruption insurance proceeds. Gross Revenue does not include: (a) the exchange of merchandise between Sugaring LA® Studios (if you operate multiple Studios) if the exchanges are made solely for the convenient operation of your business and not for the purpose of depriving us of the benefit of a sale that otherwise would have been made at, in, on or from the Studio premises; (b) returns to shippers, vendors, or manufacturers; (c) sales of fixtures or furniture after being used in the conduct of the Studio business; (d) cash or credit refunds for transactions included within Gross Revenue (limited, however, to the selling price of merchandise returned by the purchaser and accepted by you); (e) the amount of any city, county, state or federal sales, luxury or excise tax on such sales that is both (i) added to the selling price or absorbed therein and (ii) paid to the taxing authority by you. Customer refunds may be deducted from Gross Revenue if the charge was previously included in Gross Revenue.

Note 3. Each of your sugarist must comply with our mandated continuing education requirements. For certain sugarist, the state in which they are licensed or certified may also mandate certain continuing education requirements. Completion of those state mandated requirements are not a substitute for our own requirement. In addition to our fee for continuing education training; you will be responsible for all related travel, lodging, and dining costs for your attendees and/or our staff who may travel to your Studio.

Note 4. If you or your Owners are transferring part, but not all, of their respective interest in the franchisee, the Transfer Fee equals $2,500. If such transfer, however, results in additional required training, you will be responsible for paying our then-current tuition for the training as well as travel, lodging, and dining expenses. A Transfer Fee of $5,000, plus our related attorneys' fees, applies if you transfer all of your interest in the Franchise Agreement and all or substantially all of the assets of the Studio.

Note 5. If franchisor-owned outlets are a part of a cooperative, such outlets shall have same voting power as any given franchisor.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Single-Unit Franchise

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee[1]	$60,000-$60,000	Lump sum	When Franchise Agreement is signed	Us
Lease Payment (first 3 months)[2]	$8,000-$15,000	As arranged	As incurred	Landlord
Security Deposits[3]	$4,000 - $7,500	As arranged	As incurred	Landlord
Leasehold Improvements[4]	$100,000-$140,000	As arranged	As required	Contractors and third party suppliers
Furniture, Fixtures, Décor, and Equipment[5]	$8,500 - $9,300	As arranged	As required	Approved Suppliers
Studio Layout, Architect, Engineer, Drawings, and Permits[6]	$14,000 - $20,000	As arranged	As required	Approved suppliers, our required architect and engineer
Construction Management[7]	$20,000	Lump sum	As incurred	Approved suppliers or third party suppliers
Initial Supplies[8,]	$8,500- $10,900	As arranged	As incurred	Approved suppliers

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Outdoor Signage	$8,000 - $15,000	As arranged	As incurred	Approved suppliers
Point of Sale ("POS") Register, Hardware, Software[9]	$7,900 - $9,400	As arranged	As incurred	Approved suppliers
Initial Inventory Package[10]	$5,400 - $6,800	As arranged	As incurred	Our Affiliate
Pre-opening training expenses[11]	$7,500 - $12,000	As arranged	Before opening	Us and third party suppliers of transportation, food and lodging for you and your employees
Telephone and Utility Deposits and Expenses	$250 - $1500	As arranged	As incurred	Third party suppliers
Grand Opening Marketing (3 months prior to opening)	$5,000 - $10,000	As arranged	As incurred	Approved suppliers
Business Licenses, Permits, etc. (first year)	$200 - $1,300	As agencies require	As agencies require	Applicable agencies
Insurance Deposits and Premiums (first three months)	$1,500 - $2,000	As agent requires	Before opening	Insurance carriers
Professional Fees (first year)	$1,000 - $3,000	As arranged	As incurred	Your accountant, attorney, and other professionals
Additional Funds - (first three months)[12]	$35,000 - $45,000	As arranged	As incurred	Various
Grand Total[13]	$294,750 - $388,700			

Multi-Unit Development (2-Pack or 3-Pack)

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Development Fee	$110,000 (2-Pack) $135,000 (3-Pack)	Lump sum	Upon execution of Development Agreement	Us
Initial Investment to Open Initial/Single Studio	234,750 - $328,700	Totals from Chart A of this Item 7 less the Initial Franchise Fee.		
Grand Total[13]	$344,750 - $438,700 (2 Studios) $369,750 - $463,700 (3 Studios)	This is the total estimated initial investment to enter into a Development Agreement for the right to own a total of two to three, as well as the estimated initial costs to open and begin operating your initial Studio for the first three months (as described more fully in the "Single Unit Franchise" chart above).		

Notes:

Note 1. This figure represents the Initial Franchise Fee of $60,000 if you enter into a Franchise Agreement for a single unit. The Development Fee is credited toward the full Initial Franchise Fee for each of the Franchise Agreements you will enter into for a multi-unit development deal for the right to develop multiple Studios.

Note 2. We reserve the right to approve the location of your Studio, and you must construct, remodel, alter and improve the location to our specifications. These figures assume that your location will be a leased, retail store-type unit. A typical studio will be located inside of or adjacent to a retail strip mall or shopping center, or, in the alternative, in urban storefronts. The size of a typical studio location will range from 1,000 to 1,300 square feet and the cost of rent will vary depending upon factors such as size, condition of premises, and location. Monthly lease payments for a three-month period usually range from approximately $8,000-$15,000.

Note 3. Security Deposits are generally required by Landlords and are usually equal to 1-1/2 month's rent. These amounts can vary depending on various lease provisions and your credit rating.

Note 4. Construction and remodeling costs vary widely, depending upon geography, real-estate demand, labor costs, the studio location, design, configuration and condition of the premises, the condition and configuration of existing services, and facilities such as air conditioning, electrical and plumbing, and the terms of your lease. Construction costs will be higher if the size of your Studio is larger. -Both the low and high range assume you will receive a tenant improvement allowance. The low range assumes a 1,000 sq. ft. location and the high range assumes a 1,300 sq. ft. location.

Note 5. Furniture, fixtures and equipment also include all interior design elements, and interior signage. If any special or additional equipment or fixtures is needed to provide studio services you must acquire that equipment or fixture, the cost of which may be significant. Studios will range from four to six rooms. Shipping costs and sales tax are included in this range but will vary depending on your location.

Note 6. This range includes our required Architect's fee for your Sugaring LA® store complete construction drawings.

Note 7. You are required to use our approved supplier for real estate and construction management services. The fee for these services is $20,000.

Note 8. The initial supplies accounted for in this range include all start-up supplies including office, backbar, merchandising, and business supplies (such as stationery, business cards, brochures, and other print materials) and other general supplies.

Note 9. The above range includes the cost of all system set-up and installation, including all required computer system software and hardware, including firewall requirements, point of sale terminals, cash drawer, ~~S~~tudio Software Enterprise licenses, server license, and point of sale management software. This range also includes payments to our designated supplier for QuickBooks Online and other accounting software and installation, our customized chart of accounts, a customized manual, and initial remote training.

Note 10. If for any reason your Studio does not open (other than in the event the parties mutually agree to extend the originally established Control Date), our designated vendor may refund the purchase amount for the Initial Inventory Package upon its receipt of the unopened, undamaged, complete inventory; otherwise, the inventory fee is not refundable. The figures included in the chart do not include additional inventory you may choose to purchase at your option.

Note 11. You must make arrangements for, and pay the expenses, including travel accommodations of, each individual who attends our initial business training program. Such expenses will include transportation, lodging, and meals. The amount expended will depend, in part, on the distance you must travel and the type of accommodation you choose and the type and location of the training you receive. The figures in the chart represent the estimated cost for one individual to attend our initial training program currently hosted in Ann Arbor, Michigan. Any fees related to additional training needed or requested beyond those which are initial are represented in the Franchise Agreement. $7,500 of the amounts listed above are payable to us.

Note 12. These amounts are the minimum recommended levels to cover operating expenses including your employees' salaries and sugarist wages, and local marketing for three months. These estimates do not include managerial salaries or any payment to you. These estimates also do not take into account finance payments, charges, interest, and related costs you may incur if any portion of the initial investment is financed by a third party. We do not offer direct or indirect financing. These amounts are the minimum recommended levels to cover operating expenses, including your employees' salaries for three months. The amounts listed for this category are based on historical data from our affiliate locations as well as the experience of our required construction management provider.

Note 13. This range represents the total estimated initial investment required to open the initial ~~S~~tudio you agreed to open and operate under the Development Agreement and does not include any of the costs you will incur in opening any additional studios you agree to develop under your Development Agreement. These figures are estimates of your initial expenses covering the first three months of your operation. All amounts are non-refundable unless otherwise noted.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Purchases from Approved or Designated Suppliers

Studio Supplies

The integrity of our brand is directly related to our products and services. You must purchase from our designated suppliers, all products and supplies needed to provide Studio services including cosmetic creams, lotions, oils and creams, as well as design products. In the future if we offer any other products that relate to our current or developing services, such products would also be required to be purchased from our designated suppliers. Currently, the supplier of such products and supplies is our affiliate Liberty.

Studio Retail Products Inventory

You must also purchase from us or from designated suppliers all proprietary retail products. Additional purchases you must make from us or from designated suppliers include any products or materials developed by or for us and/or which bear our trademarks ("Proprietary Products"). Included among our Proprietary Product is our private label retail products ("Private Label Products") which you must also purchase from Liberty. You must purchase and maintain such minimum level of inventory of our Proprietary Products as needed to meet the Studio's reasonably anticipated consumer demand. You must purchase all products and materials which bear any of our trademarks solely and exclusively from us, our affiliates, or from a producer, manufacturer, distributor or supplier we designate or approve.

If you purchase any items from us or our affiliates, we may derive profits from these purchases.

Studio Layout Design and Fixtures, Furniture, and Additional Materials, Supplies, and Products

You will engage our designated supplier for the layout design. You will also engage our designated construction management supplier for your Studio. Both of which are required. In general, we may designate suppliers from whom you will be required to purchase certain non-proprietary fixtures, furnishings, equipment, uniforms, supplies, marketing materials, forms, computer hardware, software, modems and peripheral equipment and other products, supplies, services and equipment, other than Proprietary Products, which you may or must use or sell at or through the Studio. You may use, offer or sell only those non-proprietary products that we expressly authorize, and you may purchase them from (i) us or our affiliates, (ii) suppliers we designate, or (iii) suppliers you select that we approve in advance in writing.

Computer System, Software, and Music License

You must purchase the POS computer hardware and software system from our approved suppliers. You will also be required to subscribe to certain services including accounting services, POS-related subscriptions, operating system and office software licenses, and music licenses. See Item 11 for more information about computer hardware and software requirements. If Franchisor develops or authorizes the sale of gift certificates and/or stored value cards, loyalty cards and/or customized promotional receipts, you shall acquire and use all computer software and hardware necessary to process their sale and to process purchases made using them and be solely responsible for the service charges related to such processing.

Supplier Approval

We will provide you with our Manual and various supplemental bulletins and notices that will contain the specifications, System standards, and restrictions on your purchase of products and services. Upon request, we will furnish to you a list of approved suppliers which we may update periodically.

If you desire to purchase products from a supplier other than our approved suppliers, you must submit a written request to us for approval of the proposed supplier, together with any evidence of conformity with our standards and specifications as we may reasonably require, or will request the supplier itself to do so. We may inspect and evaluate the supplier's facilities and products before we approve or disapprove your

proposed supplier, and you must pay all of our reasonable costs and expenses incurred in doing so. You may not use a supplier before you receive our written approval. A supplier must demonstrate to our reasonable satisfaction that it can supply an item meeting our standards and specifications for the item, that it is in good financial standing in the business community and that its products and services are reliable. We will provide you with our specifications and standards and our criteria for approval of suppliers and will approve or disapprove a proposed supplier in 60 to 90 days. We will notify you if and when we no longer approve a previously approved supplier. A supplier must continually adhere to our standards and specifications to maintain its approval.

You are not obligated to purchase from a particular approved supplier unless we have designated a supplier for a particular product or service. We may require that you purchase specific brands of equipment. In some situations, comparable brands of equipment may be acceptable, with our prior written approval.

Franchised Location and Lease

You are required to use our designated supplier for site selection assistance and construction management. There is a $20,000 fee for this service which must be paid upfront.

You must acquire a site for your Studio that meets our site selection criteria and that we approve. If you occupy the Studio according to a commercial lease, the lease must contain terms that we specify. (See Lease Addendum attached as Attachment F to the Franchise Agreement).

You must construct, equip, and improve the Studio in compliance with our current design standards and trade dress. You must purchase and install, at your expense, all millwork and customized fixtures, furnishings, equipment (including a point-of-sale cash register system), décor, and signs from our approved third-party suppliers.

If we grant you the right to open and operate multiple Studio under a Development Agreement, you may not enter into your Franchise Agreement for each subsequent Studio opened under your Development Schedule until contacted us and requested our approval in accordance with our System Standards.

Insurance

You must obtain and maintain insurance policies protecting you, and us as additional insured, on a primary non-contributory basis. The additional insured should be listed on the certificate as follows: SugaringLA Franchise, LLC, and its officers, managers, members, partners, shareholders, regional directors, subsidiaries and affiliates, agents and employees; and it must be provided on an Additional Insured Grantor of Franchise Endorsement per form CG2029 (or an endorsement form with comparable wording acceptable to us), as well as third-party coverage endorsement, and joint employer coverage endorsement. The policy must contain a waiver of all subrogation rights against us, our affiliates, and their successors and assigns, and must provide for 30 days' prior written notice to us of any material modifications, cancellations, or expirations. The insurance must be underwritten by insurers licensed and admitted to write coverage in the state in which the Studio is located and must have an A.M. Best rating of "A" or higher. If permitted by your local laws and regulation, you must also add SugaringLA Products, Inc. as an additional insured.

These policies must include the coverage that we require, which currently includes: (a) "all risk" or "special" property insurance covering all real and personal property and equipment on a replacement costs basis, including business interruption and extra expense insurance on an actual loss sustained basis, (b) comprehensive general liability insurance, including products and completed operations in an amount of not less than the following combined single limits: $1,000,000 per occurrence, $1,000,000 personal and advertising injury, $1,000,000 completed operations/products aggregate, $2,000,000 aggregate per location; (c) automobile liability coverage, including coverage of owned, non-owned, rented or hired vehicles with coverage in amounts not less than $1,000,000 combined single limit, (d) employment practices liability coverage with a limit of $500,000 per occurrence and in the aggregate, (e) professional liability insurance for all state-licensed beauty or health professionals with minimum coverage of

$1,000,000 per occurrence, (f) workers' compensation insurance for statutory limits, (g) employer's liability insurance in an amount not less than $1,000,000, and (h) any insurance as is necessary to comply with all legal requirements concerning insurance coverage for you and your personnel attending our training programs.

At least 10 days before you are required to carry insurance, and after that at least 30 days before the expiration of any policy, you must deliver to us certificates of insurance evidencing the proper types and minimum amounts of required coverage, and evidence of the additional insured and wavier requirements. If you fail to maintain the required insurance, we or our designee may obtain the insurance for you and charge and demand reimbursement of the premium costs and costs of acquiring the insurance. Each year we may unilaterally modify the insurance minimum coverage requirements which may include an increase to the minimum coverage requirements to reflect changes in inflation or as market conditions warrant.

We may periodically increase the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time, including excess liability insurance, to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances.

Revenue Derived from Franchisee Purchases and Leases

We will derive revenue from franchisee purchases and leases to the extent that franchisees purchase products or services from us, or our affiliates. During our fiscal year ending December 31, 2022, we received no revenues, which is 0% of our total revenues of $0, as a result of franchisee purchases or lease.

Estimated Proportion of Required Purchases and Leases to all Purchases and Leases

We estimate that 30% to 45% of your expenditures for leases and purchases in establishing your Studio and approximately 20% to 30% of your total annual operating expenses on an ongoing basis will be for goods and services will be for Required Purchases.

Description of Purchasing Cooperatives; Purchasing Arrangements

We may negotiate purchase arrangements with primary suppliers for the benefit of franchisees. If we negotiate a purchase agreement for the region where your Studio is located, you must participate in the purchasing program. Presently there are no purchasing or distribution cooperatives in existence for the franchise system.

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

ITEM 9
FRANCHISEE'S OBLIGATIONS

These tables list your principal obligations under the franchise, development, and other agreements. They will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section(s) in Franchise Agreement and Development Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Franchise Agreement: Sections 3.1. and 3.3. and Section 1 Development Agreement: Attachment A	Items 8 and 11

Obligation	Section(s) in Franchise Agreement and Development Agreement	Disclosure Document Item
b. Pre-opening purchases/leases	Franchise Agreement: Sections 3.4., 6.5., 6.6., and 10.1.	Items 5, 7, 8 and 11
c. Site development and other pre-opening requirements	Franchise Agreement: Sections 3.2., 3.4., and 5.1. Development Agreement: Section 1 and Attachment A	Items 7, 8 and 11
d. Initial and ongoing training	Franchise Agreement: Sections 5.1., 5.3., 5.5., 5.6., 5.7., and 5.8.	Items 6 and 11
e. Opening	Franchise Agreement: Sections 3.5. and 5.2. and Section 5 Development Agreement: Attachment A	Item 11
f. Fees	Franchise Agreement: Sections 4.1., 4.2., 4.3., 4.4, 4.5., 4.10., 4.11, 9.2., 9.3., 9.4., 12.3., and 12.4. Development Agreement: Article 2	Items 5, 6, 8 and 11
g. Compliance with standards and policies/ Operating Manual	Franchise Agreement: Article 8	Item 8, 11, 14 and 16
h. Trademarks and proprietary information	Franchise Agreement: Article 7	Items 11, 13 and 14
i. Restrictions on products/services offered	Franchise Agreement: Sections 6.4., 6.5., 6.6., 6.7., and 6.8.	Items 8 and 16
j. Warranty and customer service requirements	Not applicable	Not applicable
k. Territorial development and sales quotas	Franchise Agreement: Not applicable Development Agreement: Article 1 and Attachment A	Item 12
l. Ongoing product/service purchases	Franchise Agreement: Sections 6.5., 6.6. and 8.2.	Item 8
m. Maintenance, appearance and remodeling requirements	Franchise Agreement: Sections 6.7. and 6.10.	Items 7, 8 and 11

Obligation	Section(s) in Franchise Agreement and Development Agreement	Disclosure Document Item
n. Insurance	Franchise Agreement: Section 11.2.	Item 7 and 8
o. Advertising	Franchise Agreement: Article 9	Items 6 and 11
p. Indemnification	Franchise Agreement: Section 11.3.	Items 6 and 12
q. Owner's participation/ management/staffing	Franchise Agreement: Sections 6.2., and 6.3.	Item 15
r. Records and reports	Franchise Agreement: Sections 10.4, 10.5, and 10.6.	Item 6
s. Inspections and audits	Franchise Agreement: Section 10.7.	Items 6 and 11
t. Transfer	Franchise Agreement: Article 12 Development Agreement: Article 8	Items 6 and 17
u. Renewal	Franchise Agreement: Section 2.2.	Items 6 and 17
v. Post-termination obligations	Franchise Agreement: Article 14 Development Agreement: Articles 12 and 13	Items 6 and 17
w. Non-competition covenants	Franchise Agreement: Article 15	Item 17
x. Dispute resolution	Franchise Agreement: Article 19 Development Agreement: Articles 12, 13, and 15	Item 17
y. Guaranty	Franchise Agreement: Section 18.6.	Item 15

ITEM 10
FINANCING

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

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

Except as listed below, SugaringLA Franchise, LLC, is not required to provide you with any assistance.

Pre-opening Obligations.

Before you open the Studio for business:

1. We will approve the Site Selection Area in which you may locate your Studio before you sign the Franchise Agreement, and we will approve or refuse to approve the specific Studio site within 30 days of receiving all requested information. (Franchise Agreement, Section 3.2.). If you have entered into a Development Agreement for the right to open multiple Studios, we will designate your Site Selection Area where you will have the right to locate and secure a Premises for each of your Studios (each of which we must accept). (Development Agreement, Section 1)

2. We will admit two individuals to our initial business training program, as described below. You will pay a fee for any additional attendees. (Franchise Agreement, Section 5.1.1)

3. We will also provide technical service training to you and, if you so elect, to your sugarist. This training may be provided on-site at your Studio, at our designated training facility or such other location we determine at our discretion. (Franchise Agreement, Section 5.1.2)

4. We will make available, on loan to you, one digital copy of our Manuals. (Franchise Agreement, Section 8.1.) The Table of Contents of our Confidential Operations Manual is attached to this disclosure document as Exhibit E. Our Manual contains 202 pages.

5 Except for the provision of a design and construction manual, we do not provide assistance to conforming the premises to local ordinances and building codes or obtaining any required permits, and/or constructing remodeling, or decorating the premises. Franchisor does not generally own the premises, nor leases it to the franchisee.

6. We will provide such pre-opening consultation and advice as we deem appropriate, which may include advice with regard to the development and operation of the Studio, building layout, furnishings, fixtures, and equipment, plans and specifications, employee recruiting, selection, and training, purchasing and inventory control, marketing, and such other matters as we deem appropriate. (Franchise Agreement, Section 5.4.) We do not directly contribute to the hiring of employees. However, we provide assistance in the initial training for opening the Studio.

7. We will assist you in creating an initial Local Marketing and promotional strategy to promote the opening of the Studio, including a Grand-Opening event and other strategies. (Franchise Agreement, Section 9.2.).

Continuing Obligations.

During the operation of the Studio:

1. We will provide such ongoing consultation and advice as we deem appropriate, which may include information about new services and product developments, instruction concerning the operation

and management of the Studio, advertising and marketing advice, and financial and accounting advice. (Franchise Agreement, Section 5.5.)

2. We will communicate to you information about our approved and designated suppliers. (Franchise Agreement, Section 6.6.)

Advertising

Our recommended local advertising program for the products and services offered by Sugaring LA® Studios currently consists of digital and community-based advertising in certain targeted markets. Our advertising and marketing materials are currently developed both in-house and with the help of outside advertising agencies and consultants. You will have access to all of our marketing and advertising templates through our Intranet website. You are required to use, feature and display only marketing materials, including brochure-ware, digital and all social assets, that are created by us.

We must approve all of your promotional and marketing materials before you use them. To obtain approval, you must submit to us samples of the proposed materials and notify us of the intended media. We will use good faith efforts to approve or disapprove your materials within 15 days from the date we receive them. You may not use the materials until they are expressly approved by us, and we have the right to disapprove materials that we have previously approved. We must also approve all of your promotional and marketing programs, events, and all other related activities before their implementation. To obtain approval, you must submit a detailed outline of all proposed promotional and marketing activities, as well as all other information we may reasonably request. Once we have received the requested information, we will use good faith efforts to approve or disapprove your proposed promotional activities within 15 days.

Grand Opening Marketing

You must invest at least $5,000 on grand opening marketing to promote your Studio's prior to open." We will assist you in creating a marketing and promotional strategy to be executed prior to studio opening marketing investment including suggestions around scheduling relative to the soft-opening of your Studio. This grand opening expenditure amount is in addition to the local advertising requirement for your first year, which begins in your first month of operation.

Marketing Fee

We require that you pay a Marketing Fee. As described in Item 6, we impose and collect 2% of Gross Revenue which compensates us for certain brand creative, marketing and promotional activities such as the management of online entities and the creation and production of promotional materials. While we have no contractual obligation to utilize local, regional or national media coverage, it is our intent to spend Marketing Fee monies, or an equivalent amount, on regional and national brand development, promotions, websites, and other brand awareness activities. We do not guarantee that you will benefit from the Marketing Fee in proportion to your Marketing Fee payments.

Marketing Fee monies will not be held in a trust or escrow account, nor do we have any contractual obligation to account for Marketing Fee monies separately, and we will not have any fiduciary obligations to you with respect to the Marketing Fee. We will determine the use of the Marketing Fee monies. The collection and accounting of the Marketing Fee is not independently audited separate from Franchisor's annual audited financial statements. A franchisee may request an annual report of general category spending of collected Marketing Fees. This report may be requested in writing and will be provided in the manner we determine no more than one time per year and only after March 1 for the prior year. If Marketing Fee monies are not spent in the fiscal year in which they accrue then, as these amounts are general operating

funds, we may spend such monies as we deem appropriate. We will not be required to spend any particular amount on marketing, advertising, or promotion in your Studio's market area, nor any pro rata amount based upon your Marketing Fee payment. We do not primarily use Marketing Fees received for the solicitation of new franchise sales. During the fiscal year ending December 31, 2022, Marketing Fees were spent in the following approximate percentages: 0% production; 0% media; 0% administrative expenses; and 0% other uses. Franchisor-owned outlets are not obligated to pay Marketing Fees.

Local Advertising

During the term of the Franchise Agreement, you must spend a minimum of $2,000 per month on approved marketing and promotional activities in your market area. This amount is in addition to the Grand Opening marketing expenditure. You must report, in the format we require, as often as quarterly but no less than annually, your itemized local advertising expenditures to confirm the required expenditures have been met.

If you fail to meet the minimum spending requirement, we may, upon your receipt of our written notice (and on a going forward basis) deduct the required local advertising expenditure amount each month from your account which we will spend on your behalf to promote the Studio in your market area. We will continue this process until such time as we may determine, in our sole discretion, that you can reassume this obligation on your own behalf.

Advertising Cooperative or Advertising Council

We may, in our sole discretion, elect to form an advertising cooperative and/or advertising council for the benefit of the franchise system. If advertising cooperatives or councils are formed, we will retain the right to change, dissolve or merge any such cooperative or council, in our sole discretion. As of the date of this disclosure document we have not established any advertising cooperative or council, however, when applicable, the terms of the Franchise Agreement require you to participate in any such advertising cooperative or council as directed by us. The members of the Cooperative for any such area will consist of all Sugaring LA® Studios whether operated by us, our affiliate, or by any of our affiliate's wholly-owned subsidiaries or by franchisees. The franchisees will administer the cooperative. If Franchisor-owned locations are a part of the advertising cooperative, then they will contribute at the same rate as franchisee-owned locations. If we require you to participate in an established cooperative advertising campaign for your market area, your $1,000 minimum monthly cooperative contribution will satisfy your local advertising requirement once the Studio is open at least 12 full months. Governing documents are not available for the franchisee's review.

Computer Systems

You must purchase, install and maintain the electronic point of sale computer systems that we designate to record sales and transaction data (such as appointment time, item or service ordered, price, and date of sale) as well as data related to Studio operations (the "Computer System"). You will use the Computer System as a cash register system, a customer data system, a marketing system, an inventory system, an employee payroll and time maintenance system, a daily sales reporting system, and an accounting system.

You must connect the Computer System to a communications channel capable of accessing high speed internet via a third party network. We also require that you purchase our required firewall/router to create a network for your Studio's computers and to grant us, and other designated third parties such as our designated computer support supplier, remote access your Computer System. Updates or replacement of the Computer System, both hardware and/or software, may be required. There is no contractual limitation on the frequency or cost of these obligations. We will have the right to independently access all information

and financial data recorded by the system for daily polling, audit and sales verification. There are no contractual limitations to our right to access the information and data recorded by your system.

The approximate cost to purchase the Computer System, computer software, and hardware is $9,250-$11,250. This amount includes the cost of installation and the POS initial set up fee described below as well as the music system. You must purchase both the required hardware and software from our designated and approved suppliers. Your Studio will utilize one iPad, a desktop PC, and the option to add a laptop PC, as part of the approved computer system.

You will purchase a subscription to our POS provider. The current ongoing subscription fee of $355 per month for the generic product, and text messaging but does not including additional services. This subscription includes technical support. This fee is subject to change.

No later than 90 days after you begin our on-boarding process, you must subscribe to the designated accounting software package as provided by our designated supplier, currently Intuit QuickBooks Online. You must utilize our customized chart of accounts. There is currently an ongoing $30 per month service fee for your use of the accounting software required.

You must also use a voice over internet protocol phone system through our designated supplier. The current monthly fee for this service is $17 per month per telephone and $4 per month per telephone line. You will also pay the current Microsoft Office 365 and email services cost of $17.50 per month.

We have also established a Technology Fee, currently $250 per month, which we will apply toward such software and technology related costs, intranet development, support, maintenance, and related costs; software or application development, customization, and implementation; online or Internet-related support; hardware and/or software support; business intelligence development and other such technologically-related activities.

At our request, you must, install and maintain interactive multi-media equipment, devices, and facilities that we require, including approved music systems, wi-fi and other wireless Internet and communications systems, and interactive displays, including flat screens.

Neither we, our affiliates, nor any third parties must provide ongoing maintenance, repairs, upgrades, or updates to your computer system or other computer equipment. There are currently no optional or required maintenance/upgrade contracts for the Computer System or other computer equipment that is not otherwise included in the Technology Fee described above.

You must install any other hardware and/or software for the operation of the Studio that we may require in the future, including any enhancements, additions, substitutions, modifications, and upgrades. There is no contractual limitation on the frequency or cost of these obligations. We may also require you to license from us, or others we designate, any computer software we develop or acquire for use by Sugaring LA® Studios. There are no annual costs incurred by the franchisee for any optional or required maintenance updating, upgrading or support contracts for the point of sale or computer systems.

Initial Training Program

The Initial Training Program consists of three components in two segments: The first segment single component being Business Training, and the second segment, two component being Studio Opener Training and Initial Sugarist Training conducted in your Studio. You are eligible to attend Ann Abor Business Training only after you have a signed Lease. Typically, franchisees attend Business Training within 90 to 100 days of their anticipated Soft-Opening. The completion of Ann Arbor-based business-related classroom

training is mandatory. We reserve the right to delay this training if all of the pre-training requirements, as set forth in the Manual and onboarding processes, are not met. If you are hiring a General Manager to run the studio operations, we strongly recommend you have them attend this training as well. Our business-related initial training program will be held at a classroom facility that we designate in the Ann Arbor, Michigan area, although we reserve the right to designate another training facility. We will provide the training, the instructor(s), a training manual, and other materials for up to two trainees. You must pay us a fee (currently $300 per day) for each additional attendee you send to the initial training program. We reserve the right to implement online training in addition to, or that cover certain, business-related subject matters currently included in classroom training sessions. You are responsible for all travel and lodging expenses related to attending Ann Arbor Business Training. Our business training program is led by Jennifer Fields who has over 15 years experience in training and over 5 years experience in the health and beauty industry. Jennifer Fields has experience in developing, training and supporting franchisees. Our technical training instructor, Destinee Enomoto has over 5 years' experience in training in the health and beauty industry, including experience in the field of sugaring, retail sales, selling, training protocol, guest assessment, sanitizing practices and all aspects of the professional training program for Sugaring LA®.

The second portion of the initial training program has two components and relates to Studio Opening and sugarist training. Currently we provide one individual (Corporate Sugarist trainer) to provide you with on-site esthetician training services at your Studio for a period of up to 4 days, typically in conjunction with a second individual (Studio Opener for 3 days) to provide opening support, software and sales training. This training is scheduled at our discretion and is subject to our availability. The Initial Training Fee of $7,500 currently includes the cost of travel for two corporate personnel, typically the Studio Opener and Corporate Sugarist trainer at your first Studio only. Any/all additional training, including training for—if applicable—your second and subsequent Studio, is currently provided at $300/day plus travel. Training is conducted on an as needed basis, in conjunction with Franchisees development, opening schedule and needs, but in no event less than twice per year.

You must attend and participate in all sessions of the initial training program. If we determine that you have not completed or are unable to complete our initial training program satisfactorily, we may offer another chance to re-take the initial training program at your expense. Your failure to complete initial training to our satisfaction will give us the right to terminate your Franchise Agreement.

TRAINING PROGRAM

Subjects	Hours of Classroom Training	Hours of On the Job Training	Location
Initial Business Training (HR & Team Planning, Unit Economics Planning, KPI Metrics, Selling Skills and Opportunities, NSO Marketing Planning, General Operations	16 – 24	0	Ann Arbor, Michigan or such other designated training center
Retail Sales, Product Knowledge, Purchasing and Inventory	5	0 – 5	Ann Arbor, Michigan or such other designated training center
Marketing, Grand Opening and Ongoing Marketing	5	0 – 5	Ann Arbor, Michigan or such other designated training center

Sugarist Trainer Training	8-20	0 – 24	On the job training: your Studio location
Studio Operations and Front Desk Management Training	8	0 – 24	On the job training: your Studio location
TOTAL	42 – 62	0 – 58	

If we determine, however, that you have not met the minimum requirements for the establishment of the Studio by the timelines set forth in the Manual, we may elect to provide you with additional on-site assistance as we deem appropriate and you agree to pay our per diem fee for this additional assistance as well as our related travel, lodging, and dining costs.

We may make available additional courses, seminars, and other training programs as we consider appropriate. You must cause your General Manager and other employees whom we designate to attend these mandatory programs. In addition to our fee related to such additional training programs, you must pay all attendance related travel, lodging, and dining costs for your Managing Owner, General Manager and designated employees.

Site Selection and Opening

We do not generally own any of the premises leased to you. When you sign the Franchise Agreement, we will agree on a "Site Selection Area" within which you must locate the Studio. If we grant you the right to open multiple franchises under our form of Development Agreement, you will be granted a similar Site Selection Area wherein you will be required to open a certain number of Studios as set forth in your Development Schedule. Once you have identified an accepted location, we will define and provide your "Protected Area." This "Protected Area" will consist of an area, typically a circle, surrounding your premises containing a population of up to 75,000 individuals, and will not exceed a maximum diameter of six miles (or a three-mile radius). You must acquire an acceptable site and open your Studio by no later than the Control Date identified in the Franchise Agreement, which is one year from the effective date of the Franchise Agreement. If you fail to acquire an acceptable site by Control Date, we will grant you a 90-day extension so long as you have engaged our designated supplier for site selection services and are actively pursuing an acceptable Studio location. If you are not actively pursuing a studio location, we may terminate the Franchise Agreement and your Initial Franchise Fee will be forfeited.

For each proposed site that you identify, you must deliver to us a franchise site application in a form that we prescribe, including information about the site as we may reasonably request to perform our evaluation. We will approve or refuse to approve your proposed site within 30 days of receiving all requested information about the site. The criteria that we use to evaluate the site include general location, neighborhood, traffic patterns, parking, size, physical characteristics of existing buildings, and lease terms. Except for the provision of a design and construction manual, we do not provide assistance to conforming the premises to local ordinances and building codes or obtaining any required permits, and/or constructing remodeling, or decorating the premises, and or hiring and/or training the employees. Franchisor does not generally own the premises, nor leases it to the franchisee.

A Studio usually opens for business within twelve months after the Franchise Agreement is signed. Factors which may affect the length of time between signing of the Franchise Agreement and opening for business include the time necessary to locate a location which we will accept; to obtain any financing you need; to obtain required licenses, permits, and governmental agency approvals; to fulfill local ordinance requirements; to complete construction, remodeling, alteration, and improvement of the Franchised

Location, including the installation of fixtures, equipment, and signs; and to complete our initial training program and to complete the hiring and training of personnel. Delay in construction may be caused by inclement weather, material or labor shortages, labor actions, slow deliveries, equipment shortages and similar factors.

If you fail to open the Studio by the Control Date, we can terminate the Franchise Agreement. If you have entered into a Development Agreement to open multiple Studios, your Development Agreement will include a Development Schedule containing a deadline by which each Studio must be open and operating. If you fail to develop each Studio by its corresponding deadline, we may terminate the Development Agreement.

ITEM 12
TERRITORY

Franchise Agreement

You will operate the Studio at a location that we have accepted, and may relocate the Studio only with our prior written consent. We will consent to relocation if your lease expires or terminates through no fault of yours, or if the Studio premises is destroyed or materially damaged by fire, flood, or other natural catastrophe, and you are not in default of the Franchise Agreement or any other agreement with us or our affiliates.

You will select a Studio location, which we accept, from within your designated "Site Selection Area," identified in Attachment B. When the Studio location is identified, we will apply a "Protected Area," which will also be identified in Attachment B to the Franchise Agreement. Except as described below, the Protected Area will consist of an area, typically a circle, surrounding your premises containing a population of up to 75,000 individuals, and will not exceed a maximum diameter of six miles (or a three-mile radius).

During the franchise term, we will not own or operate, or grant anyone else the right to operate, a Studio under the trademark Sugaring LA® within the Protected Area. Excepted out from the Protected Area will be venues within the Protected Area that we consider "Closed Markets." These include any facility serving a captive market, including hotels, resorts, airports, public facilities, college and school campuses, military bases, and any other mass gathering events or locations, and facilities of any kind for which sugaring services rights are, or may reasonably be anticipated to be, contracted to a third party or parties. As long as you meet the eligibility requirements for the Closed Market location and are not in default under any agreements with us, we agree to offer you a 30-day right of first refusal for any Closed Market locations that are located within your Protected Area prior to developing the location ourselves or offering them to a third party. Your Franchise Agreement grants you the right to sell products and services only at your Studio location. Therefore, so long as your customers come to your Studio location for the purchase of products and services, you will not be restricted from soliciting sales or accepting orders within or outside of the Territory, and neither we nor other franchisees must pay any compensation to you for soliciting or accepting orders within your Territory. The Franchise Agreement does not grant you any right to distribute Sugaring LA® brand products through wholesale channels, such as mail order, catalog sales, or Internet sales whether within or outside of your Territory. Unless granted to you under our Development Agreement, you do not have any options, rights of first refusal or other rights to acquire additional franchises. Neither we nor our affiliates directly operates or have any current plans to operate a franchised business under a different trademark that will sell goods or services that are the same as or similar to those offered by Studios.

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

Customer Restrictions. There are no limits on the area in which you or we may solicit customers, except that you may not solicit, accept orders, or sell goods to the extent limited by any multi-area marketing program, or by our reservation of rights contained in the franchise agreement. All Internet marketing is a part of multi-area marketing programs, and you may not market independently on the Internet, conduct e-commerce, or acquire a domain name or website, unless approved by us in writing, and under our conditions and format. We will arrange to share with you 15% of the net revenue (net of expenses including: taxes, returns, discounts, promotions, unrecovered shipping charges equal to 10% of MSRP) they receive from Internet sales of Sugaring LA® products to customers who have a shipping address in your Territory. The program is subject to change in accordance with our guidelines outlined in our operations manual and we may discontinue such revenue sharing program at any time.

Development Agreement

If you enter into a Development Agreement, we will define a Site Selection Area within which you will have the right to locate and secure the accepted Premises for each Studio you must open under your Development Schedule. The size of the Site Selection Area will likely vary among new prospects and developers, with the size of your Site Selection Area typically depending on the demographics of the area in and around the region you wish to develop.

We typically identify your Site Selection Area early during the franchise due diligence and offer process, based on where you tell us you wish to operate, and the agreed-to geographic description is inserted into your Development Agreement before you sign it. The Site Selection Area may not be modified at any time during the term of the Development Agreement unless the parties mutually agree to the modification in a separate signed writing. Typically, your Site Selection Area will be all or part of an MSA.

If you are in full compliance with your Development Agreement and any existing Franchise Agreement you have entered into with us, then we will grant you the right to open the number of Sugaring LA® franchises you agreed to open as part of your Development Schedule within your Site Selection Area. We do require that you locate, review, and secure these locations using our approved supplier for site selection services. Your rights within the Site Selection Area are non-exclusive but are representative of the inventory of licenses we award within a given Site Selection Area. Site Selection is not prioritized by franchisee tenure, size or sales but is subject to our system standards. We reserve the right to alter inventory at any time in response to market conditions. You do not receive an exclusive territory under your Development Agreement. You may face competition from other franchisees, from outlets that we control, or from other channels of distribution or competitive brands that we control.

Once you have secured a Premises for a given Studio to be developed per your Development Agreement, we will grant you a Protected Area around that Studio as described above.

Development Schedule

Your Development Schedule will depend on the number of units you acquire the rights to develop in your Development Agreement. If you enter into an agreement granting you the rights to develop three units, your Development Schedule will be as follows:

Expiration of Development Period **(each, a "Development Period")**	**No. of New Studios Opened Within Development Period**	**Cumulative No. of Studios that Must Be Open and Operating**

Within 12 months from Effective Date	1	1
Within 36 months from Effective Date	1	2
Within 48 months from Effective Date	1	3
Within 60 months from Effective Date	1	4
Within 72 months from Effective Date	1	5

Other Disclosures

We reserve to ourselves all other rights, including the right: (a) own and operate and to grant others the right to own and operate Studios outside the Protected Area, regardless of their proximity to the Protected Area, but will make reasonable efforts to responsibly approve sites based on experience and data; (b) to own and operate and grant others the right to own and operate Sugaring LA® Studios, and license the use of the Marks and System, in "Closed Markets" within and outside the Protected Area; and (c) the right to distribute products and services, whether identified by the Proprietary Marks, such as Private Label Products, or under different trademarks, within and outside of your Protected Area through alternative channels of distribution including mail order, catalog sales, department stores, retail stores, supermarkets, and/or Internet sales. We are not required to compensate you if we exercise any of the rights specified above inside your Protected Area.

Except for the Protected Area granted in your Franchise Agreement, we do not grant any rights of first refusal to obtain additional franchise rights or specific sites. If you wish to develop additional Studios you must enter into a new Franchise Agreement and meet all our current requirements for franchisees. There are no circumstances that permit us to modify your Protected Area, nor do we require that you meet a minimum sales quota.

Neither the Franchise Agreement nor the Development Agreement provides you with any right or option to open and operate additional Studios, other than as specifically provided for in your Development Agreement if you are granted multi-unit development rights. Regardless, each Studio you are granted the right to open and operate must be governed by its own specific executed Franchise Agreement.

Other than the rights granted under our Development Agreement or Franchise Agreement, we do not grant you any other option or rights of first refusal to acquire additional development areas.

ITEM 13
TRADEMARKS

We grant you a limited, non-exclusive license to use principal trademarks and other trademarks in connection with the operation of your franchised business only at your premises and within your Protected Area, provided you use these trademarks as outlined in the franchise agreement and our manual. By trademark we mean trade names, trademarks, service marks, logos, trade dress, and other commercial symbols used to identify the business.

Our primary trademarks are registered with the U.S. Patent and Trademark Office ("PTO") on the Principal Register, as described below. You may not use any of our trademarks as part of your business entity name, or any URL, or your Internet domain name or any similar Internet identifier or account name, or on any employee forms. We control all Internet access, marketing, and usage related to the franchised business.

Mark	**Registration Number**	**Registration Date**	**Principal or Supplemental Register of the PTO**	**Status/Renewal/ Affidavits**
SugaringLA	4304506 (Classes 100, 101)	March 19, 2013 (as renewed)	Principal	Registration
SugaringLA	6142573 (Classes 001, 00, 006, 050, 051, 052)	September 1, 2020,	Principal	Registration
GET SWOOP'D	5787768 (Classes 100, 101)	June 25, 2019	Principal	Registered
SWOOP SPOT	5787771 (Classes 100, 101)	June 25, 2019	Principal	Registered
SWOOP	5787770 (Classes 100, 101)	June 25, 2019	Principal	Registered
SWOOP (Design Mark)	5958829 (Classes 100, 101)	January 14, 2020	Principal	Registered
SugaringLA (Design Mark)	6098674 (Classes 100, 101)	July 14, 2020	Principal	Registered
BEYOND THE SURFACE	6381603 (Classes 001, 004, 006, 050,051, 052, 100, 101)	June 8, 2021	Principal	Registered
BEYOND THE SURFACE (Design Mark)	6381604 (Classes 001, 004, 006, 050, 051, 052, 100, 101)	June 8, 2021	Principal	Registered
sLA (Design Mark)	6381605 (Classes 001, 004, 006, 050, 051, 052, 100, 101)	June 8, 2021	Principal	Registered

All required affidavits have been filed. There are no currently effective material determinations of the PTO,

the Trademark Trial and Appeal Board, the trademark administrator of any state where this disclosure document is required, or any court, or any pending infringements, opposition, or cancellation proceeding or any pending material litigation involving our principal trademarks. Franchisor intends to work with licensor to renew the registration at the times required by law.

You must notify us immediately of any infringement of, or challenge to, your use of our trademarks. Franchisor or its Affiliate has the right to direct and control any administrative proceeding or litigation, or other adjudicative proceeding involving the Proprietary Marks or Copyrighted Works, including any settlement thereof. We are not obligated by the franchise agreement to protect your rights to use these trademarks or to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving our trademark or if the proceeding is resolved unfavorably to you, but may defend, prosecute or settle these claims or litigation. You must modify or discontinue the use of any trademarks or use one or more substitute trademarks if we request you to. Our only obligation will be to reimburse you for the tangible costs of new signage and stationary. You may not contest our ownership, title, right or interest in our trademarks that are part of the business. Upon termination of the franchise agreement for any reason, you must cease using these trademarks in any manner.

We are not aware of any superior prior rights or infringing uses that could materially affect your use of the principal trademarks in the state where the franchised business is to be located.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or registered copyrights material to the franchise. However, we claim copyright protection in the Manual, the design elements of our marks, our product packaging, advertising and promotional materials, and the content and design of our website (the "Copyrighted Works").

There is no presently effective determination of the U.S. Copyright Office (Library of Congress) or any court affecting our copyrights. There is no currently effective agreement that limits our right to use and/or license our copyrights. We have no obligation to protect any rights you have to use the copyrights. We have no actual knowledge of any infringements that could materially affect the ownership, use, or licensing of the copyrights. You may not use any of our Copyrighted Works on the Internet without our written permission. This includes display of the Copyrighted Works on commercial websites, gaming websites, and social networking websites.

You and your employees must maintain the confidentiality of all information contained in the Manual and other information that we consider confidential, proprietary, or trade secret information. Confidential Information means all trade secrets, and other elements of the System; all customer information; all information contained in the Manuals; and standards and specifications for services and products offered; financial information; marketing data; vendor and supplier information; all other knowledge, trade secrets, or know-how concerning the methods of operation of the Studio which may be communicated to you, or of which you may be apprised, by virtue of their operation under the terms of the Franchise Agreement, any training we provide, and all other information that we designate (collectively, "Confidential Information"). You must implement any reasonable procedures we may adopt to protect our Confidential Information including restrictions on disclosures to your employees and requiring employees who will have access to our Confidential Information to sign employment agreements containing non-disclosure and non-competition provisions.

You may not contest our exclusive ownership of the copyrights, trade secrets, processes, methods, procedures, formulae, techniques and other proprietary information to which we claim exclusive rights.

If you or your employees or owners develop any new concept, process or improvement in the operation or promotion of your Studio, you must promptly notify us and give us all necessary information about the new process or improvement, without compensation. You and your owners agree that any of these concepts, processes, or improvements will become our property, and we may use or disclose them to other franchisees, as we determine appropriate.

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

If the franchisee is a business entity, at least one Owner must oversee the general operations and business activities of the Studio. You must also designate a General Manager, who may, but is not required to be, an Owner, who oversees the day-to-day operations of the Studio and devotes his or her full time energy and best efforts towards the management, operation, promotion, and growth of the business. The designated Owner and General Manager may be the same individual. At least one of your Owners and the General Manager (if the General Manager is not an Owner) must successfully complete our initial training program.

The General Manager may not engage in any other business or activity that requires substantial management responsibility or time commitment. If your General Manager ceases to serve in, or no longer qualifies for the position, you must designate a new General Manager within 30 days. Each replacement General Manager must successfully complete our initial training program before assuming responsibility.

If the franchisee is a business entity, each Owner identified in Attachment C to the Franchise Agreement must sign a Personal Guaranty and Undertaking substantially in the form attached as Attachment D-1 to the Franchise Agreement. The spouse of an Owner is required to sign the Personal Guaranty and Undertaking regardless of whether or not they have an ownership interest in the Franchisee. Any individual who attends our initial training program, including your General Manager, must sign a confidentiality and non-competition agreement substantially in the form attached as Attachment D-2 to the Franchise Agreement.

The term "Owner" means each individual or entity holding a direct or indirect beneficial ownership in the franchisee. It includes all shareholders of a corporation, all members of a limited liability company, all general and limited partners of a limited partnership, and the grantor and the trustee of the trust.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell all products and services that we require, and only the products and services that we have approved. We may add, eliminate, make optional and change products and service items periodically, and you must comply with all directives (which may require purchasing and installing additional equipment). There are no limits on our right to make changes. We may, on occasion, require you to test market products and/or services at your Studio. You must cooperate with us in conducting these test marketing programs and must comply with all rules and regulations that we establish.

All sales must be for retail consumption only and you may not engage in wholesale sales of any kind through any channels of distribution without our prior consent. You may not sell Proprietary Products through any means of distribution other than from the Studio at the Franchised Location unless we expressly authorize in writing. We have the right to establish maximum, minimum, or other retail pricing requirements to the extent permitted by law.

You may not operate any co-branding marketing system without our prior written consent, which may be withheld in our sole discretion. No vending, gaming machines, payphones, automatic teller machines, Internet kiosks or other mechanical or electrical devices are permitted in your Studio.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Franchise Agreement

Provision	Section in Franchise or Other Agreements	Summary
a. Length of the franchise term	Sections 2.1.	The earlier of 10 years following the date you open the Studio for business, or 11 years following the Effective Date of the Franchise Agreement.
b. Renewal or extension of the term	Section 2.2.	If you are in good standing, you can renew for two additional consecutive 10-year terms.
c. Requirements for franchisee to renew or extend	Sections 2.2.	When the agreement period ends, you have an option of renewing the contract or discontinuing your franchise. A renewal shall mean entering into a new franchise agreement, which may contain materially different terms and conditions from the original franchise agreement. Your renewal right permits you to remain as a franchisee after the initial term of your Franchise Agreement expires. However, to remain a franchisee, you must meet all required conditions to renew, including signing our then-current form of franchise agreement, which may be materially different than the form attached to this disclosure document, and pay the renewal fee. Other requirements are: you must, no less than 180 days prior to the expiration date of the Franchise Agreement, provide us with your notice of intent to renew; not be in default under the Franchise Agreement; have complied with your material obligations during the Term; you have satisfied all monetary obligations owed to us, our affiliates, and third party suppliers; you must, at our request, renovate or modernize your Studio to comply with our then-current standards; demonstrate that you have the right to remain in possession of the Studio premises; comply with the then-current qualifications and training requirements; sign our then-current form of franchise agreement which may contain materially different terms from your previous franchise agreement, including different Royalty

Provision	Section in Franchise or Other Agreements	Summary
		Fee and Marketing Fee rates; you and your owners sign a general release; and you pay to us the required renewal fee.
d. Termination by franchisee	Not applicable	Any grounds under state law.
e. Termination by franchisor without cause	Not applicable	Not applicable
f. Termination by franchisor with cause	Sections 13.1., 13.2., 13.3., 13.4., and 13.5.	We can terminate if you materially default under your Franchise Agreement, or any other agreement between you and us, or our affiliates. In the event of the death or permanent incapacity of an owner, we may terminate if you fail to adhere to the applicable transfer of ownership requirements. We may also terminate you if you become insolvent or file for bankruptcy.
g. "Cause" defined – curable defaults	Sections 13.3., 13.4. and 13.5	You have 10 days to cure non-payment of fees, 30 days to cure non-compliance with laws, failure of quality assurance inspection, and defaults not listed in Section 13.2. You have six months to transfer the interest of an owner in the event of death or permanent incapacity.
h. "Cause" defined – non-curable defaults	Sections 13.1. and 13.2.	Non curable defaults include: bankruptcy, foreclosure, insolvency, conviction of a felony, abandonment, unapproved transfers, repeated defaults (even if cured), misrepresentations in acquiring your license, health or safety violations, knowingly understating your Gross Revenues, knowingly maintaining false books or records, trademark misuse, failure to successfully complete training, failure to open a site by the Control Date, abandonment of the Studio, failure to maintain the right to operate the Studio, violation of confidentiality and/or non-competition covenants, offering unauthorized products or services, purchases from unapproved suppliers, fail to pass two or more quality assurance/health inspections and or participate in any advertising or marketing program within any rolling 12-month period. A termination of your Area Development Agreement is, in and of itself, cause to terminate an individual Franchise Agreement.

Provision	Section in Franchise or Other Agreements	Summary
i. Franchisee's obligations on termination/nonrenewal	Article 14	You must cease use of our trademarks, de-identify, pay all amounts due to us, and return the Manuals to us. We may, at our option, assume all telephone numbers, telephone listings, and telephone directory advertisements for the Studio. We may, at our option, assume your lease and purchase certain Studio assets. You must, at our option, cancel or assign to us your rights to any Internet websites or web pages or e-mail addresses which contain our Proprietary Marks. (See also "r" below.)
j. Assignment of contract by franchisor	Section 12.1.	There are no restrictions on our right to assign.
k. "Transfer" by franchisee – definition	Sections 12.2., 12.3., and 12.4.	Includes transfer of the franchise or change in ownership of the entity which owns it.
l. Franchisor's approval of transfer by franchisee	Section 12.4.	Transfers require our prior written consent, which will not be unreasonably withheld.
m. Conditions for franchisor's approval of transfer	Section 12.4.	You must notify the Franchisor of your Intent to Sell and complete the Intent to Sell paperwork reflecting financial obligations related to a transfer or sale. You must be in compliance with the Franchise Agreement and all other agreements with us or our affiliates; sign a general release; pay the transfer fee; and all of your monetary obligations to us, our affiliates, and your suppliers must be satisfied on or before the date of transfer. The new franchise owner must: meet our current qualifications; complete training; assume your obligations under the Franchise Agreement or, at our option, sign a new franchise Agreement in our then-current form (provided, that the term of the new Franchise Agreement will be the remaining term of the existing Franchise Agreement, unless additional terms are purchased by transferee, not to exceed a total transferred initial term of 10 years); at our election, refurbish the Studio; sign a guaranty and a general release; pay transfer fee; and, if applicable, the Extended Term Fee. Additional requirements apply to business entities. (See also "r" below.)
n. Franchisor's right of first refusal to acquire franchisee's business	Section 12.8.	We can match any offer for your business.
o. Franchisor's option to purchase franchisee's business	Section 14.4.	Upon expiration or termination of your Franchise Agreement, we have the option to purchase some or all of your equipment, furnishings and fixtures at their then-current fair market value which will be determined by a qualified independent third party

Provision	Section in Franchise or Other Agreements	Summary
		of our choosing.
p. Death or disability of franchisee	Section 12.9.	Same requirements as for transfer in "m" above, except there is no transfer fee and we do not have a right of first refusal. If your interest is not transferred within six months following your (or a major member, partner or shareholder's) death or legal incapacity, your Franchise Agreement may be terminated.
q. Non-competition covenants during the term of the franchise	Section 15.1.	Neither you nor your owners may own, maintain, advise, operate, engage in, be employed by, make loans to, or have any interest in or relationship or association with any sugaring business at any location within the U.S., its territories or commonwealths, or any other country, province, state or geographic area in which we or our affiliates have used, sought registration of or registered the Proprietary Marks or similar marks or operate or license others to operate a business under the Proprietary Marks or similar marks; no diversion of any present or prospective customer of ours to a competitor; no solicitation of ours or any of our Affiliate's management employees.
r. Non-competition covenants after the franchise is terminated or expires	Section 15.2.	Neither you nor your owners may own, maintain, advise, operate, engage in, be employed by, make loans to, or have any interest in any sugaring business at your former Studio location, or within a 20-mile radius of your former Studio, or within a 20-mile radius of any other Sugaring LA® Studio location for a period of two years following expiration, termination or transfer.
s. Modification of the agreement	Sections 18.1. and 18.2.	Must be in writing and signed by all parties
t. Integration/merger clause	Sections 18.1. and 18.2.	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the franchise disclosure document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement or any other related written agreement is intended to disclaim representations made in the franchise disclosure document.
u. Dispute resolution by arbitration or mediation	Sections 19.2. and 19.3[1]	Claims, controversies or disputes from or relating to the Franchise Agreement must be mediated, except for collection actions or actions seeking injunctive or extraordinary relief. Disputes, other than those for collections or injunctive or

Provision	Section in Franchise or Other Agreements	Summary
		extraordinary relief, will be resolved by arbitration.
v. Choice of forum	Sections 19.2 and 19.3[1]	Mediation and arbitration at the AAA offices in the city in which we maintain our principal place of business at the time the mediation is initiated. Venue for collection actions or actions for injunctive or extraordinary relief may be brought in any court of competent jurisdiction (subject to applicable state law).
w. Choice of law	Section 19.1.	Subject to applicable state law, the Franchise Agreement is to be interpreted and construed under Michigan law (without giving effect to any conflict of law) except that any law regulating the offer or sale of franchises, business opportunities or similar interests or governing the relationship between us and you will not apply unless its jurisdictional requirements are met independently.

Development Agreement

Provision	Section in Development Agreement	Summary
a. Length of the franchise term	Section 6.1	The term begins on the effective date and ends on the earlier of the date you open the last Studio you are required to open under your Development Schedule or the expiration of your Development Schedule.
b. Renewal or extension of the term	Not Applicable	Not Applicable
c. Requirements for franchisee to renew or extend	Not Applicable	Not Applicable
d. Termination by franchisee	Not Applicable	Any grounds under state law.

Provision		Section in Development Agreement	Summary
e.	Termination by franchisor without cause	Not Applicable	Not Applicable
f.	Termination by franchisor with cause	Section 6.2	We may terminate your Development Agreement with cause as described in (g)-(h) of this Item 17 Chart.
g.	"Cause" defined – curable defaults	Section 6.2	We may terminate the Development Agreement if you fail to meet your development obligations under the Development Agreement during the Development Period (including any monetary default) and you fail to cure such default within 30 days of receiving notice.
h.	"Cause" defined – non-curable defaults	Section 6.2	We may terminate the Development Agreement if you cease to actively engage in development activities in the Site Selection Area or otherwise abandon your development business for three consecutive months, or any shorter period that indicates an intent by you to discontinue development of the Studios within the Site Selection Area; you become insolvent or are adjudicated bankrupt, or if any action is taken by you, or by others against the you, under any insolvency, bankruptcy or reorganization act, or if you make an assignment for the benefit or creditors or a receiver is appointed by you; and any Franchise Agreement that is entered into in order to fulfill your development obligations under the Development Agreement is terminated or subject to termination by us, pursuant to the terms of that Franchise Agreement.
i.	Developer's obligations on termination/ nonrenewal	Not Applicable	Not Applicable
j.	Assignment of contract by franchisor	Section 8	We have the right to transfer or assign the Development Agreement and all or any part of our rights, duties or obligations to any person or legal entity without your consent.
k.	"Transfer" by developer – definition	Section 8	Any transfer in you (if you are an entity) or your rights/obligations under the Development Agreement.
l.	Developer's approval of transfer by developer	Section 8	You may not transfer any rights or obligations under the Development Agreement without our prior written consent.
m.	Conditions for franchisor's approval of transfer	Not Applicable	Not Applicable

Provision		Section in Development Agreement	Summary
n.	Franchisor's right of first refusal to acquire developer's business	Not Applicable	Not Applicable
o.	Franchisor's option to purchase developer's business	Not Applicable	Not Applicable
p.	Death or disability of developer	Not Applicable	Not Applicable
q.	Non-competition covenants during the term of the franchise	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement.
r.	Non-competition covenants after the franchise is terminated or expires	Not Applicable	Nothing additional. Please see non-competition covenants set forth in your Franchise Agreement(s) entered into under the Development Agreement.
s.	Modification of the agreement	Section 27	Your Development Agreement may not be modified, except by a writing signed by both parties.
t.	Integration/merger clause	Section 27	Only the terms of the Development Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of the Disclosure Document and the Development Agreement may not be enforceable. Nothing in this Agreement or any related agreement is intended to disclaim the representations made in this Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Sections 12 and 13	Claims, controversies or disputes from or relating to the Franchise Agreement must be mediated, except for collection actions or actions seeking injunctive or extraordinary relief. Disputes, other than those for collections or injunctive or extraordinary relief, will be resolved by arbitration.
v.	Choice of forum	Section 15	Mediation and arbitration at the AAA offices in the city in which we maintain our principal place of business at the time the mediation is initiated. Venue for collection actions or actions for injunctive or extraordinary relief may be brought in any court of competent jurisdiction (subject to applicable state law).

Provision	Section in Development Agreement	Summary
w. Choice of law	Section 11	Subject to applicable state law, the Franchise Agreement is to be interpreted and construed under Michigan law (without giving effect to any conflict of law) except that any law regulating the offer or sale of franchises, business opportunities or similar interests or governing the relationship between us and you will not apply unless its jurisdictional requirements are met independently.

ITEM 18
PUBLIC FIGURES

We do not currently use any public figure to promote the 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 Franchise 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.

Some studios have earned this amount. Your individual results may differ. There is no assurance that you'll earn this much.

The following tables include historical performance data from each of our affiliate locations (each a "Measured Studio"). All data is for the calendar year 2022 (the "Measurement Period"). No affiliate locations were excluded. Except for years in operation, none of the locations disclosed in this Item 19 have any characteristics that are materially different from those of a new franchised location offered pursuant to this disclosure document.

For each of the following tables, the following definitions are used:

"*Local Advertising*" means the amount a location would have spent on Local Advertising if it had the same requirements as a franchisee pursuant to this offering.

"*Marketing Fee*" means the total Marketing Fees a location would have paid if it was required to do so. These locations intend to contribute a Marketing Fee in the future.

"*Product Cost*" means the variable costs of product associated with providing services at a given location.

"***Rent***" means rent expense and common area maintenance expenses associated with the premises. It excludes other expenses associated with the premises such as property tax allocations and insurance allocations.

"*Revenue*" means all revenue generated by the studio during the Measurement Period including both service and product revenue.

"*Revenue Less Disclosed Expenses*" is calculated by taking the disclosed revenue figures for each location and subtracting the disclosed expenses. It does not account for any other operating costs that are not specifically listed.

"*Rooms*" means the number of rooms in the Studio for providing services."

"*Royalties*" means the amount of Royalties a location would have paid if it was required to do so. These locations did not pay Royalties during the Measurement period.

"*Sugarist Labor*" means all variable labor costs associated with the Sugarist position at a given location including wages and payroll taxes, but excluding any type of insurance.

Table 1 – Revenue and Certain Operating Expenses

Affiliate Studio	#1	#2	#3	#4	#5
Rooms	3	2	2	3	3
Year Opened	2021	2014	2013	2018	2011
Revenue	$ 249,039	$ 505,696	$ 441,365	$ 451,486	$ 912,912
Sugarist Labor	$ 87,984	$ 165,560	$ 144,662	$ 144,056	$ 264,807
Product Cost	$ 25,622	$ 27,949	$ 26,187	$ 39,806	$ 45,790
Rent	$ 78,819	$ 12,325	$ 54,582	$ 50,888	$ 78,752
Fixed Labor Expense	$ 58,864	$ 94,576	$ 58,766	$ 124,474	$ 130,454
Royalties (calculated)	$ 14,942	$ 30,342	$ 26,482	$ 27,089	$ 54,775
Local Advertising (calculated)	$ 24,000	$ 24,000	$ 24,000	$ 24,000	$ 24,000
Marketing Fee (calculated)	$ 4,981	$ 10,114	$ 8,827	$ 9,030	$ 18,258
Revenue Less Disclosed Expenses*	$ (46,173)	$ 140,830	$ 97,860	$ 32,144	$ 296,077

For the following table, the following definitions are used:

"*Other Services*" means all services offered by Studios except for the Brazilian.

"*Brazilian*" means a specific type of service offered at the Studios. This is the most common service type offered.

"*% of Revenue*" means the amount of revenue, shown as a percentage of total revenue, that the indicated service type represented at the Measured Studio.

"*% of Services*" means the percentage that the indicated service type represented, of the total services provided, by the Measured Studio.

Table 2 - Revenue Mix

Sales Mix by Type of Service				
	Brazilian		Other Services	
LOCATION	% of Revenue	% of Services	% of Revenue	% of Services
#1	59%	53%	41%	47%
#2	74%	66%	26%	34%
#3	68%	59%	32%	41%

#4	61%	55%	39%	45%
#5	60%	53%	40%	47%

For the following table, the following definitions are used:

"*Average Brazilian Price*" means the average price for the Brazilian at the measured Studio.

"*# of Services to Breakeven*" means the number of daily services required, offered at the corresponding average price to cover the Measured Studio's fixed expense. Each location is open seven days per week excluding 5 major holidays.

Table 3 – Breakeven by Daily Service

Breakeven in # of Brazilians per Day by Location		
LOCATION	**Avg Brazilian Price**	**# of Services to Breakeven**
#1	$ 70.20	10.7
#2	$ 70.73	13.8
#3	$ 70.98	14.5
#4	$ 70.55	14.1
#5	$ 73.33	21.0

Table 4 and Table 5 – First Time Clients

For the following table, the following definitions are used:

"*For the First Time Ever*" means the total number of clients in the Measurement Period who received a service at the Measured Studio for the first ever.

"***Avg # of Services/Day*"** means the average number of daily services provided a by Measured Studio during the Measurement Period.

First Time Clients by Location, 2022	
LOCATION	**First Time Clients**
#1	678
#2	942
#3	878
#4	1292
#5	1810

Average # of Services per Day, 2022	
LOCATION	**Avg # of Services/Day**
#1	11
#2	22
#3	19
#4	19
#5	39

Written substantiation for the financial performance representation will be made available to prospective franchisees on reasonable request.

Other than the preceding financial performance representation we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting David Taccolini, 106 E. Liberty St., Suite 310, Ann Arbor, MI 48104, (734) 430-0718, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

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

Outlet Type	Year	Outlets Operating at the Start of the Year	Outlets Operating at the End of the Year	Net Change
Franchised	2020	0	0	0
	2021	0	0	0
	2022	**0**	**0**	**0**
Company Owned	2020	4	5	+1
	2021	5	5	0
	2022	**5**	**5**	**0**
Total Outlets	2020	4	5	+1
	2021	5	5	0
	2022	**5**	**5**	**0**

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

State	Year	Number of Transfers
Totals	2020	0
	2021	0
	2022	**0**

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

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Total	2020	0	0	0	0	0	0	0
	2021	0	0	0	0	0	0	0
	2022	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
California	2020	4	1	0	0	0	5
	2021	5	0	0	0	0	5
	2022	**5**	**0**	**0**	**0**	**0**	**5**
Total	2020	4	1	0	0	0	5
	2021	5	0	0	0	0	5
	2022	**5**	**0**	**0**	**0**	**0**	**5**

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

State	Franchise Agreements Signed but Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Total	**0**	**0**	**0**

The list of the names and addresses of our current franchisees is located in Exhibit G. Any franchisee who has not renewed or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document is listed in Exhibit G. If you buy this

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

In some instances, former franchisees signed provisions restricting their ability to speak openly about their experience with us. You may wish to speak with former franchisees, but be aware that not all such franchisees will be able to communicate with you. There are no franchisee organizations sponsored or endorsed by us and no independent franchisee organizations have asked to be included in this disclosure document.

ITEM 21
FINANCIAL STATEMENTS

Attached to this Franchise Disclosure Document as Exhibit F are:

1. Franchisor's unaudited balance sheet as of May 31, 2023 and Franchisor's unaudited statement of income for the period beginning January 1, 2023 through September 30, 2023; and

2. Franchisor's audited balance sheets as of December 31, 2022. The franchisor has not been in business for three years or more and cannot include all the financial statements required by the FTC Rule for our last three fiscal years.

Our fiscal year end is December 31.

ITEM 22
CONTRACTS

Attached as Exhibit B is our current form of Franchise Agreement with the following Attachments:

Attachment A	Glossary of Additional Terms
Attachment B	The Site Selection Area, Control Date, Franchised Location, and the Protected Area
Attachment C	Entity Information
Attachment D-1	Personal Guaranty and Undertaking
Attachment D-2	Confidentiality and Non-competition Agreement
Attachment E	ACH Authorization
Attachment F	Lease Addendum
Attachment G	Telephone Number Assignment Agreement

Attached as Exhibit C is our current form of Development Agreement with the following Attachments:

Attachment A	Data Sheets
Attachment B	Personal Guaranty and Undertaking

Attached as Exhibit D is our current form of General Release (Sample Form Only).

ITEM 23
RECEIPTS

Two copies of a receipt of this disclosure document appear as Exhibit J. Please return one copy to us and retain the other for your records.

EXHIBIT A

STATE APPENDIX TO DISCLOSURE DOCUMENT

SUGARINGLA FRANCHISE, LLC

STATE APPENDIX TO DISCLOSURE DOCUMENT

FOR THE STATE OF CALIFORNIA

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 California Corporations Code, Section 31125, requires that we give you a disclosure document, approved by the Department of Financial Protection and Innovation, prior to solicitation of a proposed material modification of your Franchise Agreement.

The earnings claim in Item 19 does not include costs of sales, operating expenses, or other costs or expenses that must be deducted from gross revenue or gross sales figures to obtain net income or profit. Franchisees or former franchisees may be one source of this information.

Item 3 of the Disclosure Document is supplemented by the following:

> Neither the franchisor nor any person identified in Item 2 of the Disclosure Document is subject to any current effective order of any national securities association or national securities exchange as defined in the Securities Exchange Act of 1934, U.S.C.A., 78a *et. seq.*, suspending or expelling such persons from membership in such association or exchange.

Item 17 of the Disclosure Document is supplemented by the following:

> California Business and Professions Code, Section 20000 through 20043 provides rights to the franchisee concerning termination, transfer or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.
>
> You must sign a release if you renew or transfer your franchise. California Corporations Code 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).
>
> The Franchise Agreement contains covenants not to compete that extend beyond expiration or termination of the agreement. This provision may not be enforceable under California law.
>
> The Franchise Agreement requires application of the laws of Michigan. This provision may not be enforceable under California law.
>
> The Franchise Agreement requires binding arbitration. The arbitration will occur in the county where Franchisor maintains its principal business address at the time of arbitration and each party to the arbitration is responsible for their own costs and expenses of arbitration, including legal and filing fees. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101 et seq.).

The Franchise Agreement provides for a prohibition on the solicitation of employment of employees from other franchised locations. This provision may not be enforceable under California Law.

The indemnification provision in the Franchise Agreement may not be fully enforceable as to punitive damages under California law.

The Franchise Agreement and Development Agreement contain a provision requiring you to waive your right to punitive or exemplary damages against the Franchisor or any of its representatives, limiting your recovery to actual damages. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

OUR WEBSITE CAN BE FOUND AT WWW.SUGARINGLA.COM. 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.

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.

FOR THE STATE OF ILLINOIS

1. Item 17 is supplemented by the following:

   Section 705/4 of the Illinois Franchise Disclosure Act of 1987 ("Act") provides that any provision in the Franchise Agreement which designates venue outside of Illinois is void with respect to any cause of action which is otherwise enforceable in Illinois; however, the Agreement may provide for arbitration in a forum outside of Illinois.

   Notwithstanding the provisions of the Franchise Agreement that Michigan law shall govern, Illinois law shall apply to and govern any claim between the parties under the Franchise Agreement that alleges violation of the Act.

The conditions under which your franchise can be terminated and your rights on renewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF INDIANA

1. Item 17, Additional Disclosures. The following statements are added to Item 17:

   The Indiana Deceptive Franchise Practices Law (Indiana Code 23-2-2.7 et seq.) in general governs the relationship between the franchisor and the franchisee by forbidding certain provisions in the Franchise Agreement and related documents and by preventing the franchisor from engaging in certain acts and practices which could be considered coercive or oppressive to the master licensee. If any of the provisions of the Franchise Agreement conflict with this law, this law will control.

   Any provisions requiring you to sign a general release of claims against us, including upon execution of the Franchise Agreement or a successor Franchise Agreement or transfer, does not release any claim you may have under the Indiana Deceptive Franchise Practices Law.

   The Franchise Agreement provides that suit may be brought in Michigan. These provisions may not be enforceable under Indiana law.

   Indiana franchise laws will govern the Franchise Agreement and any and all other related documents.

Each provision of these Additional Disclosures shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Indiana Deceptive Franchise Practices Law are met independently without reference to these Additional Disclosures. The Additional Disclosures shall have no force or effect if such jurisdictional requirements are not met.

FOR THE STATE OF MARYLAND

1. Item 5, Additional Disclosures. The following statement is added to Item 5:

   Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

2. Item 11. Additional Disclosures. The following statements are added to Item 11.

   Within 90 days of the end of each fiscal year, you may request an accounting of advertising expenditures for the preceding fiscal year.

3. Item 17, Additional Disclosures. The following statements are added to Item 17:

   The Franchise Agreement provides for termination upon bankruptcy. These provisions may not be

enforceable under federal bankruptcy law.

The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF MINNESOTA

1. Other Fees. The following statement is added to Item 6:

   Minnesota Statute 604.113 limits the charge for Nonpayment Due to "Insufficient Funds" to $30.

2. Trademarks. The following statement is added to Item 13:

   Notwithstanding the foregoing, we will indemnify you against liability to a third party resulting from claims that your use of a Mark infringes trademark rights of a third party; provided, that we will not indemnify against the consequences of your use of the Marks unless the use is in accordance with the requirements of the Franchise Agreement and the System.

3. Choice of Forum and Law/Jury Trial. The following statement is added to Item 17:

   Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring you to consent to liquidated damages, termination, penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. General Release. The following statement is added to Item 17:

   Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

5. Notice of Termination/Transfer. The following statement is added to Item 17:

   With respect to franchises governed by Minnesota law, we will comply with Minnesota Statute § 80C.14, subdivisions 3, 4, and 5 which requires (except in certain specified cases) (1) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and (2) that consent to the transfer of the franchise will

not be unreasonably withheld.

6. Injunctive Relief. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rules 2860.4400J.

The provision of this Additional Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota franchise statutes are met independently without reference to these Additional Disclosures.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

FOR THE STATE OF NEW YORK

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

INFORMATION COMPARING FRANCHISOR IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT H OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS 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.

6. Franchise Questionnaires and Acknowledgements—No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts—Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 *et seq*.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

FOR THE STATE OF RHODE ISLAND

1. Item 17, Additional Disclosure. The following statement is added to Item 17:

Section 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 this Act."

The provision of this Additional Disclosure shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Law are met independently without reference to these Additional Disclosures.

FOR THE COMMONWEALTH OF VIRGINIA

1. In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, Item 17.h. of the Franchise Disclosure Document for SugaringLA Franchise, LLC, for use in the Commonwealth of Virginia shall be amended as follows:

> "Under 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."

FOR THE STATE OF WASHINGTON

1. If any of the provisions in the Franchise Agreement are inconsistent with the relationship provisions of RCW 19.100.180 or other requirements of the Washington Franchise Investment Protection Act ("Act"), the provisions of the Act will prevail over the inconsistent provisions of the Franchise Agreement with regard to any franchise sold in Washington.

2. Item 6 is supplemented by the following:

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

3. Item 17 is supplemented by the following:

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

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

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

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

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

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

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

The release included in Items 17(c) and Item 17(m) of the FDD, and required by Sections 2.2.8 and 12.4.5 of the Franchise Agreement, does not apply to claims arising under the Franchise Investment Protection Act, chapter 19.100 RCW, or any rules or order adopted thereunder, in accordance with RCW 19.100.220(2).

Items 17(i) and 17(o) of the Franchise Agreement and Development Agreements tables in the FDD, Section 14.4 of the Franchise Agreement, and the Development Agreement are modified to be consistent with RCW 19.100.180, including that the franchisor is required to purchase certain assets at fair market value (including goodwill in certain instances), at the time of expiration or termination of the franchise, offset by any amounts owed by the franchisee to the franchisor.

Section 6.12 of the Franchise Agreement shall not act to waive any claim that arises under the Franchise Investment Protection Act.

Section 12.1 shall not act to waive claim that arises under the Franchise Investment Protection Act.

EXHIBIT B

FRANCHISE AGREEMENT

SUGARINGLA FRANCHISE, LLC

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

SUMMARY PAGES

EFFECTIVE DATE:	_____
FRANCHISEE:	_____
FRANCHISEE'S ADDRESS FOR NOTICES:	_____ _____
TELEPHONE NUMBER:	_____
FACSIMILE NUMBER:	_____
E-MAIL ADDRESS:	_____
FRANCHISE LOCATION:	_____
CONTROL DATE:	The first anniversary of the Effective Date
INITIAL FRANCHISE FEE:	☐ $60,000, payable on execution of this Franchise Agreement ☐ $55,000 for VetFran qualifying franchisees, payable on execution of this Franchise Agreement ☐ $55,000, credited from the Development Fee paid to Franchisor pursuant to the Development Agreement ☐ $45,000, credited from the Development Fee paid to Franchisor pursuant to the Development Agreement
MARKETING FEE:	2% of Gross Revenue per month
LOCAL ADVERTISING REQUIREMENT:	$2,000 per month (refer to Section 9.4. of this Agreement)
ROYALTY FEE:	6% of Gross Revenue collect on any such recurring date that we specify; after the first anniversary of the Control Date, a minimum Royalty of $250 per week shall apply.

INITIAL TRAINING FEE:	$7,500
TECHNOLOGY FEE:	Currently, $250 per month subject to increase.
RENEWAL FEE:	$3,000
TRANSFER FEE:	Reimbursement of Franchisor's related costs and expenditures for transfers made for convenience of operation (refer to Section 12.2 of this Agreement) $2,500 for assignments of non-controlling interest (refer to Section 12.3. of this Agreement), provided, however, that if Franchisor determines any new Owners must undergo training, Franchisor may charge a reasonable tuition for such training and Franchisee agrees to cover all related travel, lodging, and dinning costs. $5,000, plus reimbursement of Franchisor's costs in facilitating the transfer (including reasonable attorneys' fees) for assignments transferring controlling interest (refer to Section 12.4. of this Agreement)
EXTENDED TERM FEE: (TRANSFER ONLY)	$1,000 per year added (not to exceed a total initial term of 10 years)
FRANCHISOR	
ADDRESS FOR NOTICES:	SugaringLA Franchise, LLC 106 E. Liberty, Suite 310 Ann Arbor, MI 48108 Fax: 734-808-0066 Attention: Franchise Administration

_____ _____

Franchisor Initials Franchisee Initials

SUGARINGLA FRANCHISE, LLC

FRANCHISE AGREEMENT

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SUGARINGLA FRANCHISE, LLC

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "**Agreement**") is made and entered into as of the Effective Date reflected in the Summary Pages (the "**Effective Date**") by and between SugaringLA Franchise, LLC, a Delaware limited liability, ("**Franchisor**"), and the franchisee identified in the Summary Pages (referred to in this Agreement as "**you**" or "**Franchisee**").

A. Franchisor has the right to use and to sublicense the use of an upscale studio ("**Studio**") relating to the establishment, development and operation of a business that provides full body hair removal services (primarily using the sugaring method), proprietary retail products, and related products and services to both the general public and through a membership-based program under the trade name and trademark Sugaring LA® (the "**System**").

B. The distinguishing characteristics of the System include, without limitation, the combination of services provided, including full body hair removal services; and proprietary retail products which incorporate Franchisor's trade secrets and proprietary information (the "**Proprietary Products**"); distinctive exterior and interior design, decor, color scheme, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; procedures for inventory and management control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by Franchisor from time to time.

C. The System is identified by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including, but not limited, to the mark "**Sugaring LA®**" and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated by Franchisor in writing for use in connection with the System (the "**Proprietary Marks**").

D. You desire to enter into the business of operating a services studio under the System and Proprietary Marks (the "**Studio**" or "**Franchised Business**") and Franchisor desires to grant you such rights, all pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration for the mutual premises contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. GRANT

1.1. Grant.

1.1.1. Franchisor grants to you the right to use the System and Proprietary Marks solely in connection with the operation of the Sugaring LA® Franchised Business, and you accept the right and undertake the obligation, all according to the terms and conditions contained in this Agreement.

1.1.2. This franchise includes only the right ***(a)*** to use the System and Proprietary Marks in connection with the retail sale of authorized products and services at the Studio location identified or to be identified in Attachment B ("**Franchised Location**"); and ***(b)*** to use the Proprietary Marks to advertise and promote the Studio.

1.1.3. This Agreement specifically grants you no right, among others, to ***(a)*** sublicense the use of the System or Proprietary Marks, ***(b)*** to Co-brand with another concept, or ***(c)*** to deliver or ship Sugaring

LA® products, regardless of the destination, without Franchisor's prior written consent; or ***(d)*** to distribute Sugaring LA® products through wholesale channels, such as mail order, catalog sales, or Internet sales.

1.2. Protected Area. When the physical Studio location is identified and a lease is approved, we will determine and assign a "Protected Area." This "Protected Area" will subsequently be identified and memorialized in Attachment B to the Franchise Agreement. Except as described below, the Protected Area will consist of an area, typically a circle, surrounding your premises containing a population of up to 75,000 individuals, and will not exceed a maximum diameter of six miles (or a radius of three-mile). During the term of this Agreement, and except for sales in "**Closed Markets**" (which are carved out from territorial protection, as described in Attachment B) Franchisor shall not ***(a)*** own or operate, or grant anyone else the right to operate, a Studio or ***(b)*** sell or license anyone the right to sell products and services under "Sugaring LA®" trademark within the Protected Area identified in Attachment B.

1.2.1 So long as you meet the eligibility requirements for a Closed Market location to be developed in your Protected Area, as communicated to Franchisor by the party seeking a tenant for the Closed Market location, and you are not in default under any agreements with Franchisor or its Affiliates, Franchisor will offer to you a right of first refusal to develop the proposed Closed Market Studio location in accordance with the terms of this Section. Franchisor will provide written notice to you of the Closed Market Studio location available and any material terms the Franchisor is aware at the time written notice is provided (the "**ROFR Notice**"). If you elect to exercise your right of first refusal and to develop a Studio at the proposed Closed Market location, then within 30 days of your receipt of the ROFR Notice you must: 1) notify the Franchisor of your election to exercise your right of first as outlined in the ROFR Notice; 2) provide to Franchisor a receipt page for their current franchise disclosure document; and 3) fully execute Franchisor's then-current form of franchise agreement and pay to Franchisor all of the initial fees thereunder. If you notify the Franchisor at any time after your receipt of the ROFR Notice that you elect not to exercise your right of first refusal, or if all of the requirements to exercise the right of first refusal are not complete, you will be deemed to have rejected your right of first refusal and the Franchisor may offer the opportunity to another third party or develop the location itself or through an Affiliate without any liability or further obligation to you. If you are a party to a development agreement with Franchisor, you may elect to have the Closed Market Studio count towards your Development Schedule.

1.3. Reservation of Rights. Franchisor reserves to itself all other rights in and to use the Proprietary Marks including ***(a)*** the right to own and operate and to grant others the right to own and operate Studios outside the Protected Area, regardless of their proximity to the Protected Area; ***(b)*** to own and operate Sugaring LA® Studios and license the use of the Marks and System or grant others the right to own and operate Sugaring LA® Studios in Closed Markets within and outside the Protected Area; and ***(c)*** the right to distribute products and services, whether identified by the Proprietary Marks, such as Private Label Products, or under different trademarks, within and outside of your Protected Area through alternative channels of distribution including mail order, catalog sales, department stores, retail stores, supermarkets, and/or Internet sales.

1.4. Right to Operate Businesses Under Different Proprietary Marks. Nothing in this Agreement prohibits or restricts Franchisor from ***(a)*** owning, acquiring, establishing, operating, or granting franchise rights for one or more other businesses under a different trademark or service mark (*i.e.*, a mark other than Sugaring LA® whether or not the business is the same as or competitive with Sugaring LA® Studios; or ***(b)*** owning, operating, or franchising one or more businesses offering similar products or services under the name Sugaring LA or some derivative of the Proprietary Marks.

2. TERM

2.1. Term. The term of this Agreement shall begin on the Effective Date and shall expire, unless earlier terminated, on the 10th anniversary of the Studio opening, but no later than 11 years from the Effective Date, regardless of the date on which the Studio opens to the public for business.

2.2. Successor Terms. You may renew the franchise granted by this Agreement for two consecutive ten-year terms if, at the end of the initial term, each of the following conditions has been satisfied:

2.2.1. You have notified Franchisor of your intent to renew the franchise no less than 180 days and no more than 12 months prior to expiration of the then-current term;

2.2.2. You are not in default of any material provision of this Agreement, and you have complied with the materials terms and conditions of this Agreement throughout the term;

2.2.3. You have satisfied all monetary obligations owed to Franchisor, its Affiliates and third party suppliers;

2.2.4. You have renovated and refurbished the Studio premises so that they reflect Franchisor's then-current image, trade dress, equipment, and furnishings requirements;

2.2.5. You have demonstrated to Franchisor's satisfaction that you have the right to remain in possession of the Studio premises, or you have secured an alternate site with Franchisor's prior approval;

2.2.6. You comply with the then-current qualifications and training requirements;

2.2.7. You sign Franchisor's then-current form of franchise agreement, the terms of which may be materially different than the terms of this Agreement, and each Owner executes a personal guaranty and undertaking in the form Franchisor prescribes;

2.2.8. You and each Owner sign a general and full release in favor of Franchisor and its Affiliates, and their respective, officers, directors, shareholders, members, managers, employees, and agents, of any claims arising out of or related to the franchise relationship including the offer and sale of Sugaring LA® franchise opportunity; and

2.2.9. You have paid the Renewal Fee in the amount specified in the Summary Pages.

3. SITE SELECTION; CONSTRUCTION; STORE LOCATION

3.1. Site Selection. You must identify, acquire, and open a site for the Studio by the Control Date (the "**Control Date**") specified in the Summary Pages and Attachment B. You must agree to use our designated supplier to assist you in locating a site. Our designated supplier will assist with identifying sites that meet our criteria and adhere to "Protected Area" boundaries. The site must be located within the Site Selection Area (the "**Site Selection Area**") identified in Attachment B, must meet Franchisor's then-current site selection criteria, and must otherwise be mutually acceptable to you and to Franchisor. Franchisor may assist you in site selection, in its sole discretion, which assistance may include making available to you the services of the Franchisor's designated marketing research firm. Ultimately site selection is solely your responsibility. Once you have acquired the site for the Studio, Franchisor will apply and define the "Protected Area" and Attachment B will be executed and supplemented accordingly.

3.2. Franchise Site Application. For each proposed site that you identify, you must deliver to Franchisor a completed franchise site application in a form Franchisor prescribes, including such information about the site as Franchisor may reasonably request to perform its evaluation. This information may include, among other things, a description of the proposed site, demographic and psychographic characteristics, traffic patterns, parking, character of the neighborhood, competition from other businesses in the area, the proximity to other businesses, the nature of other businesses in proximity to the site, and other commercial characteristics (including the purchase price, rental obligations, and other lease terms for the proposed site) and the size, appearance, other physical characteristics, and a site plan of the premises. Franchisor will approve or refuse to approve a proposed site within 30 days after the receipt of these documents and any additional information as Franchisor may reasonably require. Franchisor's failure to provide notification within this time period shall not be considered either approval or disapproval. **The parties acknowledge and agree that Franchisor's site approval is not an assurance that the Studio will achieve a certain sales volume or level of profitability; it means only that the proposed site meets Franchisor's minimum criteria for Sugaring LA® Studios.**

3.3. Lease. If you will occupy the Franchised Location under a lease with a third-party landlord, Franchisor shall have the right to approve the lease terms, and the lease shall not be signed until it has been reviewed and approved by Franchisor. **The parties acknowledge and agree that Franchisor's approval of a lease does not mean that the economic terms of the lease are favorable, it means only that the lease contains the lease terms that Franchisor requires.** The lease must also contain the terms reflected in Attachment F, including Franchisor's option to assume the lease in the event of expiration or termination of this Agreement. The lease must be completed on or before the Control Date, and you shall provide to Franchisor a fully executed copy of the lease within 10 days after its execution.

3.4. Studio Design and Build Out. You agree to follow Franchisor's procedures for the Studio construction and build out, and you agree to construct and build out the Studio according to Franchisor's standards and specifications for design, décor and layout, and shall equip the Studio according to Franchisor's requirements for fixtures, furnishings, equipment, interior and exterior signage, artwork and graphics, and awnings. You are solely responsible for obtaining all government approvals, zoning classifications, permits, and clearances related to the Studio, and for complying with applicable requirements of the Americans with Disabilities Act. During construction, you must maintain general liability and property damage insurance of the type and with the limits Franchisor requires, protecting you, Franchisor, and its Affiliates, and their respective partners, shareholders, directors, members, manager, agents, and employees. Such policy or policies shall be written by a responsible insurer or insurers acceptable to Franchisor and shall contain a waiver of subrogation in favor of Franchisor and its Affiliates, and their respective partners, shareholders, directors, members, managers, agents, and employees. You shall notify Franchisor in writing when construction begins, and thereafter shall provide a monthly progress report. Franchisor and its designees have the right to inspect the site at all reasonable times.

3.5. Opening.

3.5.1. You must ensure that your Studio is open an operating no later than the Control Date identified on the Summary Pages and Attachment B.

3.5.2. You may open the Studio for business only with prior written permission of Franchisor.

3.5.3. Franchisor will grant permission to open only if ***(a)*** all amounts due Franchisor under this Agreement have been paid, ***(b)*** the Studio has been constructed and equipped according to Franchisor's standards and specifications, ***(c)*** all of your pre-opening and training obligations have been satisfied, ***(d)*** Franchisor has received from you a signed ACH Authorization (Attachment E) by no later than the Control Date; ***(e)*** Franchisor has received from you a fully executed copy of your Studio lease containing the

mandatory lease terms described in Attachment F; ***(f)*** Franchisor has received from you certificates of insurance as required by Article 11; and ***(g)*** you are otherwise in good standing under this Agreement.

3.6. Relocation. You may relocate the Studio only with Franchisor's prior written consent. Franchisor will grant its consent if your lease expires or terminates through no fault of yours, or if the Studio premises is destroyed or materially damaged by fire, flood, or other natural catastrophe (an "**Innocent Loss or Casualty**") and you are not in default of this Agreement or any other agreement between you and Franchisor or its Affiliates. Selection of the relocation site and Studio construction, renovation, and opening shall be governed by this Article 3; provided that if the relocation occurred as a result of an Innocent Loss or Casualty event, the Studio must be open for business at the new location within 180 days of closing at the previous location; however, if the relocation occurred for any other reason, the Studio must be open for business at the new location within five days of closing at the previous location. You are solely responsible for all relocation costs and expenses.

4. FEES

4.1. Initial Franchise Fee. Upon execution of this Agreement, you shall pay Franchisor an Initial Franchise Fee in the amount specified in the Summary Pages. You acknowledge and agree that the Initial Franchise Fee is fully earned by Franchisor when paid and is not refundable under any circumstances.

4.2. Initial Training Fee. Upon execution of this Agreement, you must pay the Initial Training Fee in the amount specified in the Summary Pages. You acknowledge and agree that the Initial Training Fee is fully earned by Franchisor when paid and is not refundable. The Initial Training Fee includes certain business-related training for you and your General Manager as well as technical service-related training. Additional training is subject to the Franchisor's then current tuition.

4.3. Royalty Fee. During the term of this Agreement, you shall pay to Franchisor a nonrefundable and continuing Royalty Fee in the amount specified in the Summary Pages for the right to use the System and the Proprietary Marks. If any taxes, fees, or assessments are imposed on Royalty Fee payments by reason of Franchisor acting as a franchisor or licensing the Marks under this Agreement, you shall reimburse Franchisor the amount those taxes, fees, or assessments within 30 days after receipt of an invoice from Franchisor.

4.4. Technology Fee. You must also pay to Franchisor, on such date and in such manner as Franchisor designates, a Technology Fee in the amount indicated on the Summary Pages to be used in connection with certain software and technology related costs as determined by Franchisor in its discretion. Such amounts may be used, for example, for intranet development, support, maintenance, and related costs; software or application development, customization, and implementation; online or Internet-related support; hardware and/or software support; business intelligence and other such technologically-related activities as Franchisor may determine from time to time.

4.5. Other Payments. In addition to all other payments provided in this Agreement, you shall pay Franchisor and its Affiliates promptly when due:

4.5.1. All amounts advanced by Franchisor or which Franchisor has paid, or for which it has become obligated to pay on your behalf for any reason whatsoever.

4.5.2. The amount of all sales taxes, use taxes, personal property taxes and similar taxes, which shall be imposed upon you and required to be collected or paid by Franchisor ***(a)*** on account of your Gross Revenue, or ***(b)*** on account of initial franchise fees, royalty fees or advertising fees collected by Franchisor from you (but excluding ordinary income taxes).Franchisor, in its discretion, may collect the taxes in the

same manner as Royalty Fees are collected and promptly pay the tax collections to the appropriate governmental authority; provided, however, that unless Franchisor so elects, it shall be your responsibility to pay all sales, use or other taxes now or hereinafter imposed by any governmental authorities on initial franchise fees, royalty fees and advertising fees.

4.5.3. Amounts due relating to your participation in marketing programs pursuant to Sections 9.4. and 9.5. of this Agreement.

4.5.4. All amounts due for any reason, including on account of purchases of Proprietary Products, supplies or services relating to the Franchised Business.

4.6. No Set-Off Rights. You may not set off, deduct or otherwise withhold any fees or other amounts due Franchisor under this Agreement on the grounds of alleged nonperformance by Franchisor of any of its obligations or for any other reason. Withholding royalties or any other amounts due Franchisor is a material breach of this Agreement.

4.7. Payment Terms. All payments required by this Agreement shall be paid within the time Franchisor specifies, provided that such day is a Business Day (the "**Due Date**"). If the Due Date is not a Business Day, then payment shall be due on the next Business Day.

4.8. Payment Procedures. Franchisor shall determine the amount of the Royalty Fee, Marketing Fee, and other amounts due under this Agreement by accessing and retrieving Gross Revenue data from your computer system, as permitted by Article 10, and shall provide notice to you (each a "**Fee Notice**") stating the applicable Royalty Fee, Marketing Fee, and other fee amount, if any, no later than the Due Date. If you wish to dispute the amount, you shall deliver to Franchisor written notice of the dispute, along with all evidence that supports your claim within two Business Days following delivery of the Fee Notice. On each Due Date, Franchisor will transfer from your commercial bank operating account ("**Account**") the undisputed amount of fees reflected in the Fee Notice. If you have not reported Gross Revenue for any reporting period, or if Franchisor determines that you have underreported Gross Revenue, Franchisor also has the right to transfer from the Account, at its option, an estimated payment, plus interest, which payment may be based on the Studios's historical performance and/or the amount of your purchases of required products. Any overpayment will be credited against future payments due under this Agreement.

4.9. Electronic Fund Transfer. You shall participate in Franchisor's then-current electronic funds transfer program authorizing Franchisor to use a pre-authorized bank draft system. You shall: ***(a)*** comply with Franchisor's procedures, as specified in the Manual or otherwise in writing; ***(b)*** perform those acts and sign and deliver those documents as may be necessary to accomplish payment by electronic funds transfer as described in this Section 4.9.; ***(c)*** give Franchisor an authorization in the form designated by Franchisor to initiate debit entries and/or credit correction entries to the Account for payments of the Royalty Fee, Technology Fee, Marketing Fee and other amounts payable under this Agreement, including any interest charges; and ***(d)*** make sufficient funds available in the Account for withdrawal by electronic funds transfer no later than the Due Date for each payment thereof. Notwithstanding the provisions of this Article 4, Franchisor reserves the right to modify, at its option, the method by which you pay the Royalty Fee, Marketing Fee and other amounts owed under this Agreement upon receipt of written notice by Franchisor. Your failure to have sufficient funds in the Account is a material breach of this Agreement.

4.10. Interest; Nonsufficient Funds Charge. Any payments not received by Franchisor by the Due Date will accrue interest at the rate of 18% per annum or the highest lawful interest rate permitted by the jurisdiction in which the Studio operates, whichever is less. If any check, draft, electronic or otherwise, is returned for insufficient funds, you shall pay to Franchisor a nonsufficient funds charge in the amount of

$50 (which may be increased each year by an amount not to exceed 10% of the then-current amount) and reimburse Franchisor for all expenses that it incurs on account of such nonsufficient funds.

4.11. Partial Payments; Application of Payments. If you pay less than the amount due, your payment will be considered a partial payment on account. Franchisor may accept such payment as a partial payment, irrespective of any endorsement or other statement that the payment constitutes full payment. Franchisor's acceptance of such partial payment will not be considered a waiver of any of its right to demand or receive full payment, and you hereby waive any estoppel defense in this regard. Franchisor may apply your payments to any indebtedness, in its sole and reasonable discretion, regardless of any designation that accompanies the payment.

4.12. Payment of Taxes. To the extent that any sales, excise, or similar taxes are imposed on payments for goods or services provided by Franchisor, you shall pay such taxes.

4.13. Collection Costs and Expenses. You shall pay Franchisor on demand any and all costs and expenses incurred by Franchisor in enforcing the terms of this Agreement including, without limitation, collecting any monies that you owe to Franchisor. These costs and expenses include, without limitation, costs and commissions due a collection agency, reasonable attorneys' fees, costs incurred in creating or replicating reports demonstrating Gross Revenues of the Studio, court costs, expert witness fees, discovery costs and reasonable attorneys' fees and costs on appeal, together with interest charges on all of the foregoing.

4.14 Administrative Default Fee. In the event of default under this Section 4, or in the event of any instance of your non-compliance with this Agreement, the Manual, or other policies and System standards, for which we notify you of such default or non-compliance, at our discretion we may require you to pay an administrative fee to us in the amount of One Hundred Dollars ($100) per occurrence, and One Hundred Dollars ($100) for each week such default or non-compliance remains uncured, plus any and all of our costs and expenses to enforce compliance by you or to cure such default, including our attorneys' fees. Such administrative fee and other charges are intended to reimburse us for our time, expense, and other expenditure of resources incurred due to your default or non-compliance. Our decision to require you to pay such administrative fee shall be without prejudice to our right to terminate this Agreement and/or to terminate any other rights, options or arrangements under this Agreement at any time thereafter for the same default or as a result of any additional defaults of the terms of this Agreement. We may obtain payment of such administrative fee by way of electronic fund transfer.

5. TRAINING AND ASSISTANCE

5.1. Initial Training. Before you may open the Studio for business the Managing Owner and other trainees must attend and complete, to Franchisor's satisfaction, Franchisor's initial training program, which consists of two distinct types of training: business-related training and technical service-related training (together "**Initial Training**").

5.1.1 Business Training. The business-related portion of the Initial Training ("**Business Training**") will take place at a location and time that Franchisor designates, and only after you have executed a lease for the Franchised Business, provided, however, that Franchisor reserves the right to delay this portion of the Initial Training program until such time as you have completed all pre-initial training items set forth in the Manuals.

Up to two individuals may attend the "Business Training" portion of the Initial Training program without additional charge. If the Managing Owner is not the General Manager, both the Managing Owner and the General Manager must attend the Business Training. If the General Manager is also the Managing Owner, then one other employee may attend without charge. At your request, Franchisor may permit additional

individuals to attend the Business Training, subject to space availability and payment of Franchisor's then-current tuition. You are responsible for all costs and expenses of complying with Franchisor's Business Training requirements including, without limitation, tuition and registration costs, and salary, travel, lodging, and dining costs for all of your employees who participate in and attend the Business Training".

5.1.2 Studio Opening and Sugarist Training. The technical portion of the initial training program has two components and relates to Studio Opening and sugarist training. Currently we provide one individual (Corporate Sugarist trainer) to provide you with on-site esthetician training services at your Studio for a period of up to 4 days, typically in conjunction with a second individual (Studio Opener for 3 days) to provide opening support, software and sales training. This training is scheduled at our discretion and is subject to our availability. Any/all additional training, including training for—if applicable—your second and subsequent Studios, is currently provided at $300/day plus travel.

5.2. Additional Opening Assistance. At your request, Franchisor may, in its sole discretion, provide additional on-site opening assistance, subject to availability of personnel and at the Franchisor's current daily rate. In such event, you agree to pay Franchisor's current daily rate for providing such assistance, and you must reimburse Franchisor for all out-of-pocket costs it incurs in connection with providing such additional assistance, including travel, lodging, and dining costs for the individual(s) providing such assistance. If Franchisor determines, in its sole discretion, that you have not met the minimum requirements for the establishment of the Studio by the timelines set forth in the Manuals, Franchisor may require that you accept such additional on-site assistance as Franchisor deems appropriate. You agree to pay Franchisor's per diem assistance fee for such additional assistance as well as Franchisor's related travel, lodging, and dining costs.

5.3. Ongoing and Advanced Training. Upon your request, Franchisor may, in its sole discretion, provide additional ongoing or on-site training assistance, subject to availability of personnel and at the Franchisor's current daily rate ("Advanced Training"). Should Franchisor agree to provide such Advanced Training, you agree to pay Franchisor's current daily rate, in some cases per attendee/trainee for providing such assistance, and you must reimburse Franchisor for all out-of-pocket costs it incurs in connection with providing such additional assistance, including travel, lodging, and dining costs for the individual(s) providing such assistance. Advanced Training currently includes Open-training (refresher), Additional Sugarist Training, Local Studio Trainer (e.g., train the trainer), Advanced Sugaring and so on. All on-going and advanced training has a fee associated. The franchisor reserves the right to offer occasional incentives and discounts at their sole discretion.

5.4. Pre-Opening Consultation. Franchisor shall provide such pre-opening consultation and advice as it deems appropriate, which may include advice with regard to the development and operation of the Studio, building layout, furnishings, fixtures, and equipment, plans and specifications, employee recruiting, selection, and training, purchasing and inventory control, and such other matters as Franchisor deems appropriate.

5.5. Ongoing Consultation. Franchisor shall provide such ongoing consultation and advice as it deems appropriate, which may include information about new service and product development, instruction concerning the operation and management of Sugaring LA® Studio, advertising and marketing advice, and financial and accounting advice. Such consultation and advice may be provided, in Franchisor's discretion, through Studio visits by Franchisor personnel, via meetings, seminars or conferences, and/or through dissemination of electronic or printed materials.

5.6. Additional Training. You agree to cause the Managing Owner, General Manager, and other employees that Franchisor designates to attend such additional courses, seminars, and other training programs as Franchisor may reasonably require. Franchisor may charge a reasonable tuition for these

additional courses, seminars, or other training programs, and you are responsible for all training-related costs and expenses including, without limitation, salary, travel, lodging, and dining costs for all employees who participate in the training.

5.7. Continuing Education Requirement. You shall cause each Studio employee providing services which require, by law, a license or certification, to complete, to Franchisor's satisfaction, Franchisor's continuing education requirement, and other certifications and ongoing education required by law. Franchisor may, in its sole discretion, exempt certain employees from such required continuing education, if Franchisor deems that the continuing education required by the licensing or certifying State meets Franchisor's minimum continuing education requirements. Upon Franchisor's request, you must provide proof of renewed license or certification, or proof of completion of continuing education requirements for each Studio employee required, by law, to be licensed or certified. You are responsible for all costs related for each technician's attendance including, but not limited to, Franchisor's then-current tuition, your employees' salary, and all travel expenses. You shall also cause each Studio employee providing technical services to complete, to Franchisor's satisfaction, any of Franchisor's future education requirements regardless of your state's legal requirements.

5.8. Additional On-Site Training. In the event that you fail two consecutive quality inspections, Franchisor may, in its sole discretion, require the Managing Owner and your General Manger (or, if the Managing Owner is the General Manager, then one additional employee) to attend up to three days of on-site training. You will bear all costs for such additional training including, but not limited to Franchisor's current daily rate for providing such training and all travel expenses.

5.9. Performance by Delegate. You acknowledge and agree that any rights or duties of Franchisor may be exercised and/or performed by any of Franchisor's designees, agents, or employees.

5.10 Convention. You or your representative are required to attend, no more than annually, any designated convention or annual training meeting. You will pay the then-current enrollment fee. If you fail to attend the Convention you will be assessed $1,000 non-attendance penalty fee. This fee shall be automatically withdrawn by electronic funds transfer.

6. OPERATION OF THE FRANCHISED BUSINESS

6.1. General Operating Requirements. You understand and acknowledge that every detail of the System is essential to maintain and enhance the goodwill associated with the Proprietary Marks and the integrity of the brand. Accordingly, you agree as follows:

(a) To operate the Franchised Business according to the highest applicable health and safety standards and ratings, to timely obtain or cause employees to obtain any and all permits, certificates, or licenses necessary for the lawful operation of the Franchised Business, to operate the Franchised Business according to Franchisor's operating methods, standards, and specifications, and to maintain, at all times, a high moral and ethical standard in the operation of the Franchised Business.

(b) To notify Franchisor by telephone and confirm in writing within 72 hours of any investigation or violation, actual or alleged, concerning any health or safety regulations, and notify Franchisor in writing within five days of the commencement of any investigation, action, suit or proceeding, and the issuance of any order, writ, injunction, award, or decree of any court, agency or other government instrumentality, which may adversely affect the operation or financial condition of the Franchised Business.

(c) Upon the occurrence of a Crisis Management Event, to immediately inform Franchisor's President (or as otherwise instructed in the Manuals) by telephone, and to cooperate fully with Franchisor with respect to Franchisor's response to the Crisis Management Event.

6.2. Managing Owner; General Manager.

6.2.1. The Studio must be supervised by a General Manager. The Managing Owner may also be the General Manager. The Managing Owner shall have oversight of the General Manager and the General Manager shall have full control (the extent granted by Franchisee) over day-to-day Studio management and operations. The Managing Owner and the General Manager must attend and successfully complete Franchisor's initial training program and all additional training that Franchisor requires, to Franchisor's satisfaction. The General Manager shall devote his or her full-time efforts to Studio operations, and shall not engage in any other business or activity, directly or indirectly, that requires substantial management responsibility or time commitment. Franchisor shall have approved the Managing Owner as meeting its then-current qualifications for such position.

6.2.2. If the General Manager ceases to serve in, or no longer qualifies for, such position, you shall designate another qualified person to serve as your General Manager within 30 days after the date the prior General Manager ceases to serve or no longer qualifies to serve. Any proposed replacement General Manager must successfully complete the initial training program and such other training required by Franchisor, and be approved by Franchisor, before assuming his or her position as General Manager and, in no event, later than 90 days after the previous General Manager ceased to serve in such position. In the event of the replacement of a General Manager, the franchisor may, at its sole discretion, require on-site, in-studio training under the same terms and tuition rates contained in Article 5 above.

6.3. Employee Policy; Uniforms and Employee Appearance. You shall maintain a competent, conscientious, fully certified and trained staff, and shall take such steps as are necessary to ensure that your employees and/or independent sugarist preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as Franchisor may establish from time to time in the Manuals or otherwise in writing. You shall cause all employees and/or independent sugarist, while working at the Studio, to: ***(a)*** abide by the uniform requirements and policies set forth in the System standards, Uniform Guidelines and other specifications as Franchisor may designate from time to time, and ***(b)*** present a neat and clean appearance. In no case shall any of your employees and/or independent sugarist wear his or her Sugaring LA® uniform while working for you at any location other than the Franchised Business.

6.4. Authorized Services and Product Offerings.

6.4.1. You must offer and sell all services and products that Franchisor requires, and only those services and products that Franchisor has approved. Franchisor may add, eliminate and change authorized services and/or products, in its sole discretion, and you must comply with all directives (which may require purchasing and installing additional equipment). You shall package and feature all products in accordance with Franchisor's standards and procedures as communicated to you from time to time via the Manual or other written directives. Such standards and procedures may include, without limitation, use of packing and marketing paraphernalia bearing the Proprietary Marks, and other standards for displaying for sale the proprietary products. You shall participate in all market research programs that Franchisor requires, which includes test-marketing new services and/or products, purchasing a reasonable quantity of new products for

test-marketing, promoting the sale of the new services and/or products. You shall provide Franchisor with timely reports and test results for all such programs.

6.4.2. You are expressly prohibited from providing any services not specifically permitted by the operations manual without Franchisor's prior written consent.

6.5. Purchase Requirements.

6.5.1. You shall purchase and install, at your expense, all fixtures, furnishings, equipment, décor, signs, and other items as Franchisor may reasonably direct; and shall refrain from installing or permitting to be installed on or about the Studio premises any fixtures, furnishings, equipment, décor, signs, vending or game machines or other items not approved for use by Franchisor. In addition, you shall purchase and use only products, packaging materials, and supplies as conform to Franchisor's standards and specifications; and shall purchase, use, offer and/or promote Sugaring LA® products which are produced or manufactured in accordance with Franchisor's proprietary specifications and/or formulas or which Franchisor designates as "**Proprietary Products**".

6.5.2. Approximately 60 days prior to the opening of the Studio, you must complete your purchase of initial inventory of our private label proprietary retail products ("**Private Label Products**"). The purchase price of this initial inventory of Private Label Products will vary depending on the quantity and mix of product Franchisor deems necessary to meet your customer demand. If for any reason the Studio does not open for business (other than in the event the parties mutually agree to extend the originally established Control Date), Franchisor will refund the cost of your initial inventory purchase subject to Franchisor's receipt of reusable unopened, undamaged, complete inventory; otherwise, the fee is not refundable. Once the Studio is open for business you must on an on-going basis maintain a minimum level of inventory as determined by Franchisor in its discretion.

6.6. Purchases from Designated Sources. Franchisor and its Affiliates may act as suppliers of goods, services, products, and/or supplies to be purchased by you, including, without limitation, the Proprietary Products and your computer hardware and software ("**Goods and Services**"), and may designate themselves as the sole suppliers of any such Goods and Services. You shall purchase your requirements of Goods and Services from Franchisor or its designated sources, which purchase price shall also include all shipping costs. Such Goods and Services shall be made available for purchase at then-current published prices according to the supplier's then-current purchase terms and conditions. You shall purchase all other products, equipment, supplies and materials used or sold by the Franchised Business, including, without limitation the Proprietary Products, solely from suppliers (including Franchisor, or its Affiliates, and manufacturers, wholesalers, and distributors) who demonstrate, to Franchisor's continuing reasonable satisfaction, the ability to meet Franchisor's reasonable standards and specifications for such items, who possess adequate quality controls and capacity to supply your needs promptly and reliably, and who have been approved by Franchisor in the Manuals or otherwise in writing and not thereafter disapproved. You acknowledge and agree that Franchisor and its Affiliates may negotiate purchase arrangements with suppliers for your benefit and may derive revenue or obtain rebates, bulk pricing discounts or allowances for their own account from approved or designated suppliers if rebates or other considerations become available because of your purchases of products or services. If you desire to purchase products from other than approved suppliers, you shall submit to Franchisor a written request to approve the proposed supplier, together with such evidence of conformity with Franchisor's specifications as Franchisor may reasonably require, or shall request the supplier itself to do so. Franchisor shall have the right to inspect and evaluate the supplier's facilities and products to be supplied, and you shall pay all of Franchisor's reasonable expenses incurred in so doing. Franchisor may from time to time re-inspect and re-evaluate the facilities and products of any approved supplier and revoke its general approval of particular products or suppliers when Franchisor determines, in its sole discretion, that such products or suppliers no longer meet

Franchisor's standards. Upon receipt of written notice of such revocation, you shall cease to sell any disapproved products and cease to purchase from any disapproved supplier.

6.7. Franchised Location.

6.7.1. You shall maintain the Studio (including adjacent public areas) in a clean, orderly condition and in excellent repair and in accordance with Franchisor's standards. You shall, at your expense, make such additions, alterations, repairs, and replacements under this Agreement as may be required for that purpose, including, without limitation, such periodic repainting, repairing, and replacing of obsolete or deteriorated signs, furnishings, fixtures, equipment, and decor as Franchisor may reasonably direct. Upon Franchisor's request, you shall install and maintain at the Franchised Business interactive multi-media equipment, devices, and facilities Franchisor requires, including, without limitation, approved music systems, wi-fi and other wireless internet and communications systems, and interactive displays, including flat screens.

6.7.2. You shall not cause or permit vending, gaming machines, pay telephones, automatic teller machines, Internet kiosks or any other mechanical or electrical device to be installed or maintained at the Franchised Location.

6.7.3. You shall purchase and install, at your expense, all fixtures, furnishings, equipment, decor, signs, and other items as Franchisor may reasonably direct from time to time in the Manual or otherwise in writing in accordance with Franchisor's standards and specifications; and shall refrain from installing or permitting to be installed on or about the Franchised Location, any fixtures, furnishings, equipment, decor, signs, vending or game machines or other items not previously approved in writing as meeting Franchisor's standards and specifications.

6.7.4. At Franchisor's request, you shall make such alterations as may be necessary to reflect new product offerings and marketing incentives, including updating or replacement new interior signage, graphics, and/or point of sale materials.

6.7.5. At Franchisor's request, but not more often than once every 60 months (and in addition to any work which you may undertake pursuant to other Sections of this Agreement), you shall refurbish the Franchised Location, at your own expense, to conform to the building design, trade dress, color schemes, and presentation of the Proprietary Marks in a manner consistent with the then-current public image for new or remodeled Sugaring LA® Studios in the System, including, without limitation, replacement or renovation of equipment, remodeling, redecoration, and modifications to existing improvements and reasonable structural changes that Franchisor may reasonably require or that may be required by law.

6.8. Days and Hours of Operation. You shall cause the Studio to be open and in normal operation for such minimum hours and days as Franchisor may specify in the Manual or in other written directives, but no less than six days per week.

6.9. Quality Assurance Inspections; Testing. Franchisor shall have the right to enter upon the Studio premises during regular business hours to inspect the Studio for quality assurance purposes. You shall allow Franchisor from time to time to obtain samples of ingredients, products and supplies, without charge, to test for quality assurance purposes.

6.10. Modification to the System. At your own expense, you shall make such alterations, additions, or modifications to the Franchised Location as Franchisor may reasonably require to implement changes to the System, including, without limitation, changes to products, services or market positioning. You shall

make all such changes within 90 days from receipt of notice. You shall not implement any modification to the System without Franchisor's express prior written consent.

6.11. Pricing. To the fullest extent permitted by applicable law, Franchisor reserves the right to establish maximum, minimum or other pricing requirements with respect to the prices you may charge for products or services.

6.12. Intranet/Extranet System. Franchisor may, at its option, establish and maintain an intranet or extranet system through which members of Sugaring LA® franchise network may communicate and through which Franchisor may disseminate updates to the Manual and other Confidential Information. Franchisor will have no obligation to establish or to maintain the intranet indefinitely, and may dismantle it at any time without liability to you. Franchisor may establish policies and procedures for the intranet's use. Franchisor expects to adopt and adhere to a reasonable privacy policy. However, you acknowledge that, as administrator of the intranet, Franchisor can access and view any communication that anyone posts on the intranet. You further acknowledge that the intranet facility and all communications that are posted to it will become Franchisor's property, free of any claims of privacy or privilege that you or any other individual may assert. If you fail to pay when due any amount payable to Franchisor under this Agreement, or if you fail to comply with any policy or procedure governing the intranet, Franchisor may temporarily suspend your access to any chat room, bulletin board, listserv, or similar feature the intranet includes until such time as you fully cure the breach.

6.13 Website and Digital Presence. Franchisor may, but shall not be obligated to, establish and maintain a Website to provide information about the System and the goods and services that Sugaring LA® Studios provide, even though Franchisor's Website is accessible by persons in your trade area. Franchisor has sole discretion and control over the design and content of Franchisor's Website. You are not permitted to have any independent website, domain, landing page, microsite or social media identity that is not part of Sugaring LA® managed, controlled, described or defined processes related to digital media and marketing. We may create, operate, and promote Sugaring LA® in a digital environment to include websites, social media accounts, blogs, advertising, franchise opportunities, studio details and more. You will participate in and solely use the digital properties, domains, advertising and social tools and handles which we expressly permit. Any unapproved use of digital media will be considered a compliance issue.

7. PROPRIETARY MARKS AND COPYRIGHTS

7.1. Franchisor's Representations. Franchisor represents to you that it has the right to use and to sublicense to you the right to use the Proprietary Marks in accordance with the terms and conditions of this Agreement.

7.2. Acknowledgments. You expressly acknowledge that Franchisor or its Affiliate owns all right, title, and interest in and to the Proprietary Marks and the goodwill associated with the Proprietary Marks, and that you have no ownership interest in the Proprietary Marks. You agree not to use any other Proprietary Marks or any marks, names or indicia of origin that are or may be confusingly similar to the Proprietary Marks in your own corporate or business name except as authorized in this Agreement. You further acknowledge and agree that any and all goodwill associated with the Studio and identified by the Proprietary Marks is Franchisor's property and shall inure directly and exclusively to the benefit of Franchisor and that, upon the expiration or termination of this Agreement for any reason, no monetary amount shall be assigned as attributable to any goodwill associated with your use of the Proprietary Marks. You understand and agree that any use of the Proprietary Marks other than as expressly authorized by this Agreement, without Franchisor's prior written consent, may constitute an infringement of Franchisor's rights herein and that the right to use the Proprietary Marks granted herein does not extend beyond the termination or expiration of this Agreement.

7.3. Use of the Proprietary Marks. You shall use only the Proprietary Marks designated by Franchisor, shall use them only in the manner that Franchisor authorizes and permits, and shall use them with the symbols "®", TM", or "SM", as appropriate. You shall use the Proprietary Marks only in connection with the operation and promotion of the Franchised Business, and only in the manner prescribed by Franchisor. You may not contest ownership or validity of the Proprietary Marks or any registration thereof, or engage in any conduct that adversely affects the ownership or registration of the Proprietary Marks, or Franchisor's right to use or to sublicense the use of the Proprietary Marks. You shall execute all documents that Franchisor requests in order to protect the Proprietary Marks or to maintain their validity and enforceability.

7.4. Restriction Against Use in Your Corporate Name. You may not use the Proprietary Marks or any part thereof in your corporate name, and may not use them to incur any obligation or indebtedness on Franchisor's behalf.

7.5. Restriction Against Use of the Proprietary Marks and Copyrighted Works on the Internet.

7.5.1. You may not use the Proprietary Marks or any part or derivative thereof or any of Franchisor's Copyrighted Works on the Internet, except as expressly permitted in writing. Without limiting the generality of the foregoing, you may not use the Proprietary Marks or any part or derivative of the Proprietary Marks as part of any URL or domain name, and may not register as part of any username on any website (including commercial, gaming, video sharing, user review, and social networking websites), or as part of any unauthorized email address. You also may not display on any website (including commercial, gaming, video sharing, user review, and social networking websites) Franchisor's Copyrighted Works, which include the design portion of its Proprietary Marks, or any collateral merchandise identified by the Proprietary Marks.

7.6. Notice. You shall identify yourself as an independent franchise owner of the Franchised Business in conjunction with any us of the Proprietary Marks or operation of the Franchised Business, including, but not limited to, such use on invoices, order forms, receipts, business stationery, business cards, and contracts, as well as at such conspicuous locations at the Studio as Franchisor may designate in writing. The form and content of such notice shall comply with the standards set forth in the Manuals.

7.7. Infringement. You shall promptly notify Franchisor of any suspected unauthorized use of, or any challenge to the validity of the Proprietary Marks or Copyrighted Works, or any challenge to Franchisor's or its Affiliate's ownership of, Franchisor's license to use and to license others to use, or your right to use, the Proprietary Marks or Copyrighted Works licensed under this Agreement. You acknowledge that Franchisor or its Affiliate has the right to direct and control any administrative proceeding or litigation, or other adjudicative proceeding involving the Proprietary Marks or Copyrighted Works, including any settlement thereof. Franchisor or its Affiliate has the right, but not the obligation, to take action against third parties for infringement of the Proprietary Marks or Copyrighted Works. Franchisor shall defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks or Copyrighted Works. If Franchisor, in its sole discretion, determines that you have used the Proprietary Marks and Copyrighted Works in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by Franchisor. If Franchisor, in its sole discretion, determines that you have not used the Proprietary Marks or Copyrighted Works in accordance with this Agreement, the cost of such defense, including the cost of any judgment or settlement, shall be borne by you. In the event of any litigation relating to your use of the Proprietary Marks or Copyrighted Works, you shall execute any and all documents and do such acts as may, in the opinion of Franchisor, be necessary to carry out such defense or prosecution, including, but not limited to, becoming a nominal party to any legal action. Except to the extent that such litigation is the result of your use of the Proprietary Marks or Copyrighted Works in a manner inconsistent with the terms of this Agreement, Franchisor agrees to reimburse you for your associated costs.

7.8. Changes to the Proprietary Marks. Franchisor reserves the right, in its sole discretion, to designate one or more new, modified or replacement Proprietary Marks for your use and to require your use of any such new, modified or replacement Proprietary Marks in addition to or in lieu of any previously designated Proprietary Marks. You must comply with any such directive within 60 days following your receipt of Franchisor's written notice to you, and you are responsible for all related costs and expenses.

8. SYSTEM, MANUALS, AND INFORMATION

8.1. Manuals. Franchisor will provide you on loan a digital copy of the Manuals. You shall operate the Franchised Business in accordance with the System Standards, methods, policies, and procedures specified in the Manuals. The Manuals shall at all times be considered the sole property of Franchisor and shall be kept in a secure digital Location. You shall ensure that your copy of the Manuals are kept current at all times, and in the event of any dispute as to the contents of the Manuals, the terms of the master copy of the Manuals maintained by Franchisor shall be controlling.

8.2. System Modification. You acknowledge that the System, Franchisor's Confidential Operations Manuals and the Manuals, and the products and services offered by the Franchised Business may be modified, (such as, but not limited to, the addition, deletion, and modification of operating procedures, products and services) from time to time by Franchisor. You agree to comply, at your expense, with all such modifications, including, without limitation, all requirements to implement the modifications, such as replacement or renovation of equipment, remodeling, redecoration and modifications to existing improvements, including structural changes. Franchisor shall notify you of any such System changes and you shall implement any System changes upon receipt of notice thereof from Franchisor, and shall complete their implementation within such time as Franchisor may reasonably specify. For purposes of this Agreement, System changes shall include, without limitation, changes in any of the categories referred to in this Section 8.2. No such modification will alter your fundamental status and rights as a franchisee under this Agreement.

8.3. Confidentiality. You shall maintain the confidentiality of all Confidential Information. You shall use Confidential Information only in connection with the operation of the Franchised Business, and shall divulge Confidential Information only to your employees and only on a need-to-know basis. This obligation shall survive termination or expiration (without renewal) of this Agreement. Franchisee further acknowledges and agrees that all Confidential Information (as defined in this Agreement) is the exclusive property of Franchisor.

9. ADVERTISING AND MARKETING

9.1. General. All of your promotional and marketing materials shall be presented in a dignified manner and shall conform to Franchisor's standards and specifications related to advertising, marketing, and trademark use and be pre-approved materials created exclusively by and for Sugaring LA®. You shall submit to Franchisor samples of any and all proposed promotional and marketing materials that are not part of the pre-approved Sugaring LA® materials, and notify Franchisor of the intended media, before first publication or use. Franchisor shall use good faith efforts to approve or disapprove proposed promotional and marketing materials within 15 days of their receipt. You may not use any promotional or marketing materials until Franchisor expressly approves the materials and the proposed media. Once approved, you may use the materials only in connection with the media for which they were approved. Franchisor may disapprove your promotional or marketing materials, or the media for which they were approved, at any time, and you must discontinue using any disapproved materials or media upon your receipt of written notice of disapproval. Upon discovery of any unapproved materials, including media, display or in-studio materials, or any other advertising, including print, social or digital, the Franchisor will require immediate discontinuation of use.

9.2. Grand Opening Marketing Event. You agree to spend at least the amount indicated on the Summary Pages to promote your Studio's grand opening event. The Franchisor will assist you in creating a marketing and promotional event strategy for the grand opening event for your Studio and you agree to spend the grand opening event expenditure requirement in accordance with this approved plan. You agree to provide Franchisor with proof of the expenditures required under this Section immediately on Franchisor's request.

9.3. Marketing Fee. You must pay to Franchisor a marketing fee (the "**Marketing Fee**") in the amount stated on the Summary Pages. In consideration for the Marketing Fee, Franchisor will provide such advertising, marketing, and promotional services as Franchisor deems appropriate in its sole discretion. Franchisor may collect the Marketing Fee on such periodic basis as Franchisor specifies, which may be weekly, monthly, or otherwise.

9.4. Local Advertising. At Franchisor's election, franchisor may require you to: ***(a)*** spend the minimum amount noted on the Summary Pages in your local market to promote the Studio; or ***(b)*** pay such amounts to Franchisor, in the same manner as Royalty Fees and on such Due Date as Franchisor designates, to be spent on advertising and marketing campaigns in your market area. If Franchisor requires you to spend such amounts directly, then you shall provide proof of such expenditure according to the procedures Franchisor requires. In the absence of an election confirmed in writing, you will be require to spend the minimum amount noted on the Summary Pages in your local market to promote the Studio upon opening your Studio. Also, if Franchisor requires you to spend such amounts directly, then at least 30 day prior to the beginning of each calendar quarter, you must submit to Franchisor your advertising campaign and budget for Franchisor's review and approval. Of note, your Protected Area serves only to limit the physical development of another Sugaring LA® Studio therein and does not represent any exclusive marketing and advertising rights. The System standards serve to provide local advertising and digital advertising guidelines for best practices to attract clients, reduce overlapping efforts and work productively with neighboring studio. You are required to follow these System standards and guidelines which are subject to change at the sole discretion of the Franchisor.

9.5. Loyalty Programs, Prize Promotions, and Promotional Literature.

9.5.1. You shall participate in and offer to your customers: ***(a)*** all customer loyalty and reward programs; and ***(b)*** all contests, sweepstakes, and other prize promotions; which Franchisor may develop from time to time. Franchisor will communicate to you in writing the details of each such program or promotion, and you shall promptly display all point-of-sale advertising and promotion-related information at such places within the Studio as Franchisor may designate. You shall purchase and distribute all coupons and other collateral merchandise designated by Franchisor for use in connection with each such program or promotion.

9.5.2. If Franchisor develops or authorizes the sale of gift certificates and/or stored value cards, loyalty cards and/or customized promotional receipts, you shall acquire and use all computer software and hardware necessary to process their sale and to process purchases made using them and be solely responsible for the service charges related to such processing. You are responsible for the accurate reporting gift certificate sales and redemptions in the Studio. All proceeds from the sale of all gift certificates and/or loyalty cards belong exclusively to Franchisor, and you shall remit the proceeds of such sales to Franchisor according to the procedures that Franchisor prescribes periodically. Franchisor shall reimburse or credit to you (at Franchisor's option) the redeemed value of gift certificates and/or loyalty cards accepted as payment for products and services sold by the Studio.

9.5.3. You also shall display at the Studio all promotional literature and information as Franchisor may reasonably require from time to time. This may include, among other things, displaying signage or other literature containing information about Sugaring LA® franchise offering.

9.5.4. You also agree to honor such credit cards, courtesy cards, and other credit devices, programs, and plans as may be issued or approved by us from time to time. Any reasonable and customary service charges or discounts from reimbursements charged on such cards or authorizations will be at your sole expense.

9.6. Participation in Marketing Programs. You shall at all times cooperate with Franchisor and other franchisees of Franchisor and shall actively participate in any and all sales, public relations, advertising, cooperative advertising and purchasing programs or promotional programs (including, without limitation, product give-away promotions) which may be developed and implement by Franchisor. Participation may include, without limitation, purchasing (at your expense) and using ***(a)*** point of sale materials, ***(b)*** counter cards, displays, and give away items promoting loyalty programs, prize promotions, and other marketing campaigns and programs, and ***(c)*** equipment necessary to administer loyalty programs and to prepare and print customized purchase receipts, coupons, and similar items.

9.7. Advertising Cooperatives. Franchisor may, from time to time, form local or regional advertising cooperatives ("**Advertising Cooperative**") to pay for the development, placement and distribution of advertising for the benefit of Studios located in the geographic region served by the Advertising Cooperative. Any Advertising cooperatives established by Franchisor will be operated solely as a conduit for the collection and expenditure of Advertising Cooperative fees for the aforementioned purposes. If Franchisor forms an Advertising Cooperative for the region in which the Studio is located, you agree to participate in the Advertising Cooperative pursuant to the terms of this Section 9.7.

9.7.1. Franchisor shall have the exclusive right to create, dissolve and merge each Advertising Cooperative created, in its discretion, and to create and amend the organizational and governing documents related thereto; provided that such documents shall: ***(a)*** operate by majority vote, with each Sugaring LA® Studio (including Studios owned by Franchisor or its Affiliates) entitled to one vote, ***(b)*** entitle Franchisor to cast one vote (in addition to any votes it may be entitled to on account of its operation of Studios in the area served by the Advertising Cooperative, ***(c)*** permit the members of the Advertising Cooperative, by majority vote, to determine the amount of required contributions, and ***(d)*** provide that any funds left in the Cooperative at the time of dissolution shall be returned to the members in proportion to their contributions during the 12-month period immediately preceding termination.

9.7.2. You agree to be bound by all organizational and governing documents created by Franchisor and, at Franchisor's request, shall execute all documents necessary to evidence or affirm your agreement. The Advertising Cooperative shall begin operating on a date determined in advance by Franchisor.

9.7.3. No advertising or promotional plans or materials may be used by the Advertising Cooperative or furnished to its members without Franchisor's prior approval. All advertising plans and materials must conform to the Standards and must be submitted to Franchisor for approval.

9.7.4. Fees paid by you as contribution to an Advertising Cooperative established in your geographic area shall be credited towards your local advertising requirement as set forth in the Summary Pages.

10. COMPUTER SYSTEM; ACCOUNTING AND RECORDS; TAXES

10.1. Computer System. You shall acquire and use only the point-of-sale cash registers and computer systems and equipment that Franchisor prescribes for use by Sugaring LA® Studios ("**Computer System**"), and adhere to Franchisor's requirements for use. Requirements may include, among other things, connection to remote servers, off-site electronic repositories, and high-speed Internet connections. As

technology or software is developed in the future, Franchisor may, in its sole discretion, require you to add to your Computer System memory, ports, and other accessories or peripheral equipment or additional, new, or substitute software, and replace or upgrade your Computer System and software as Franchisor prescribes. You shall acquire, install and maintain such anti-virus and anti-spyware software as Franchisor requires, and shall adopt and implement such Internet user policies as Franchisor may prescribe for purposes of avoiding, blocking, and eliminating viruses and other conditions that interfere with operation of the Computer System.

10.2. Software. You shall: ***(a)*** use any proprietary software programs, system documentation manuals, and other proprietary materials that Franchisor requires in connection with the operation of the Studio; ***(b)*** input and maintain in your computer such data and information as Franchisor prescribes in the Manual, software programs, documentation, or otherwise; and ***(c)*** purchase new or upgraded software programs, system documentation manuals, and other proprietary materials at then-current prices whenever Franchisor adopts such new or upgraded programs, manuals, and materials system-wide. You shall enter into all software license agreements, "terms of use" agreements, and software maintenance agreements, in the form and manner Franchisor prescribes, and pay all fees imposed thereunder.

10.3. Independent Access. Franchisor may independently poll Gross Revenue and other information input and compiled by your Computer System from a remote location. There is no limitation on Franchisor's right to access this information, nor on Franchisor's use of the information obtained via such access.

10.4. Preparation and Maintenance of Records. You shall prepare and preserve for at least five years from the date of preparation complete and accurate books, records, and accounts according to generally accepted accounting principles and in the form Franchisor prescribes. In order to obtain System-wide consistent and comparative information, Franchisor may prescribe from time to time, and you agree to abide by and use, such forms, templates, and/or methods for the preparation and submittal of financial and other Studio-related records and information.

10.5. Submission of Financial Statements and Tax Returns. No later than March 30 of each calendar year, you shall provide to Franchisor, in the manner they require and upon request ***(a)*** a copy of the previous year's annual profit and loss statements; ***(b)*** a copy of the previous year's sales tax returns; and ***(c)*** a copy of your federal and state income tax returns for the previous year; provided, however, that if you are an individual franchisee, you may submit only those schedules to your personal tax returns which reflect the revenues and expenses of the Franchised Business.

10.6. Submission of Performance Reports. You shall accurately report to Franchisor the Studio's Gross Revenue, expenses, and such other financial information, as Franchisor may reasonably require, using the procedures, forms, and methods Franchisor prescribes periodically. Reports shall be due on the date prescribed by Franchisor, and shall be signed by an authorized representative, attesting to their accuracy. Within 30 days following the end of each fiscal quarter, you shall provide to Franchisor a copy of your profit and loss statements prepared according to generally accepted accounting principles and which accurately reflect your financial information for the period requested by Franchisor. You also shall provide to Franchisor such other reports, computer back-up and other information that Franchisor may reasonably request.

10.7. Audit of Franchisee Records. Franchisor or its designated agent shall have the right to audit, examine and copy your books, records, accounts, and business tax returns at any time. If an inspection or audit reveals underpayment of amounts owed to Franchisor, you shall immediately pay the understated amount with interest as provided in Section 4.9.If an audit or inspection reveals your understatement of Gross Revenues by 2% or more during any continuous six month period then, in addition to amounts due on the understatement and interest, multiplied by 1.5, you shall promptly reimburse Franchisor all costs and

expenses that it incurred in connection with performing the audit or inspection (including travel, lodging and wage expenses, and attorneys' and accountants' fees).

10.8. Use of Financial Information in Franchise Disclosure Document. You acknowledge and agree that it may be in the best interest of the franchise system to share historical revenue and expense information with prospective franchisees. To that end, you hereby authorize Franchisor to publish information concerning the Studio's Gross Revenues and other information reported to Franchisor in its franchise disclosure document.

10.9. Taxes. You shall promptly pay all taxes due and owing based on your operation of the Studio and the Franchised Business including, without limitation, sales taxes, income taxes, and property taxes.

10.10 Data Security and PCI Compliance. You acknowledge and agree that protection of customer privacy and credit card information is necessary to protect the goodwill of studios operating under the Proprietary Marks and System. Accordingly, you agree that you will cause the Studio to meet or exceed, at all times, all applicable security standards developed by the Payment Card Industry Standards Council or its successor, the standards set by applicable privacy laws and regulations, and other regulations and industry standards applicable to the protection of customer privacy and credit card information. You are solely responsible for educating yourself as to these regulations and standards, and for achieving and maintaining applicable compliance certifications. You agree to defend, indemnify, and hold us and our affiliates harmless from and against all claims arising out of or related to your violation of the provisions of this Section 10.10.

11. INDEPENDENT CONTRACTOR, INSURANCE AND INDEMNIFICATION

11.1 Independent Contractor. The parties acknowledge and agree that you are operating the Franchised Business as an independent contractor. Nothing contained in this Agreement shall create or be construed to create a partnership, joint venture, or agency relationship between the parties. Neither party shall have fiduciary obligations to the other, or be liable for the debts or obligations of the other. Neither party shall have the right to bind the other, transact business in the other party's name or in any manner make any promises or representations on behalf of the other party, nor contract any debts or obligations on behalf of the other party, or their affiliates, unless otherwise agreed in writing by the parties. You shall conspicuously identify yourself and the Franchised Business in all dealings with your customers, contractors, suppliers, public officials, and others, as an independent franchisee of Franchisor, and shall place a conspicuous notice, in the form and at such place as Franchisor prescribes, notifying the public of such independent ownership.

11.2. Insurance Obligations.

11.2.1. You shall maintain in full force and effect at all times during the term of this Agreement, at your expense, an insurance policy or policies protecting you, Franchisor and its Affiliates, and their respective partners, shareholders, directors, members, managers, agents, and employees, against any demand or claim with respect to personal and bodily injury, death, or property damage, or any loss, liability, or expense arising or occurring upon or in connection with the operation of the Franchised Business.

11.2.2. Such policy or policies shall: ***(a)*** be written by insurer(s) licensed and admitted to write coverage in the state in which the Franchised Business is located and with a rating of "A" or better as set forth in the most recent edition of Best's Key Rating Guide; ***(b)*** name Franchisor and its Affiliates, and their partners, officers, subsidiaries, affiliates, shareholders, directors, managers, members, regional directors, agents, and employees as additional insureds on a primary non-contributory basis, ***(c)*** the additional insured coverage must be provided on an Additional Insured Grantor of Franchise Endorsement

per form CG2029 (or an endorsement form with comparable wording acceptable to Franchisor) as well as through, when applicable, third party coverage endorsement and joint employer coverage endorsement; and ***(d)*** comply with Franchisor's written requirements at the time such policies are obtained, and provide at least the types and minimum amounts of coverage specified below or as described within Franchisor's written notice to you.

11.2.3. Such policies shall include, at the minimum, the following policies: ***(a)*** "All risk" or "special" property insurance, covering all real and personal property and equipment on a replacement costs basis, including business interruption and extra expense insurance on an actual loss sustained basis, ***(b)*** comprehensive general liability insurance, including products and completed operations in an amount of not less than the following combined single limits:$1,000,000 per occurrence,$1,000,000 personal and advertising injury,$1,000,000 completed operations/products aggregate,$2,000,000 aggregate per location; ***(c)*** automobile liability coverage, including coverage of owned, non-owned, rented or hired vehicles with coverage in amounts not less than $1,000,000 combined single limit, ***(d)*** employment practices liability coverage with a limit of $500,000 per occurrence and in the aggregate, ***(e)*** professional liability insurance for all health or beauty licensed professionals with minimum coverage of $1,000,000 per occurrence, ***(f)*** workers' compensation insurance for statutory limits, ***(g)*** employer's liability insurance in an amount not less than $1,000,000, and ***(h)*** any insurance as is necessary to comply with all legal requirements concerning insurance coverage for you and your personnel attending Franchisor's training programs. Each year Franchisor may unilaterally modify the insurance minimum coverage requirements which may include an increase to the minimum coverage requirements to reflect changes in inflation or as market conditions warrant.

11.2.4. In connection with any and all insurance that you are required to maintain under Section 11.2., you and your insurers shall agree to waive their rights of subrogation against Franchisor, and you shall provide evidence of such waiver in accordance with this Section 11.2. Franchisor may unilaterally modify these insurance requirements, which modifications may include increasing minimum policy limits, by delivering to you written notice of the change.

11.2.5. Your obligation to obtain and maintain insurance shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall your performance of that obligation relieve you of liability under the indemnity provisions set forth in Section 11.3. of this Agreement.

11.2.6. All public liability and property damage policies shall contain a provision that Franchisor and its Affiliates, although named as an additional insured, shall nevertheless be entitled to recover under such policies on any loss occasioned to Franchisor, or its Affiliates, partners, members, managers, shareholders, officers, directors, agents, or employees by reason of your negligence.

11.2.7. At least 10 days prior to the time you are first required to carry insurance, and thereafter at least 30 days prior to the expiration of any policy, you shall deliver to Franchisor certificate of insurance evidencing your compliance with this Article 11.Each certificate of insurance shall expressly provide that no less than 30 days' prior written notice shall be given to Franchisor in the event of material alteration to or cancellation or non-renewal of the coverages evidenced by such certificates.

11.2.8. If you fail to procure or maintain these minimum insurance requirements, Franchisor or its designee shall have the right and authority (but not the obligation) to procure such insurance on your behalf. Such right shall be in addition to and not in lieu of any other rights or remedies available to Franchisor. If this occurs, you shall reimburse Franchisor the cost of the premium upon demand.

11.3. Indemnification. You shall indemnify and hold harmless to the fullest extent by law, Franchisor, its Affiliates and their respective directors, officers, managers, members, employees, shareholders, and

agents, (collectively the "**Indemnitees**") from any and all "**losses and expenses**" (as hereinafter defined) incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof which arises directly or indirectly from, as a result of, or in connection with your operation of the Franchised Business including, but not limited to, claims arising as a result of the maintenance and operation of vehicles or the Franchised Location (collectively an "**event**"), and regardless of whether same resulted from any strict or vicarious liability imposed by law on the Indemnitees; provided, however, that this indemnity shall not apply to any liability arising from the gross negligence of Indemnitees (except to the extent that joint liability is involved, in which event the indemnification provided in this Agreement shall extend to any finding of comparative negligence or contributory negligence attributable to you). The franchisor or its representatives' willful misconduct along with their gross negligence as liability for which the franchisee will not reimburse the franchisor.For the purpose of this Section 11.3., the term "**losses and expenses**" shall be deemed to include compensatory, exemplary, or punitive damages; fines and penalties; attorneys' fees; experts' fees; court costs; costs associated with investigating and defending against claims; settlement amounts; judgments; compensation for damages to Franchisor's reputation and goodwill; and all other costs associated with any of the foregoing losses and expenses. You shall give Franchisor prompt notice of any event of which you are aware, for which indemnification is required, and, at your expense and risk, Franchisor may elect to assume (but under no circumstance is obligated to undertake) the defense and/or settlement thereof, provided that Franchisor will seek your advice and counsel. Any assumption by Franchisor shall not modify your indemnification obligation. Franchisor may, in its sole and absolute discretion, take such actions as it seems necessary and appropriate to investigate, defend, or settle any event or take other remedial or corrective actions with respect thereof as may be, in Franchisor's sole and absolute discretion, necessary for the protection of the indemnities or the System.

12. TRANSFER OF INTEREST

12.1. Transfer by Franchisor. Franchisor may transfer or assign all or any part of its rights or obligations under this Agreement to any person or legal entity. With respect to any assignment which results in the subsequent performance by the assignee of all of Franchisor's obligations under this Agreement, the assignee shall expressly assume and agree to perform such obligations, and shall become solely responsible for all of Franchisor's obligations under this Agreement from the date of assignment. In addition, and without limitation to the foregoing, you expressly affirm and agree that Franchisor and/or its Affiliates may sell their assets, the Proprietary Products, the Proprietary Marks or Copyrighted Works, or the System; may sell securities in a public offering or in a private placement; may merge, acquire other corporations, or be acquired by another corporation; and may undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring. With regard to any of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of Franchisor's name, the Proprietary Products, the Proprietary Marks (or any variation thereof) and System and/or the loss of association with or identification of SugaringLA Franchise, LLC, as the franchisor under this Agreement. You specifically waive any and all other claims, demands or damages arising from or related to the foregoing merger, acquisition and other business combination activities including, without limitation, any claim of divided loyalty, breach of fiduciary duty, fraud, breach of contract or breach of the implied covenant of good faith and fair dealing. You agree that Franchisor has the right, now or in the future, to purchase, merge, acquire or affiliate with an existing competitive or non-competitive franchise network, chain or any other business regardless of the location of that chain's or business' facilities, and to operate, franchise or license those businesses and/or facilities as Sugaring LA® Studios operating under the Proprietary Marks or any other marks following Franchisor's purchase, merger,

acquisition or affiliation, regardless of the location of these facilities (which you acknowledge may be proximate to the Franchised Business).

12.2. Transfer by Individual Franchisee to Business Entity for Convenience. If you are an individual, you may transfer your interest in this Agreement to a Business Entity for convenience of operation within the first 12 months of this Agreement by signing Franchisor's standard form of assignment and assumption agreement if ***(a)*** the Business Entity is formed solely for purposes of operating the Franchised Business, and ***(b)*** you provide to Franchisor a copy of the Business Entity's formation and governing documents and a certificate of good standing from the jurisdiction under which the Business Entity was formed. For transfers described in this Section 12.2 you must pay to Franchisor the amount set forth in the Summary Pages.

12.3. Transfer Among Owners; Transfer of Non-Controlling Interest. If you are a Business Entity, your Owners may transfer their ownership interests in the Business Entity among each other, and may transfer up to a Non-Controlling Interest in the Business Entity to one or more third parties, if: ***(a)*** you have provided to Franchisor advance notice of the transfer, ***(b)*** Attachment C has been amended to reflect the new ownership; ***(c)*** each new Owner has signed a Personal Guaranty and Undertaking in the form of Attachment D-1; and ***(d)*** you pay to Franchisor the transfer fee set forth in the Summary Pages.

12.4. Transfer of Agreement; Transfer of the Franchised Business; Transfer of Controlling Interest. All other transfers (including any sale or transfer of your interest in this Agreement, the sale or transfer of all or substantially all of the assets of the Studio, and the sale of a Controlling Interest in you if you are a Business Entity) require Franchisor's prior written consent and completion of an Intent to Sell form submitted to the Franchisor. Franchisor will not unreasonably withhold its consent to a transfer, but may condition its consent on satisfaction of any or all of the following:

12.4.1. You shall have requested consent in writing and delivered to Franchisor a copy of the proposed transfer agreements, including sale terms, at least 30 days prior to the proposed transfer, and Franchisor has determined, in its sole and reasonable discretion, that the terms of the sale will not materially and adversely affect the post transfer viability of the Franchised Business.

12.4.2. The transferee shall demonstrate to Franchisor's satisfaction that the transferee meets Franchisor's then-current educational, managerial and business standards; possesses a good moral character, business reputation and credit rating; has the aptitude and ability to operate the Franchised Business; and has sufficient equity capital to operate the Franchised Business (which condition shall be presumed if the transferee's net worth is equal to or exceeds your net worth at the time of transfer, excluding the value of the Franchised Business);

12.4.3. All of your accrued monetary obligations and all other outstanding obligations to Franchisor, its Affiliates, and third party suppliers shall be up to date, fully paid and satisfied, and you must be in full compliance with this Agreement and any other agreements between you and Franchisor, its Affiliates and your suppliers;

12.4.4. You or the transferee shall have agreed to refurbish the Studio premises so that it meets Franchisor's image requirements for a new Sugaring LA® Studio;

12.4.5. You and each Owner shall have executed a general release, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its Affiliates and their respective officers, directors, shareholders, manages, members, agents and employees in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that any release will not be inconsistent with any state law regulating franchising;

12.4.6. You or the transferee shall have paid the Transfer Fee in the amount set forth in the Summary Pages as well as the current sales commission due to the franchise seller to facilitate the sales process, including disclosure, discovery and validation.

12.4.7. The transferee shall have executed Franchisor's then-current form of franchise agreement, the terms of which may be materially different than the terms of this Agreement and may include, among other things, a different percentage royalty fee and different advertising obligations. The term of such agreement shall be the remaining term of this Agreement at the time of transfer. The transferee shall have the option, however, to purchase a longer term (not to exceed a total of 10 years) by paying an extended term fee ("**Extended Term Fee**") as identified in the Summary Pages.

12.4.8. If the transferee is a Business Entity, then the transferee's Owners each shall sign Franchisor's standard form of Personal Guaranty and Undertaking;

12.4.9. The transferee shall have complied with Franchisor's then-current initial training requirements; and

12.4.10. If Franchisor introduced the buyer to you, you have paid all fees due Franchisor under its then-current franchise resale policy or program.

12.5. Transfers Void. Any purported transfer, by operation of law or otherwise, made without Franchisor's prior written consent will be considered null and void and will be considered a material breach of this Agreement.

12.6. Security Interest. You may grant a security interest in this Agreement or the franchise represented by this Agreement only to the limited extent permitted by Section 9-408 of the Uniform Commercial Code. Any such security interest may only attach to an interest in the proceeds of the operation of the Franchised Business and may not entitle or permit the secured party to take possession of or operate the Franchised Business or to transfer your interest in the franchise without Franchisor's consent.

12.7. Public Offerings. If you are a Business Entity and you intend to issue equity interests pursuant to a public or private offering, you shall first obtain Franchisor's written consent, which consent shall not be unreasonably withheld. You must provide to Franchisor for its review a copy of all offering materials (whether or not such materials are required by applicable securities laws) at least 60 days prior to such documents being filed with any government agency or distributed to investors. No offering shall imply (by use of the Proprietary Marks or otherwise) that Franchisor is participating in an underwriting, issuance or offering of your securities, and Franchisor's review of any offering shall be limited to ensuring compliance with the terms of this Agreement. Franchisor may condition its approval on satisfaction of any or all of the conditions set forth in Section 12.4. and on execution of an indemnity agreement, in a form prescribed by Franchisor, by you and any other participants in the offering. For each proposed offering, you shall pay to Franchisor a retainer in an amount determined by Franchisor, which Franchisor shall use to reimburse itself for the reasonable costs and expenses it incurs (including, without limitation, attorneys' fees and accountants' fees) in connection with reviewing the proposed offering.

12.8. Right of First Refusal. If you receive a bona fide offer to purchase your interest in this Agreement or all or substantially all of the assets of the Franchised Business, or if any Owner receives a bona fide offer to purchase his or her equity interests in you, and you or such Owner wishes to accept such offer, you or the Owner must deliver to Franchisor written notification of the offer and, except as otherwise provided herein, Franchisor shall have the right and option, exercisable within 30 days after receipt of such written notification, to purchase the seller's interest on the same terms and conditions offered by the third party. If the bona fide offer provides for the exchange of assets other than cash or cash equivalents, the bona fide

offer shall include the fair market value of the assets and you shall submit with the notice an appraisal prepared by a qualified independent third party evidencing the fair market value of such assets as of the date of the offer. Any material change in the terms of any offer prior to closing shall constitute a new offer subject to the same right of first refusal by Franchisor as in the case of an initial offer. If Franchisor elects to purchase the seller's interest, closing on such purchase must occur by the later of: ***(a)*** the closing date specified in the third party offer; or ***(b)*** within 60 days from the date of notice to the seller of Franchisor's election to purchase. Franchisor's failure to exercise the option described in this Section 12.8. shall not constitute a waiver of any of the transfer conditions set forth in this Article 12.

12.9. Transfer Upon Death or Incapacitation. Upon the death or permanent incapacity (mental or physical) of any person with an interest in this Agreement, in you, or in all or substantially all of the assets of the Franchised Business, the executor, administrator, or personal representative of such person shall transfer such interest to a third party approved by Franchisor within six months after such death or mental incapacity. Such transfers, including, without limitation, transfers by devise or inheritance, shall be subject to the same conditions as an inter vivos transfer, except that the transfer fee shall be waived. In the case of transfer by devise or inheritance, however, if the heirs or beneficiaries of any such person are unable to meet the conditions of this Section 12.9., the executor, administrator, or personal representative of the decedent shall transfer the decedent's interest to another party approved by Franchisor within six months, which disposition shall be subject to all the terms and conditions for transfer contained in this Agreement. If the interest is not disposed of within such period, Franchisor may, at its option, terminate this Agreement, pursuant to Section13.5.

12.10. Non-Waiver of Claims. Franchisor's consent to a transfer shall not constitute a waiver of any claims it may have against the transferring party, and it will not be deemed a waiver of Franchisor's right to demand strict compliance with any of the terms of this Agreement, or any other agreement to which Franchisor's and the transferee are parties, by the transferee.

13. DEFAULT AND TERMINATION

13.1. Termination In the Event of Bankruptcy or Insolvency. You shall be deemed to be in default under this Agreement, and all rights granted to you in this Agreement shall automatically terminate without notice, if you become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or such a petition is filed and against you and you do not oppose it; if you are adjudicated as bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver for you or other custodian for your business or assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law is instituted by or against you; if a final judgment remains unsatisfied or of record for 30 days or longer (unless a supersedeas bond is filed); if you are dissolved; if execution is levied against your business or property; if judicial, non-judicial or administrative proceedings to foreclose any lien or mortgage against the Franchised Location premises or assets or equipment is instituted against you and not dismissed within 30 days; or if the real or personal property of the Franchised Business is sold after levy thereupon by any sheriff, marshal, or constable.

13.2. Termination with Notice and Without Opportunity to Cure. Franchisor has the right to terminate this Agreement, which termination will become effective upon delivery of notice without opportunity to cure if: ***(a)*** your Managing Owner or General Manager fails to successfully complete training; ***(b)*** you fail to open a studio by the Control Date; ***(c)*** you abandon the Franchised Business (which will be presumed if you cease operations for three consecutive business days or more); ***(d)*** you lose any license required to operate the Franchised Business or you lose your right to occupy the Studio premises; ***(e)*** you or any Owner or General Manager is convicted of, or pleads no contest to, a felony, 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; ***(f)*** there is any transfer or attempted transfer in violation of Article 12 of this Agreement; ***(g)*** you or any Owner fails to comply with the confidentiality or non-compete covenants in Section 15.1. of this Agreement; or ***(h)*** you or any Owner has made any material misrepresentations in connection with your franchise application; ***(i)*** you fail to comply with notification requirements set forth in Sections 6.1.(b) or (c) concerning investigations and Crisis Management Events; ***(j)*** you understate any payment to Franchisor by 2% or more, or understate any such payment in any amount, twice in any two-year period; ***(k)*** if an imminent threat or danger to public health or safety results from the operation of the Franchised Business; ***(l)*** you knowingly maintain false books or records or submit any false reports or statements to Franchisor; ***(m)*** you offer unauthorized products or services from the Studio premises or in conjunction with the Proprietary Marks or Copyrighted Works; ***(n)*** purchase items for which Franchisor has identified approved or designated supplier or distributor from an unapproved source; ***(o)*** you fail to pass two or more quality assurance/health inspections within any rolling 12-month period; ***(p)*** you fail to participate in any advertising or marketing program pursuant to Sections 9.5. or 9.6. on two or more occasions within any rolling 12-month period, or ***(q)*** Franchisor delivers to you two or more written notices of default pursuant to this Article 13 within any rolling 12-month period, whether or not the defaults described in such notices ultimately are cured.

13.3. Termination with 10-Day Cure Period. Franchisor has the right to terminate this Agreement, which termination will become effective upon delivery of written notice of termination, if you fail to cure the following defaults within 10 days after delivery of written notice: ***(a)*** failure to obtain or maintain required insurance coverage; ***(b)*** failure to pay any amounts due to Franchisor; ***(c)*** you fail to pay any amounts due to your trade creditors (unless such amount is subject to a bona fide dispute); ***(d)*** you fail to pay any amounts for which Franchisor has advanced funds for or on your behalf, or upon which Franchisor is acting as guarantor of your obligations; ***(e)*** failure to comply with your minimum monthly local advertising expenditure requirements; ***(f)*** your violation of any provision of this Agreement concerning the use and protection of the Proprietary Marks or Copyrighted Works; ***(g)*** your violation of any provision of this Agreement concerning the packaging, service, appearance or quality of Sugaring LA® products; or ***(h)*** failure to cure deficiencies determined through a quality assurance inspection.

13.4. Termination with 30-Day Cure Period. Except as otherwise provided in this Article 13, Franchisor has the right to terminate this Agreement, which termination will become effective upon delivery of written notice of termination, if you fail to cure any curable default within 30 days after delivery of written notice.

13.5. Termination Related to Death or Permanent Incapacity. Franchisor has the right to terminate this Agreement if an approved transfer as required by Section 12.9. is not affected within the designated time frame following a death or permanent incapacity (mental or physical).

13.6. Cross-Default. Any default under any agreement between you and Franchisor or its Affiliates, and failure to cure within any applicable cure period, shall be considered a default under this Agreement and shall provide an independent basis for termination of this Agreement.

13.7. Additional Remedies. In addition to, or in lieu of, termination of this Agreement, in its sole discretion, Franchisor may require the Studio be closed during any cure period relating to a default based on public health and safety concerns.

14. POST TERMINATION OBLIGATIONS

14.1. Cease Use of Proprietary Marks and Copyrighted Works; Cancellation of Fictitious Name; Assignment of E-mail Addresses, URLs, Domain Names, Internet Listings. Upon termination or expiration of this Agreement, you shall immediately cease all use of the Proprietary Marks, Copyrighted Works and

Confidential Information. You shall cancel any assumed name registration containing the Proprietary Marks. You shall, at Franchisor's option and request, assign to Franchisor all rights to all e-mail addresses, URLs, domain names, Internet listings, and Internet accounts related to the Franchised Business.

14.2. Assignment of Lease; De-Identification. At Franchisor's request, you shall assign to Franchisor or its designee your interest in the lease. If Franchisor does not request assignment of the lease before or as of the date of expiration or termination of this Agreement, then within 10 days after termination or expiration of this Agreement, you shall modify the Studio premises (including, without limitation, the changing of the color scheme and removing of all distinctive design features, including sugaring beds, sugaring chairs, carts, retail displays and any other materials which can be removed from the premises, and the changing of and assigning to Franchisor of, the telephone numbers) as may be necessary to distinguish the appearance of the Franchised Location from that of other Sugaring LA® Studios, and shall make such specific additional changes to the Franchised Location as Franchisor may reasonably request for that purpose.

14.3. Return of Manuals and Other Confidential Information. You shall immediately deliver to Franchisor the Manuals and all other manuals, records, correspondence, files, and any instructions containing Confidential Information relating to the operation of the Franchised Business which are in your possession; and all copies thereof (all of which are acknowledged to be the property of Franchisor).

14.4. Franchisor's Right to Purchase, Fixtures, and Tangible Assets. Franchisor shall have the option to purchase any or all of the Studio's leasehold improvements, furniture, fixtures, equipment, inventory, supplies, and interior and exterior signs at their then-current fair market value, to be determined by a qualified independent third party of Franchisor's choosing, and may set off against the purchase price any amounts that you owe to Franchisor. Franchisor shall exercise its option by written notice to you delivered on or before the date of expiration or termination of this Agreement.

15. COVENANTS

15.1. Non-Competition During Term of Agreement. You and each Owner acknowledge that you and each Owner will receive valuable specialized training and Confidential Information, including, without limitation, information regarding the operational, sales, promotional, and marketing methods and techniques and trade secrets of Franchisor and the System. You and each Owner covenant and agree that during the term of this Agreement, except as otherwise approved in writing by Franchisor, you and, if applicable, such Owner, shall not, either directly or indirectly, for yourselves, or through, on behalf of, or in conjunction with any person, or legal entity:

15.1.1. Divert or attempt to divert any present or prospective customer of the Franchised Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Proprietary Marks and the System.

15.1.2. Employ or seek to employ any person who is or has been within the previous 30 days employed by Franchisor or an Affiliate of Franchisor as a salaried managerial employee, or otherwise directly or indirectly induce such person to leave his or her employment.

15.1.3. Own, maintain, advise, operate, engage in, be employed by, make loans to, invest in, provide any assistance to, or have any interest in (as owner or otherwise) or relationship or association with, any business that engages in sugaring services featuring full body hair removal services other than a Studio operated pursuant to a then-currently effective franchise agreement with Franchisor at any location within the United States, its territories or commonwealths, or any other country, province, state or geographic area in which Franchisor or its Affiliates have used, sought registration of or registered the Proprietary Marks

or similar marks or operate or license others to operate a business under the Proprietary Marks or similar marks.

15.2. Non-Competition After Expiration or Termination of Agreement. Commencing upon the later of: ***(a)*** a transfer permitted under Article 12 of this Agreement, expiration of this Agreement, or termination of this Agreement (regardless of the cause for termination) or ***(b)*** a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of this Section 15.2., and continuing for an uninterrupted period of two years thereafter, you shall not either directly or indirectly, for yourselves, or through, on behalf of, or in conjunction with any person, persons, or legal entity, own, maintain, advise, operate, engage in, be employed by, make loans to, or have any interest in or relationship or association with a business that engages in sugaring services featuring other than a Studio operated pursuant to a then-currently effective franchise agreement with Franchisor, and ***(i)*** is, or is intended to be, located at the location of the former Franchised Business; or ***(ii)*** within a 20-mile radius of the Studio or any other studio operating under the System and Proprietary Marks in existence or under development at the time of such expiration, termination or transfer. If any Owner ceases to be an Owner of the Franchisee for any reason during the franchise term, the foregoing covenant shall apply to the departing Owner for a two-year period beginning on the date such person ceases to meet the definition of an Owner. The obligations described in this Section 15.2. shall be tolled during any period of noncompliance.

15.3. Additional Provisions. The parties acknowledge and agree that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Sections 15.1. and 15.2., or any portion thereof, without your consent or the consent of any Owner, effective immediately upon delivery of written notice to the affected party; and you and each Owner agree that such person shall comply forthwith with any covenant as so modified. You and each Owner expressly agree that the existence of any claims you may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to Franchisor's enforcement of the covenants in this Article 15. You agree to pay all costs and expenses (including reasonable attorneys' fees) incurred by Franchisor in connection with the enforcement of this Article 15.

15.4. Covenants from Individuals. Each individual who attends Franchisor's training program shall be required to sign a confidentiality and non-competition agreement substantially in the form attached as Attachment D-2 to this Agreement. You shall be responsible for ensuring compliance with such agreement.

15.5. Breach of Covenants Causes Irreparable Injury. You acknowledge that your violation of any covenant of this Article 15 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and you consent to the issuance of, and agree to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal or equitable relief with respect to such conduct or action.

15.6. Exception for Publicly Held Companies. The foregoing restrictions shall not apply to your ownership or any Owner's ownership of less than a 5% beneficial interest in the outstanding equity securities of any company registered under the Securities Act of 1933 or the Securities Exchange Act of 1934.

15.7. Improvements. If you, your employees, or Owners develop any new concept, process or improvement in the operation or promotion of Sugaring LA® Studio (an "**Improvement**"), you agree to promptly notify Franchisor and provide Franchisor with all necessary related information, without compensation. Any such Improvement shall become Franchisor's sole property and Franchisor shall be the sole owner of all related patents, patent applications, and other intellectual property rights. You and your Owners hereby assign to Franchisor any rights you or your Owners may have or acquire in the Improvements, including the right to modify the Improvement, and waive and/or release all rights of

restraint and moral rights therein and thereto. You and your Owners agree to assist Franchisor in obtaining and enforcing the intellectual property rights to any such Improvement in any and all countries and further agree to execute and provide Franchisor with all necessary documentation for obtaining and enforcing such rights. You and your Owners hereby irrevocably designate and appoint Franchisor as agent and attorney-in-fact for you and for them to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property right related to any such Improvement. In the event that the foregoing provisions of this Section 15.7. are found to be invalid or otherwise unenforceable, you and your Owners hereby grant to Franchisor a worldwide, perpetual, non-exclusive, fully paid license to use and sublicense the use of the Improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe on you or your Owners' rights therein.

16. REPRESENTATIONS

16.1. Representations of Franchisor. Franchisor represents and warrants that ***(a)*** Franchisor is duly organized and validly existing under the law of the state of its formation; ***(b)*** Franchisor is duly qualified and authorized to do business in each jurisdiction in which its business activities or the nature of the properties it owns requires such qualification; and ***(c)*** the execution of this Agreement and the performance of the transactions contemplated by this Agreement are within Franchisor's corporate power and have been duly authorized.

16.2. Representations of Franchisee.

16.2.1. You represent and warrant that the information set forth in Attachment C, incorporated by reference hereto, is accurate and complete in all material respects. You shall notify Franchisor in writing within 10 days of any change in the information set forth in Attachment C. You further represent to Franchisor that ***(a)*** you are duly organized and validly existing under the law of the state of your formation; ***(b)*** you are duly qualified and authorized to do business in each jurisdiction in which your business activities or the nature of the properties you own require such qualification; and ***(c)*** your corporate charter or written partnership or limited liability company agreement, as applicable, will at all times provide that your activities are confined exclusively to the operation of the Franchised Business. You warrant and represent that neither you nor any of your Affiliates or Owners own, operate or have any financial or beneficial interest in any business that is the same as or similar to Sugaring LA® Studio; and the execution of this Agreement and the performance of the transactions contemplated by this Agreement are within your corporate power, or if you are a partnership or a limited liability company, are permitted under your written partnership or limited liability company agreement and have been duly authorized.

16.2.2. You acknowledge that you have received a complete copy of Franchisor's Franchise Disclosure Document at least 14 calendar days before you signed this Agreement or paid any consideration to Franchisor for your franchise rights.

16.2.3. You represent that neither your property nor any interest in your property, nor the property of any of your Owners, officers, directors, managers, members, partners, agents or employees, or their respective interests therein, have been blocked pursuant to Executive Order 13224 of September 23, 2001, pertaining to persons who commit, threaten to commit, or support terrorism ("**Blocked Persons**").You represent and warrant to Franchisor that you will not accept money from or employ any Blocked Person.

17. NOTICES

17.1. Notices. All notices or demands shall be in writing and shall be served in person, by Express Mail, by certified mail; by private overnight delivery; or by facsimile or other electronic system. Service shall

be deemed conclusively made ***(a)*** at the time of service, if personally served; ***(b)*** 24 hours (exclusive of weekends and national holidays) after deposit in the United States mail, properly addressed and postage prepaid, if served by Express Mail; ***(c)*** upon the earlier of actual receipt or three calendar days after deposit in the United States mail, properly addressed and postage prepaid, return receipt requested, if served by certified mail; ***(d)*** 24 hours after delivery by the party giving the notice, statement or demand if by private overnight delivery; and ***I*** at the time of transmission by telecopier, if such transmission occurs prior to 5:00 p.m. on a Business Day and a copy of such notice is mailed within 24 hours after the transmission. Notices and demands shall be given to the respective parties at the addresses set forth on the Summary Pages, unless and until a different address has been designated by written notice to the other party. Either party may change its address for the purpose of receiving notices, demands and other communications as in this Agreement by providing a written notice given in the manner aforesaid to the other party.

18. CONSTRUCTION

18.1. Entire Agreement. This Agreement and any other agreements executed by the parties concurrently with the parties' execution of this Agreement represent the entire fully integrated agreement between the parties and supersede all other negotiations, agreements, representations, and covenants, oral or written. Notwithstanding the foregoing, nothing in this Agreement shall disclaim or require you to waive reliance on any representation that Franchisor made in the Franchise Disclosure Document (including its Exhibits and amendments) that Franchisor delivered to you in connection with this franchise offering. Except for those changes permitted to be made unilaterally by Franchisor hereunder, no amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to in writing by the parties and executed by their authorized officers or agents.

18.2. No Waiver. No waiver or modification of this Agreement or of any covenant, condition, or limitation herein contained shall be valid unless the same is made in writing and duly executed by the party to be charged therewith. No evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties arising out of or affecting this Agreement, or the rights or obligations of any party hereunder, unless such waiver or modification is in writing, duly executed as aforesaid.

18.3. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

18.4. Survival of Terms. Any provision or covenant of this Agreement which expressly or by its nature imposes obligations beyond the expiration or termination of this Agreement shall survive such expiration or termination.

18.5. Definitions and Captions. Unless otherwise defined in this body of this Agreement, capitalized terms shall have the meaning ascribed to them in Attachment A ("**Glossary of Additional Terms**"). All captions in this Agreement are intended for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision of this Agreement.

18.6. Persons Bound. This Agreement shall be binding on the parties and their respective successors and assigns. Each Owner shall execute the Personal Guaranty and Undertaking attached as Attachment D-1. Failure or refusal to do so shall constitute a breach of this Agreement. You and each Owner shall be joint and severally liable for each person's obligations hereunder and under the Personal Guaranty and Undertaking.

18.7. Rules of Construction. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction

or otherwise. Terms used in this Agreement shall be construed and interpreted according to their ordinary meaning. If any provision of this Agreement is susceptible to two or more meanings, one of which would render the provision enforceable and the other(s) which would render the provision unenforceable, the provision shall be given the meaning that renders it enforceable.

18.8. Timing. Time is of the essence with respect to all provisions in this Agreement. Notwithstanding the foregoing, if performance of either party is delayed on account of a Force Majeure, the applicable deadline for performance shall be extended for a period commensurate with the Force Majeure, but not to exceed 12 months.

19. APPLICABLE LAW; DISPUTE RESOLUTION

19.1. Choice of Law. This Agreement and all claims arising out of or related to this Agreement or the parties' relationship created hereby shall be construed under and governed by the laws of the State of Michigan (without giving effect to any conflict of laws).

19.2. Mediation.

19.2.1. The parties acknowledge that during the term and any extensions of this Agreement certain disputes may arise that the parties are unable to resolve, but that may be resolvable through mediation. To facilitate such resolution, Franchisor, you, and each Owner agree to submit any claim, controversy or dispute between Franchisor or its Affiliates (and Franchisor's and its Affiliate's respective owners, officers, directors, agents, representatives and/or employees) and you or your Affiliates (and your Owners, agents, representatives and/or employees) arising out of or related to ***(a)*** this Agreement or any other agreement between Franchisor and you, ***(b)*** Franchisor's relationship with you, or ***(c)*** the validity of this Agreement or any other agreement between Franchisor and you, to mediation before bringing such claim, controversy or dispute in a court or before any other tribunal.

19.2.2. The mediation shall be conducted by a mediator agreed upon by Franchisor and you and, failing such agreement within not more than 15 days after either party has notified the other of its desire to seek mediation, by the American Arbitration Association or any successor organization ("AAA") in accordance with its rules governing mediation. Mediation shall be held at the offices of the AAA in the city where Franchisor maintains its principal business offices. The costs and expenses of mediation, including the compensation and expenses of the mediator (but excluding attorneys' fees incurred by either party), shall be borne by the parties equally.

19.2.3. If the parties are unable to resolve the claim, controversy or dispute within 90 days after the mediator has been chosen, then, unless such time period is extended by written agreement of the parties, either party may bring a legal proceeding pursuant to Section 19.3. The parties agree that statements made during such mediation proceeding will not be admissible for any purpose in any subsequent legal proceeding.

19.2.4. Notwithstanding the foregoing provisions of this Section 19.2.4., the parties' agreement to mediate shall not apply to any controversy, dispute or claim related to or based on amounts owed to Franchisor pursuant to this Agreement or for temporary or preliminary injunctive or other extraordinary relief sought ("**Excepted Claims**").Either party may bring any Excepted Claims in any court of competent jurisdiction and the parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

19.3. Arbitration. Except for any Excepted Claims which either party has the right to bring in any court of competent jurisdiction, you and we agree to submit any claim, controversy or dispute (collectively,

"**Dispute**") between us or any of our affiliates (and/or their respective shareholders, officers, directors, agents, representatives and/or employees) and you (and/or your owners, guarantors, agents, representatives and/or employees, as applicable) arising out of or related to ***(a)*** this Agreement or any other agreement between us and you, ***(b)*** our relationship with you, ***(c)*** the validity of this Agreement or any other agreement between us and you, or ***(d)*** any System standard, to arbitration.

The parties agree that notwithstanding anything to the contrary in this Agreement, Disputes shall be submitted to binding arbitration in accordance with this Section 19.3. The arbitration shall be conducted through the American Arbitration Association ("**AAA**") and in accordance with the AAA's Commercial Arbitration Rules ("**Rules**"). The arbitration shall be conducted by one (1) arbitrator selected by agreement of the parties or (in the event the parties cannot agree) in accord with the Rules. The arbitrator shall apply the Federal Rules of Evidence during the conduct of the sessions with respect to the admissibility of evidence. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. § 1-16. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof and will be final, binding and non-appealable, except as set forth below. The arbitrator shall be required to state in writing the reasoning on which the award is based.

The place of arbitration shall be in the county in which Franchisor maintains its principal business offices at the time of arbitration, currently set in Washtenaw County, Michigan, unless otherwise mutually agreed between the parties. Franchisor reserves the right, but has no obligation, to advance Franchisee's share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so shall not be deemed to have waived or relinquished its right to seek the recovery of those costs in accordance with Section 19.8. The arbitrator, in the conduct of the arbitration, shall not have the authority to declare any Proprietary Mark generic or otherwise invalid and, to the fullest extent permitted by law, each party waves any right to or claim for any punitive, exemplary, incidental or consequential damages against the other. The arbitrator shall be required to state in writing the reasoning on which the award is based.

The parties agree that all Disputes submitted to arbitration shall be conducted on an individual, and not a class wide, basis, and that only Franchisor (and its affiliates and its and their respective owners, officers, directors, agents and employees, as applicable) and Franchisee (and its affiliates and its and their respective owners, guarantors, officers and directors, as applicable) may be the parties to any arbitration proceeding described in this Section 19.3., and that no such arbitration proceeding shall be consolidated with any other arbitration proceeding involving Franchisor and/or any other natural person, association, corporation, partnership, limited liability company or other entity.

If any party to an arbitration wishes to appeal any final award by the arbitrator, such party may appeal, within thirty (30) days of such final award, to a different arbitrator appointed in the same manner as set forth above. The issues on appeal will be limited to the proper application of the law to the facts found at the arbitration and will not include any trial de novo or other fact-finding function. The party requesting such appeal must have paid for a court reporter to make a written record of the arbitration hearing and must pay all costs charged by such appeal panel, as well as posting any bond deemed appropriate by the appeal panel. Any party that does not pay for or share in the payment for a transcript of the arbitration hearing cannot challenge any ruling by the arbitrator on appeal, even if the opposing party does appeal.

19.4. Non-exclusivity of Remedy. No right or remedy conferred upon or reserved to Franchisor or you by this Agreement is intended to be, nor shall be deemed, exclusive of any other right or remedy in this Agreement or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy.

19.5. WAIVER OF JURY TRIAL. FRANCHISOR AND YOU IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, BROUGHT BY EITHER OF THEM AGAINST THE OTHER, WHETHER OR NOT THERE ARE OTHER PARTIES IN SUCH ACTION OR PROCEEDING.

19.6. WAIVER OF PUNITIVE DAMAGES. THE PARTIES HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT.

19.7. Right to Injunctive Relief. Nothing in this Agreement contained shall bar Franchisor's right to seek injunctive relief from any court of competent jurisdiction; and you agree to pay all costs and reasonable attorneys' fees incurred by Franchisor in obtaining such relief.

19.8. Attorneys' Fees. If either party commences a legal action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to have and recover from the other party its reasonable attorneys' fees and costs of suit.

19.9. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates noted below, but effective for all purposes as of the Effective Date.

FRANCHISOR:	**FRANCHISEE:**
SUGARINGLA FRANCHISE, LLC	ENTITY
By: _____	By: _____
NAME, TITLE	NAME, TITLE

SUGARINGLA FRANCHISE, LLC
FRANCHISE AGREEMENT
ATTACHMENT A

GLOSSARY OF ADDITIONAL TERMS

"**Account**" means your commercial bank operating account.

"**Affiliate**" means an affiliate of a named person identified as any person or entity that is controlled by, controlling or under common control with such named person.

"**Agreement**" means the Franchise Agreement.

"**Business Day**" means each day other than a Saturday, Sunday, U.S. holiday or any other day on which the Federal Reserve is not open for business in the United States.

"**Business Entity**" means any person with the power to enter into contracts, other than a natural person. The term includes a corporation, limited liability company, limited partnership, and trust.

"**Confidential Information**" means all trade secrets, and other elements of the System; all customer information; all information or data stored or entered into the POS system; all information contained in the Manuals; Franchisor's standards and specifications for all services and products offered at Sugaring LA® Studios; financial information; marketing data; vendor and supplier information; all other knowledge, trade secrets, or know-how concerning the methods of operation of the Franchised Business which may be communicated to you, or of which you may be apprised, by virtue of their operation under the terms of the Franchise Agreement, and all other information that Franchisor designates.

"**Control Date**" means the date specified in the Summary Pages and Attachment B which is the date by which you must open a studio at a site accepted by Franchisor for the development of the Studio.

"Copyrighted Works" means works of authorship which are owned by Franchisor and fixed in a tangible medium of expression including, without limitation, the content of the Manual, the design elements of the Proprietary Marks, Franchisor's product packaging, and advertising and promotional materials, and the content and design of Franchisor's Website and advertising and promotional materials.

"**Crisis Management Event**" means any event that occurs at or about the Studio premises or in connection with the operation of the Franchised Business that has or may cause harm or injury to customers or employees, such as contagious diseases, natural disasters, terrorist acts, shootings or other acts of violence, or any other circumstance which may materially and adversely affect the System, or the goodwill symbolized by the marks.

"**Force Majeure**" means acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophe); strikes, lockouts or other industrial disturbances; war, terrorist acts, riot or other civil disturbance; epidemics; or other similar forces which could not, by the exercise of reasonable diligence, have been avoided; provided, however, that neither an act or failure to act by a government authority, nor the performance, nonperformance, or exercise of rights by your lender, contractor, or other person qualifies as a Force Majeure unless the act, failure to act, performance, non-performance, or exercise of rights resulted from a Force Majeure. Your financial inability to perform or your insolvency is not a Force Majeure.

"**Gross Revenue**" means the aggregate of: ***(a1)*** all revenue from the sale of products and services, whether made for cash, on credit, or otherwise, without reserve or deduction for inability or failure to collect, that you, in the normal course of your operations would credit or attribute to the operation of a Sugaring LA® Studio; ***(b)*** all monies, trade value or other things of value that you receive from Studio operations at, in, or from the Studio premises that are not expressly excluded from Gross Revenue; and ***(c)*** business interruption insurance proceeds. Gross Revenue does not include: ***(i)*** the exchange of merchandise between Sugaring LA® Studio (if you operate multiple Studios) if the exchanges are made solely for the convenient operation of your business and not for the purpose of depriving us of the benefit of a sale that otherwise would have been made at, in, on or from the Studio premises; ***(ii)*** returns to shippers, vendors, or manufacturers; ***(iii)*** sales of fixtures or furniture after being used in the conduct of the Franchised Business; ***(iv)*** cash or credit refunds for transactions included within Gross Revenue (limited, however, to the selling price of merchandise returned by the purchaser and accepted by you); ***(v)*** the amount of any city, county, state or federal sales, luxury or excise tax on such sales that is both ***(1)*** added to the selling price or absorbed therein and ***(2)*** paid to the taxing authority by you. Customer refunds may be deducted from Gross Revenue if the charge was previously included in Gross Revenue.

"**General Manager**" means an individual who Franchisee has designated, and Franchisor has approved, who has full control over the day-to-day management and operations of the Studio, who has completed Franchisor's initial training program and all additional training (including continuing education requirements for certified or licensed General Managers) that Franchisor requires, to Franchisor's satisfaction, and who devotes his or her full-time best efforts to Studio management and operations.

"**Manuals**" means manuals to which the franchisee has been provided access by Franchisor.

"**Managing Owner**" means the Owner appointed as the primary overseer of the operation of the franchised business and who holds a minimum 10% ownership interest in the franchisee. The Managing Owner may also be the General Manager.

"**Owner**" means each individual or entity holding a beneficial ownership in the franchisee. It includes all shareholders of a corporation, all members of a limited liability company, all general and limited partners of a limited partnership, and the grantor and the trustee of the trust.

"**Proprietary Marks**" means certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including, but not limited, to the mark "Sugaring LA®" and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated by Franchisor in writing for use in connection with the System.

"**Manual**" means the compilation of information and knowledge that is necessary and material to the System. The term Manual, as used in this Agreement, includes all publications, materials, drawings, memoranda, videotapes, CDs, DVDs, MP3s, and other electronic media that Franchisor from time to time may loan to you. The Manual may be supplemented or amended from time to time by letter, electronic mail, bulletin, videotape, CD, DVD, MP3, or other communications concerning the System to reflect changes in the image, specifications, and standards relating to developing, equipping, furnishing, and operating a Sugaring LA® Studio.

"**Studio**" means a physical structure, identified by the name Sugaring LA®, which is separated from other businesses by one or more exterior walls or interior demising walls, and at which full body hair removal services are performed and where approved retail items such as Private Label Products are provided. The term "Studio" also includes facilities located in Closed Markets regardless of any differences (for example in offering, footprint, or structure) to other Sugaring LA® Studios.

"**System**" means a distinctive system relating to the establishment, development and operation of a business that provides full body hair removal services (primarily using the sugaring method), proprietary retail products, and related products and services to both the general public and through a membership-based program under the trade name and trademark Sugaring LA®.

"**You**" means the franchisee identified above and its successors and assigns.

SUGARINGLA FRANCHISE, LLC
FRANCHISE AGREEMENT

ATTACHMENT B

THE SITE SELECTION AREA, CONTROL DATE, FRANCHISED LOCATION, AND THE PROTECTED AREA

Section 3.1. The Site Selection Area is: _____

IN WITNESS WHEREOF, the parties have executed this Attachment B on _____.

FRANCHISOR:	**FRANCHISEE:**
SUGARINGLA FRANCHISE, LLC	ENTITY
By: _____	By: _____
NAME, TITLE	NAME, TITLE

As of the date set forth below, the Franchise Location has been determined and, as such, Attachment B is supplemented as follows:

Section 1.1.2. The Franchised Location is at: _____

Section 3.5.1. The Control Date is: The first anniversary of the Effective Date
Section 1.2. The Protected Area is: _____
the radius required to contain up to 75,000 individuals, not to exceed three miles, currently.

The Protected Area excludes all Closed Markets within such area. A "**Closed Market**" is any facility serving a captive market, including hotels, resorts, airports, public facilities, college and school campuses, military bases, and any other mass gathering events or locations, and facilities of any kind for which studio services and other related services rights are, or may reasonably be anticipated to be, contracted to a third party or parties.

If the Protected Area is defined by streets, highways, freeways or other roadways, or rivers, streams, or tributaries, then the boundary of the Protected Area shall extend to the center line of each such street, highway, freeway or other roadway, or river, stream, or tributary.

[*The Signature Page Follows*]

IN WITNESS WHEREOF, the parties have supplemented this Attachment B on _____.

FRANCHISOR:

SUGARINGLA FRANCHISE, LLC

By: _____
NAME, TITLE

FRANCHISEE:

ENTITY

By: _____
NAME, TITLE

SUGARINGLA FRANCHISE, LLC
FRANCHISE AGREEMENT
ATTACHMENT C

ENTITY INFORMATION

If the franchisee is an entity, you represent and warrant that the following information is accurate and complete in all material respects as of _____.

(1) Franchisee is a _____, formed under the laws of the State of _____.

(2) You shall provide to Franchisor concurrently with the execution hereof true and accurate copies of the franchisee's charter documents and governing documents including Articles of Incorporation, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution hereof, and any amendments to the foregoing.

(3) You promptly shall provide such additional information as Franchisor may from time-to-time request concerning all persons who may have any direct or indirect financial interest in the franchisee entity.

(4) The name and address of each of Owner:

NAME	ADDRESS	NUMBER OF SHARES OR PERCENTAGE INTEREST

(5) The address where the Franchisee's financial records, and other records (e.g., Articles of Incorporation, Bylaws, Operating Agreement, Partnership Agreement, etc.) are maintained is:

_____.

FRANCHISOR:

SUGARINGLA FRANCHISE, LLC

By: _____
NAME, TITLE

FRANCHISEE:

ENTITY

By: _____
NAME, TITLE

SUGARINGLA FRANCHISE, LLC

FRANCHISE AGREEMENT

ATTACHMENT D-1

PERSONAL GUARANTY AND UNDERTAKING

1. I have read the Franchise Agreement between SugaringLA Franchise, LLC and _____ (the "**Franchisee**").

2. I own a beneficial interest in the Franchisee, and would be considered an "**Owner**" within the definition contained in the Franchise Agreement.

3. I understand that, were it not for this Personal Guaranty and Undertaking (the **"Guaranty"**), Franchisor would not have agreed to enter into the Franchise Agreement with the Franchisee.

4. I will comply with the provisions contained in Article 7 of the Franchise Agreement concerning the Franchisee's use of Franchisor's Proprietary Marks and Copyrighted Works (as each term is defined in the Franchise Agreement). I understand that, except for the license granted to the Franchisee, I have no individual right to use the Proprietary Marks or Copyrighted Works and I have no ownership interest in the Proprietary Marks or Copyrighted Works.

5. I will comply with all of the provisions contained in Article 8 of the Franchise Agreement concerning the use of the Confidential Manuals and Information. I will maintain the confidentiality of all Confidential Information disclosed to me. I agree to use the Confidential Information only for the purposes authorized under the Franchise Agreement. I further agree not to disclose any of the Confidential Information, except ***(a)*** to the Franchisee's employees on a need-to-know basis, ***(b)*** to the Franchisee's and my legal and tax professionals to the extent necessary for me to meet my legal obligations, and ***(c)*** as otherwise may be required by law.

6. I will comply with all of the provisions contained in Article 12 of the Franchise Agreement concerning the transfer of my ownership interest in the Franchisee.

7. While I am an Owner of the Franchisee and, for a two-year period after I cease to be an Owner (or two years after termination or expiration (without renewal) of the Franchise Agreement, whichever occurs first), I will not:

(a) Divert or attempt to divert any present or prospective customer of Sugaring LA® Studio to any competitor or do anything to harm the goodwill associated with the Proprietary Marks and the System;

(b) Employ or seek to employ any person who is or has been within the previous 30 days employed by Franchisor or an Affiliate of Franchisor as a salaried managerial employee, or induce such person to leave his or her employment; or

(c) Own, maintain, advise, operate, engage in, be employed by, make loans to, invest in, provide any assistance to, or have any interest in (as owner or otherwise) or relationship or association with, any business that engages in studio services other than a Studio operated pursuant to a then-currently effective franchise agreement. This restriction shall apply, while I am an Owner, to any location within the United States, its territories or commonwealths, or any other country, province, state or geographic area in which Franchisor or its Affiliates have used, sought registration of or registered the Proprietary Marks or

similar marks or operate or license others to operate a business under the Proprietary Marks or similar marks. It will apply for two years after I cease to be an Owner (or two years after termination or expiration of the Franchise Agreement, whichever occurs first) to any location that ***(i)*** is, or is intended to be, located at the location of the former Franchised Business; or ***(ii)*** within a 20-mile radius of the Franchised Location or any other studio operating under the System and Proprietary Marks in existence or under development at the time I cease being an Owner (or termination or expiration of the Franchise Agreement, whichever occurs first). This restriction will be tolled during any period of my noncompliance.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Guaranty. If all or any portion of a covenant in this Guaranty is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an un-appealed final decision to which Franchisor is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Guaranty.

9. I understand and acknowledge that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Guaranty, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof, and I agree to comply forthwith with any covenant as so modified.

10. I agree that the provisions contained in Article 19 of the Franchise Agreement will apply to any dispute arising out of or relating to this Guaranty. If Franchisor brings any legal action to enforce its rights under this Guaranty, I will reimburse Franchisor its reasonable attorneys' fees and costs.

11. I hereby guarantee the prompt and full payment of all amounts owed by the Franchisee under the Franchise Agreement, except for damages in the nature of lost profits or lost future royalties caused by the premature termination of the Franchise Agreement or early closure of Sugaring LA® Studio. I understand that I am not personally responsible for any lost profits or lost future royalties that Franchisor may incur based on the premature termination of the Franchise Agreement or early closure of Sugaring LA® Studio.

12. I will pay all amounts due under this Guaranty within 14 days after receiving notice from Franchisor that the Franchisee has failed to make the required payment. I understand and agree that Franchisor need not exhaust its remedies against the Franchisee before seeking recovery from me under this Guaranty.

13. No modification, change, impairment, or suspension of any of Franchisor's rights or remedies shall in any way affect any of my obligations under this Guaranty. If the Franchisee has pledged other security or if one or more other persons have personally guaranteed performance of the Franchisee's obligations, I agree that Franchisor's release of such security will not affect my liability under this Guaranty.

14. I hereby waive ***(a)*** all rights described in California Civil Code Section 2856(a)(1)-(2), inclusive, which includes, without limitation, any rights and defenses which are or may become available to the undersigned by reason of California Civil Code Sections 2787 to 2855, inclusive; and ***(b)*** California Civil Code Sections 2899 and 3433.

15. **I WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM, WHETHER AT LAW OR IN EQUITY, INVOLVING FRANCHISOR, WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THE FRANCHISE AGREEMENT, THE PERFORMANCE OF ANY PARTY UNDER THE FRANCHISE AGREEMENT, AND/OR THE OFFER OR GRANT OF THE FRANCHISE**.

16. I understand that Franchisor's rights under this Guaranty shall be in addition to, and not in lieu of, any other rights or remedies available to Franchisor under applicable law.

17. I agree that any notices required to be delivered to me will be deemed delivered at the time delivered by hand; one Business Day after electronically confirmed transmission by facsimile or other electronic system; one Business Day after delivery by Express Mail or other recognized, reputable overnight courier; or three Business Days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the address identified on the signature line below. I may change this address only by delivering to Franchisor written notice of the change.

Intending to be legally bound, I have executed this Personal Guaranty and Undertaking on the date set forth below:

GUARANTOR

Dated:_____

_____

Name: _____

Address: _____

_____

Fax: _____

Dated:_____

_____

Name: _____

Address: _____

_____

Fax: _____

SUGARINGLA FRANCHISE, LLC
FRANCHISE AGREEMENT
ATTACHMENT D-2

CONFIDENTIALITY AND NON-COMPETITION AGREEMENT
(for trained employees of Franchisee)

In accordance with the terms of this Confidentiality and Non-Competition Agreement ("**Confidentiality Agreement**") and in consideration of my being a _____ of _____ (the "**Franchisee**"), and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, I hereby acknowledge and agree that:

1. _____ doing business as _____ (the "**Franchisee**"), has acquired the right and franchise from SugaringLA Franchise, LLC ("**Franchisor**") to establish and operate a Franchised Business (the "**Franchised Business**") and the right to use in the operation of the Franchised Business Franchisor's trade names, trademarks, service marks, including the service mark Sugaring LA® (the "**Proprietary Marks**") and the system developed by Franchisor and/or its affiliates for operation and management of Studios (the "**System**"), as they may be changed, improved, and further developed from time to time in Franchisor's sole discretion.

2. Franchisor possesses certain proprietary and confidential information relating to the operation of the System, which includes the Manuals, trade secrets, and copyrighted materials, methods, and other techniques and know-how (the "**Confidential Information**").

3. Any and all manuals, trade secrets, copyrighted materials, methods, information, knowledge, know-how, and techniques which Franchisor specifically designates as confidential shall be deemed to be Confidential Information for purposes of this Confidentiality Agreement.

4. As _____ of the Franchisee, Franchisor and Franchisee will disclose the Confidential Information to me in furnishing to me the training program and subsequent ongoing training, Franchisor's operations manual (the "**Manual**") and other general assistance during the term of this Confidentiality Agreement.

5. I will not acquire any interest in the Confidential Information, other than the right to utilize it in the operation of the Franchised Business during the term hereof, and the use or duplication of the Confidential Information for any use outside the System would constitute an unfair method of competition.

6. The Confidential Information is proprietary, involves trade secrets of Franchisor, and is disclosed to me solely on the condition that I agree, and I do hereby agree, that I shall hold in strict confidence all Confidential Information and all other information designated by Franchisor as confidential. Unless Franchisor otherwise agrees in writing, I will disclose and/or use the Confidential Information only in connection with my duties as _____ of the Franchisee, and will continue not to disclose any such information even after I cease to be in that position and will not use any such information even after I cease to be in that position unless I can demonstrate that such information has become generally known or easily accessible other than by the breach of an obligation of Franchisee under the Franchise Agreement.

7. Except as otherwise approved in writing by Franchisor, I shall not, while in my position with the Franchisee and for a continuous uninterrupted period commencing upon the cessation or termination of my position with Franchisee, regardless of the cause for termination, and continuing for a two (2) year period thereafter, either directly or indirectly, for myself or through, on behalf of, or in conjunction with any other

person, partnership, corporation, or other limited liability company own, maintain, engage in, be employed by, advise, assist, invest in, franchise, make loans to, or have any interest in any business that engages in studio services within a 20-mile radius of any Sugaring LA® Studio, as that term is defined in the Franchise Agreement. This restriction does not apply to my ownership of less than five percent beneficial interest in the outstanding securities of any publicly held corporation.

8. I agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Confidentiality Agreement. If all or any portion of a covenant in this Confidentiality Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an un-appealed final decision to which Franchisor is a party, I expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Confidentiality Agreement.

9. I understand and acknowledge that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in this Confidentiality Agreement, or any portion thereof, without my consent, effective immediately upon receipt by me of written notice thereof, and I agree to comply forthwith with any covenant as so modified.

10. Franchisor is a third-party beneficiary of this Confidentiality Agreement and may enforce it, solely and/or jointly with the Franchisee. I am aware that my violation of this Confidentiality Agreement will cause Franchisor and the Franchisee irreparable harm; therefore, I acknowledge and agree that the Franchisee and/or Franchisor may apply for the issuance of an injunction preventing me from violating this Confidentiality Agreement, and I agree to pay the Franchisee and Franchisor all the costs it/they incur(s), including, without limitation, legal fees and expenses, if this Confidentiality Agreement is enforced against me. Due to the importance of this Confidentiality Agreement to the Franchisee and Franchisor, any claim I have against the Franchisee or Franchisor is a separate matter and does not entitle me to violate, or justify any violation of this Confidentiality Agreement.

11. This Confidentiality Agreement shall be construed under the laws of the State of Michigan. The only way this Confidentiality Agreement can be changed is in writing signed by both the Franchisee and me.

12. With respect to all claims, controversies and disputes, I irrevocably consent to personal jurisdiction and submit myself to the jurisdiction of the state courts located in Washtenaw County, Michigan, and the United States District Court for the Eastern District of Michigan. I acknowledge that this Confidentiality Agreement has been entered into in the state of Michigan, and that I am to receive valuable information emanating from Franchisor's offices in Ann Arbor, Michigan. In recognition of the information and its origin, I hereby irrevocably consent to the personal jurisdiction of the state and federal courts of Michigan as set forth above. Notwithstanding the foregoing, I acknowledge and agree that Franchisor or the Franchisee may bring and maintain an action against me in any court of competent jurisdiction for injunctive or other extraordinary relief against threatened conduct that will cause it loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary and permanent injunctions.

THE PARTIES HERETO, INTENDING TO BE LEGALLY BOUND, HAVE EXECUTED THIS CONFIDENTIALITY AGREEMENT AS OF THE DATES NOTED BELOW.

[EMPLOYEE]	**ACKNOWLEDGED BY FRANCHISEE**
Signature:_____	By:_____
Name:_____	Name:_____
Address:_____	Title:_____
Title:_____	
Date:_____	Date:_____

SUGARINGLA FRANCHISE, LLC
FRANCHISE AGREEMENT
ATTACHMENT E

ACH AUTHORIZATION
AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS (ACH DEBITS)
Please complete and sign this form.

Franchisee Information

Franchisee Name or Legal Entity _____

Sugaring LA® Studio Number & Location _____

Name and Email of Person to Receive ACH Debit Advice _____

I (we) hereby authorize SugaringLA Franchise, LLC ("**Company**") **to make regular and occasional ACH withdrawals from my (our) account at the financial institution named below. I also authorize the Company to initiate direct deposits into this account in the event that a debit entry is made in error. I (we) acknowledge that the origination of ACH transactions to or from my (our) account must comply with the provisions of U.S. law.**

Without limited the forgoing, I expressly authorize Company the right to withdraw: and Royalty fee, Technology fee, Marketing fee, and any other amount owed to Company. I agree to indemnify the Company for any loss arising in the event that any withdrawals from my (our) account shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

This agreement will remain in effect until the Company has received advanced written notice of cancellation from me (us) in such time and in such manner as to afford the Company a reasonable opportunity to act on it, and in no event shall such notice period be less than thirty (30) days.

Payor/Franchisee Account Information

Name of Financial Institution:

ABA Routing Number:

	Checking	Savings
Account Number:	☐	☐

Payor/Franchisee Signature

Authorized Signature (Primary): **Date:**

Authorized Signature (Joint): **Date:**

Account holder(s), please sign here: ***(Joint accounts require the signature of all persons having authority over the account)***

Please attach a voided check at right, scan or mail to:
SugaringLA Franchise, LLC
Attn: Accounting
4370 Varsity Drive
Ann Arbor, MI 48108

ATTACH CHECK HERE

SUGARINGLA FRANCHISE, LLC
FRANCHISE AGREEMENT
ATTACHMENT F

LEASE ADDENDUM

THIS LEASE ADDENDUM (the "**Lease Addendum**") is made and entered into as of the ___ day of _____, 20 , by and between ("**Landlord**"), with its principal offices at and ("**Franchisee**" or "**Tenant**"), with its principal offices at , and SugaringLA Franchise, LLC ("**Franchisor**") with its principal offices at 4370 Varsity Dr. Suite G, Ann Arbor, MI 48108.

BACKGROUND

A. SugaringLA Franchise, LLC, or its affiliates, and their successors or assigns ("**Franchisor**") franchises the operation of an upscale studio, (each "**Sugaring LA® Studio**" or "**Studio**") featuring full body hair removal services (primarily using the sugaring method), proprietary retail products, and related products and services. under the name Sugaring LA® and/or other trademarks, service marks, logos, and other indicia of origin prescribed by Franchisor (collectively, the "**Proprietary Marks**").

B. Franchisee has acquired the right and has undertaken the obligation to develop and operate Sugaring LA® Studio pursuant to the terms and conditions of a certain franchise agreement between Franchisee and Franchisor ("**Franchise Agreement**").

C. Under the terms and conditions of the Franchise Agreement, Franchisor has the right to approve the site for the Studio; and if the Studio premises will be occupied pursuant to a commercial lease, Franchisor has prescribed certain lease terms and has the right to condition its approval of a proposed site on inclusion of the prescribed lease terms.

D. Franchisee desires, and has requested Franchisor's approval, to develop and operate one Sugaring LA® Studio at the premises ("**Premises**") identified in the attached lease ("**Lease**").

E. Landlord desires to lease to Franchisee the Premises for purposes of developing and operating one Sugaring LA® Studio.

F. The parties desire to modify and amend the Lease in accordance with the terms and conditions contained herein for purposes of obtaining Franchisor's approval.

(1) During the term of the Franchise Agreement, the Premises will be used only for the operation of the Studio.

(2) Landlord consents to Franchisee's use of such Proprietary Marks and signs, interior and exterior décor, furnishings, fixtures, items, color schemes, plans, specifications, and related components of Sugaring LA® System (as defined in the Franchise Agreement and as Franchisor may prescribe for the Studio).

(3) Landlord agrees to furnish Franchisor with copies of any and all letters and notices sent to Franchisee pertaining to the Lease and the Premises at the same time that such letters and notices are sent to Franchisee.

(4) Franchisor will have the right to enter onto the Business premises at any time, to make any modification or alteration necessary to protect Sugaring LA® System and Proprietary Marks or to cure any default under the Franchise Agreement or under the Lease, without being guilty of trespass or any other crime or tort, and the Landlord will not be responsible for any expense or damages arising from Franchisor's action in connection therewith.

(5) In the event of Franchisee's default under the terms of the Lease, Landlord shall promptly deliver notice of such default to Franchisor and shall offer Franchisor the opportunity to cure the default and to assume the Lease in Franchisor's name. If Franchisor elects to cure the default and assume the Lease, Franchisor, within 10 days of its receipt of notice from Landlord, shall notify Landlord of its intent to cure such default and to assume the Lease. If Franchisor elects to cure the default, it shall cure the default within 30 days of such election or, if the default cannot be reasonably cured within such 30-day period, then Franchisor will commence and proceed to cure the default within such time as is reasonably necessary to cure the default. If Franchisor elects to assume the Lease, Landlord agrees to recognize Franchisor as the tenant under the Lease and Franchisee will no longer have any rights there under.

(6) Franchisee will be permitted to assign the Lease to Franchisor or its affiliates upon the expiration (without renewal) or earlier termination of the Franchise Agreement and the Landlord hereby consents to such assignment and agrees not to impose or assess any assignment fee or similar charge or accelerate rent under the Lease in connection with such assignment, or require Franchisor to pay any past due rent or other financial obligation of Franchisee to Landlord, it being understood that Landlord will look solely to the Franchisee for any rents or other financial obligations owed to Landlord prior to such assignment. Landlord and Franchisee acknowledge that Franchisor is not a party to the Lease and will have no liability under the Lease, unless and until the Lease is assigned to, or assumed by, Franchisor.

(7) Except for Franchisee's obligations to Landlord for rents and other financial obligations accrued prior to the assignment of the Lease, in the event of such assignment, Franchisor or any affiliate designated by Franchisor will agree to assume from the date of assignment all obligations of Franchisee remaining under the Lease, and in such event Franchisor or any affiliate will assume Franchisee's occupancy rights, and the right to sublease the Premises, for the remainder of the term of the Lease. In the event of such assignment, neither Franchisor nor any affiliate will be required to pay to Landlord any security deposit.

(8) Notwithstanding anything contained in this Lease, Franchisor is expressly authorized, without the consent of the Landlord, to assign the Lease, or to sublet all or a portion of Premises, to an authorized franchisee. If Franchisor elects to assign the Lease, the subtenant/franchisee shall expressly assume all of Franchisor's obligations under the Lease, and Franchisor shall be released of all obligations to Landlord under the Lease as of the date of assignment. If Franchisor elects to sublet the premises, such subletting shall be subject to the terms of this Lease, the subtenant/franchisee shall expressly assume all of Franchisor's obligations under the Lease, and Franchisor shall remain liable for the performance of the terms of this Lease. Franchisor shall notify Landlord as to the name of the subtenant/franchisee within 10 days after such assignment or subletting, as applicable.

(9) Franchisee will not assign the Lease or renew or extend the term thereof without the prior written consent of Franchisor.

(10) Neither Landlord nor Franchisee shall amend or otherwise modify the Lease in any manner that could materially affect any of the foregoing requirements without the prior written consent of Franchisor.

(11) All notices hereunder shall be by certified mail to the addresses set forth above or to such other addresses as the parties hereto may, by written notice, designate. Notices required to be given to Franchisor shall be delivered to the following address: 4370 Varsity Dr. Suite G, Ann Arbor, MI 48108.

(12) This Lease Addendum shall be binding upon the parties hereto, their heirs, executors, successors, assigns and legal representatives.

The terms of this Lease Addendum will supersede any conflicting terms of the Lease.

IN WITNESS WHEREOF, the parties have executed this Lease Addendum as of the date first above written.

Landlord:

_____

By: _____

Name: _____

Title: _____

Franchisee:

_____

By: _____

Name: _____

Title: _____

SugaringLA Franchise, LLC

By: _____

Name: _____

Title: _____

SUGARINGLA FRANCHISE, LLC
FRANCHISE AGREEMENT
ATTACHMENT G

TELEPHONE NUMBER ASSIGNMENT AGREEMENT

THIS TELEPHONE NUMBER ASSIGNMENT AGREEMENT is made and entered into on _____, ("**Assignment**") by and between _____ (hereinafter the "**Assignor**") and SugaringLA Franchise, LLC (hereinafter the "**Assignee**").

WITNESSETH:

WHEREAS, the Assignee has developed and owns the proprietary system ("**System**") for the operation of an upscale studio featuring full body hair removal services, and related products and services under the trademark and logo Sugaring LA® (the "**Franchised Business**");

WHEREAS, the Assignor has been granted a license to operate a Franchised Business pursuant to a Franchise Agreement dated _____, in accordance with the System ("**Franchise Agreement**");

WHEREAS, in order to operate its Franchised Business, the Assignor shall be acquiring one or more telephone numbers, telephone listings and telephone directory advertisements; and

WHEREAS, as a condition to the execution of the Franchise Agreement, the Assignee has required that the Assignor assign all of its right, title and interest in its telephone numbers, telephone listings and telephone directory advertisements to the Assignee in the event of the expiration or termination of the Franchise Agreement;

NOW, THEREFORE, in consideration of the foregoing, the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Assignment. In the event of termination of the Franchise Agreement, and in order to secure continuity and stability of the operation of the System, the Assignor hereby sells, assigns, transfers and conveys to the Assignee all of its rights, title and interest in and to certain telephone numbers, telephone listings and telephone directory advertisements pursuant to which Assignor shall operate its Franchised Business in accordance with the terms of the Franchise Agreement; provided, however, such Assignment shall not be effective unless and until the Franchise Agreement expires or is terminated in accordance with the provisions thereof.

2. Representation and Warranties of the Assignor. The Assignor hereby represents, warrants and covenants to the Assignee that:

(a)As of the effective date of the Assignment, all of the Assignor's obligations and indebtedness for telephone, telephone listing services and telephone directory advertisement services shall be paid and current;

(b)As of the date hereof, the Assignor has full power and legal right to enter into, execute, deliver and perform this Agreement;

(c)This Agreement is a legal and binding obligation of the Assignor, enforceable in accordance with the terms hereof;

(d)The execution, delivery and performance of this Assignment does not conflict with, violate, breach or constitute a default under any contract, agreement or instrument to which the Assignor is a party or by which the Assignor is bound, and no consent of nor approval by any third party is required in connection herewith; and

(e)The Assignor has the specific power to assign and transfer its right, title and interest in its telephone numbers, telephone listings and telephone directory advertisements (individually and collectively referred to as "**Listings**"), and the Assignor has obtained all necessary consents to this Assignment.

(f)Notwithstanding the foregoing, Assignor hereby warrants and represents to Assignee that Assignor will within one (1) business day following Assignor's receipt of Assignee's request to acquire the Listings to immediately instruct each of Assignor's providers to initiate the process and provide the vendors' documents necessary to complete the assignment. Assignee further warrants and represents that Assignee will take no action to impede or prohibit the successful assignment of the Listings to Assignor, and that Assignor shall fully cooperate with Assignee with regard to the assignment; specifically in the execution of any documentation required by Assignor's provider(s) to effectuate the assignment of the telephone numbers and Listings.

3. Miscellaneous. The validity, construction and performance of this Assignment shall be governed by the laws of the State of Michigan. All agreements, covenants, representations and warranties made herein shall survive the execution hereof. All rights of the Assignee shall inure to its benefit and to the benefit of its successors and assigns.

IN WITNESS WHEREOF, each of the parties has executed this Assignment as of the day and year first written above.

ASSIGNEE:	**ASSIGNOR:**
SUGARINGLA FRANCHISE, LLC a Delaware limited liability company	ENTITY
By: _____ NAME, TITLE	By: _____ NAME, TITLE
Date: _____	Date: _____

CALIFORNIA AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between SugaringLA Franchise, LLC. ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. The California Department of Financial Protection and Innovation requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL. CORP. CODE Section 31000 et seq., and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 et seq., (collectively, the "**Act**"). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

b. 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).

c. The 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.).

d. The Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

e. The Agreement requires litigation, arbitration, or mediation to be conducted in a forum other than the State of California. This requirement may be unenforceable under California law.

f. The Agreement requires application of the laws of Michigan. This provision may not be enforceable under California law.

g. If the Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable.

2. To the extent that Section 19.1 of the Agreement (pertaining to choice of law) conflicts with California law, California law will control.

3. In the event of any conflict between the terms of this Amendment and the terms of the Franchise Agreement, the terms of this Amendment shall prevail.

4. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

5. No disclaimer, questionnaire, clause, or statement signed by a franchisee or prospective 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.

6. To the extent that Section 15.1 of the Agreement (pertaining to choice of law) conflicts with California law, California law will control.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

SUGARINGLA FRANCHISE, LLC	**FRANCHISEE**
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

ILLINOIS AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware corporation, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. The Illinois Attorney General's Office requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Franchise Disclosure Act of 1987 ("FDA"), 815 ILCS 705/1-44. To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

a. Illinois Franchise Disclosure Act paragraphs 705/19 and 705/20 provide rights to you concerning nonrenewal and termination of this Agreement. If this Agreement contains a provision that is inconsistent with the Act, the Act will control.

b. Any release of claims or acknowledgments of fact contained in the Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act shall be void and are hereby deleted with respect to claims under the Act.

c. If this Agreement requires litigation to be conducted in a forum other than the State of Illinois, the requirement is void with respect to claims under the Illinois Franchise Disclosure Act.

d. If this Agreement requires that it be governed by a state's law, other than the State of Illinois, to the extent that such law conflicts with the Illinois Franchise Disclosure Act, Illinois law governing claims arising under the Act will control.

e. If this Agreement requires a jury trial waiver, to the extent that such provision conflicts with the Illinois Franchise Disclosure Act, the Act will control.

f. Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.

2. In the event of any conflict between the terms of this Amendment and the terms of the Franchise Agreement, the terms of this Amendment shall prevail.

3. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

SUGARINGLA FRANCHISE, LLC	**FRANCHISEE**
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

MARYLAND AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. Any provision requiring you to bring an action against us in any state other than Maryland shall not apply to claims arising under the Maryland Franchise Registration and Disclosure Law. You may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Section 14-226 of the Maryland Franchise Registration and Disclosure Law, prohibits us from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. Any provisions which requires a prospective franchisee to disclaim the occurrence and/or non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law, in order to purchase a franchise 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.

3. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. Notwithstanding anything to the contrary set forth in the Agreement, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

5. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

6. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[*The Signature Page Follows*]

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR	**FRANCHISEE**
SUGARINGLA FRANCHISE, LLC	_____
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

MINNESOTA AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware corporation, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. Notwithstanding anything to the contrary set forth in the Agreement, Franchisor will comply with Minn. Stat. Section 80C.12, Subd. 1(g), (the "**Act**"), which requires us to protect your right to use the trademarks, service marks and trade names and indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of same.

2. Notwithstanding anything to the contrary set forth in the Agreement, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given ninety (90) days' notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days' notice for non-renewal of the Agreement.

3. Notwithstanding anything to the contrary set forth in the Agreement, Franchisor will comply with Minn. Stat. Section 604.113 which limits charges for nonpayment due to insufficient funds to $30.

4. Notwithstanding anything to the contrary set forth in the Agreement, any general release you are required to assent to shall not apply to any liability we may have under the Act.

5. Minn. Stat. Section 80C.21 and Minn. Rule 2860.4400J prohibits the Franchisor from requiring litigation to be conducted outside of Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

6. In the event of any conflict between the terms of this Amendment and the terms of the Franchise Agreement, the terms of this Amendment shall prevail.

7. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

8. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR	**FRANCHISEE**
SUGARINGLA FRANCHISE, LLC	_____
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

NEW YORK AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. Releases. The following language is added to the end of Section 2.2 of the Franchise Agreement entitled Successor Terms and Sections 12.3 and 12.4 of the Franchise Agreement entitled Transfer of Interest:

"If Franchisee is required to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the New York General Business Law, regulation, rule or order under the Law, such release shall exclude claims arising under the New York General Business Law, Article 33, Sections 680 to 695 and the regulations promulgated thereunder, and such acknowledgments shall be void. It is the intent of this provision that non-waiver provisions of Sections 687.4 and 687.5 of the General Business Law be satisfied."

2. Termination. The following language is added to the end of Section 13 of the Franchise Agreement entitled Default and Termination:

"You may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York."

3. Assignment. The following language is added to the end of Section 12.1 of the Franchise Agreement entitled Transfer of Interest:

"However, no assignment will be made except to an assignee who in good faith and judgment of the Franchisor, is willing and financially able to assume the Franchisor's obligations under the Franchise Agreement."

4. Governing Law. The following language is added to the end of Section 19.1 of the Franchise Agreement entitled 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."

5. Conflicting Terms. In the event of any conflict between the terms of this Amendment and the terms of the Franchise Agreement, the terms of this Amendment shall prevail.

6. Miscellaneous. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

7. <u>Franchise Questioinnaires and Acknowledgements</u>. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR	**FRANCHISEE**
SUGARINGLA FRANCHISE, LLC	_____
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

VIRGINIA AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware corporation, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. Under Section 13.1-564 of the Virginia Retail Franchising Act, (the "**Act**"), it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute "reasonable cause", as that term may be defined in the Act or the laws of Virginia, that provision may not be enforceable.

2. In the event of any conflict between the terms of this Amendment and the terms of the Franchise Agreement, the terms of this Amendment shall prevail.

3. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

SUGARINGLA FRANCHISE, LLC	**FRANCHISEE**
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

WASHINGTON AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

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

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

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

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

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

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

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

8. In the event of any conflict between the terms of this Amendment and the terms of the Franchise Agreement, the terms of this Amendment shall prevail.

9. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

10. The release included in Items 17(c) and Item 17(m) of the FDD, and required by Sections 2.2.8 and 12.4.5 of the Franchise Agreement, does not apply to claims arising under the Franchise Investment Protection Act, chapter 19.100 RCW, or any rules or order adopted thereunder, in accordance with RCW 19.100.220(2).

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

SUGARINGLA FRANCHISE, LLC	**FRANCHISEE**
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

EXHIBIT C

DEVELOPMENT AGREEMENT

DEVELOPMENT AGREEMENT

This Development Agreement ("**Agreement**") made effective as of _____ ("**Effective Date**") by and between SugaringLA Franchise, LLC, a Delaware corporation with a business address at 4370 Varsity Dr. Suite G, Ann Arbor, MI 48108 (the "**Franchisor**"); and _____, a (resident of) (corporation organized in) (limited liability company organized in) _____with a business address at _____ (the "**Developer**").

BACKGROUND

A. Franchisor has acquired the license to use and to sublicense the use of an upscale studio ("**Studio**") featuring full body hair removal services (primarily using the sugaring method), proprietary retail products and related products and services under the trademark and logo Sugaring LA® (the "**System**").

B. The distinguishing characteristics of the System include, without limitation, the combination of services provided, including full body hair removal, private label proprietary retail products which incorporate Franchisor's trade secrets and proprietary information (the "**Proprietary Products**"); distinctive exterior and interior design, decor, color scheme, fixtures, and furnishings; standards and specifications for products and supplies; service standards; uniform standards, specifications, and procedures for operations; procedures for inventory and management control; training and assistance; and advertising and promotional programs; all of which may be changed, improved, and further developed by Franchisor from time to time. Developer hereby acknowledges and agrees that: (i) the System and Franchisor's related materials contain information that, in isolated form, could be construed as being in the public domain, they also contain significant proprietary and confidential information that makes the System unique as a whole; and (ii) the combined methods, information, procedures, and theories that make up the total System or are contained in the relevant manuals are proprietary and confidential.

C. The System and Studios are identified by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including, but not limited, to the mark "**Sugaring LA®**" and such other trade names, service marks, and trademarks as are now designated and may hereafter be designated by Franchisor in writing for use in connection with the System (the "**Proprietary Marks**"). The parties agree and acknowledge that Franchisor has established substantial goodwill and business value in its Proprietary Marks, expertise, and System.

D. Franchisor grants qualified third parties the right to develop a certain number of Studios within a defined site selection area (the "**Site Selection Area**") in accordance with the terms of this Agreement to which Developer must be strictly adhere, with each Studio within the Site Selection Area being opened and operating utilizing the Proprietary Marks and System pursuant to the terms and conditions set forth in a separate form of Franchisor's then-current form of franchise agreement (each, a "**Franchise Agreement**").

E. Developer recognizes the benefits from receiving the right to operate a Studio utilizing the System and desires to: (i) become a multi-unit operator subject to the terms of this Agreement; and (ii) receive the benefits provided by Franchisor under this Agreement.

F. Developer has applied for the right to open and operate a certain number of studios within the Site Selection Area as set forth in this Agreement (each, a "**Studio**"), and Franchisor has approved such application in reliance on Developer's representations made therein.

G. Developer hereby acknowledges that adherence to the terms of this Agreement, including Franchisor's operations manual and other System standards and specifications, are essential to the operation of all Studios and the System as a whole.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Site Selection Area; Development Schedule and Obligations. Subject to the terms and conditions set forth herein, Franchisor grants Developer the right, and Developer undertakes the obligation, to develop and establish _____ Studios within the Site Selection Area defined in the Data Sheet attached hereto as Attachment A (the "**Data Sheet**"), provided Developer opens and begins operations of such Studios in strict accordance with the mandatory development schedule also set forth in the Data Sheet (the "**Development Schedule**") and otherwise subject to the terms and conditions set forth herein. The parties agree and acknowledge that Developer shall not have any exclusive territorial rights within the Site Selection Area.

2. Development Fee. Developer shall pay Franchisor a development fee equal to $_____ (the "**Development Fee**") for the right to develop the foregoing Studios within the Site Selection Area under this Agreement. The Development Fee is fully earned upon payment and is not refundable under any circumstances; and payable to Franchisor immediately on Developer's execution of this Agreement.

2.1 The parties agree and acknowledge that the Development Fee is comprised of the franchise fee payable in connection with: (i) the initial Studio that Developer is granted the right to open within the Site Selection Area under this Agreement (the "**Studio**"); and (ii) each additional Studio that Franchisor has granted Developer the right to open hereunder (each, an "**Additional Studio**").

3. Initial Franchise Agreement. Contemporaneously with the execution of this Agreement, Developer must enter into Franchisor's current form of Franchise Agreement for the Initial Studio that Developer is required to open within the Site Selection Area. In the event Developer is a business entity of any kind, then Developer's principals/owners must each execute the form of personal guaranty attached to the foregoing Franchise Agreement, as well as any additional Franchise Agreements described in Section 4 of this Agreement.

4. Additional Franchise Agreements. Developer agrees and acknowledges that it must: (i) enter into Franchisor's then-current form of Franchise Agreement for each Additional Studio that Developer is required to open under this Agreement; and (ii) enter into such Franchise Agreements at such times that are required for Developer to timely meet, and strictly adhere to, its obligations under the agreed upon Development Schedule.

5. Development Obligations. Developer must ensure that, at a minimum, Developer: (i) opens and commences operations of the number of new Studios during each of the development periods defined in the Development Schedule (each, a "**Development Period**"); and (ii) has the minimum cumulative number of Studios open and operating at the expiration of each such Development Period. The parties agree and acknowledge that time is of the essence with respect to the foregoing development obligations, and that Developer's failure to comply with the Development Schedule in any manner with respect to any Development Period is grounds for immediate termination of this Agreement if not timely cured as set forth in Section 6.2 of this Agreement (and any future development rights granted hereunder). The parties agree and acknowledge that if there is more than one developer or franchisee looking to secure a site for a

Sugaring LA® Studio within the Site Selection Area, the parties will follow the Franchisor's prescribed process and procedure for how sites will be reviewed and offered to such franchisees/developers (including Developer) within the Site Selection Area, as Franchisor sets forth in its confidential operations manual(s) or otherwise.

6. Term and Termination.

6.1 This Agreement will begin on the Effective Date and, unless earlier terminated by Franchisor, will expire on the earlier of: (i) the last day of the calendar month that the final Studio is required to be opened and operating under the Development Schedule; or (ii) the date Developer actually opens the last Studio that Developer is granted the right to open under this Agreement. Upon expiration or termination of this Agreement for any reason, Developer will not have any territorial rights other than those that might be granted in connection with a "Designated Territory" associated with a Studio that Developer has opened and begun operating as of the date this Agreement is terminated or expires (if and as such rights are granted by Franchisor under the respective Franchise Agreement(s) that Developer entered into for such Studios).

6.2 Franchisor will have the right, at its option, to terminate this Agreement and all rights granted to Developer hereunder, without affording Developer any opportunity to cure such default, effective upon written notice to Developer, upon the occurrence of any of the following events: (i) if Developer ceases to actively engage in development activities in the Site Selection Area or otherwise abandons its development business for three consecutive months, or any shorter period that indicates an objective intent by Developer to discontinue development of the Studios within the Site Selection Area; (ii) if Developer becomes insolvent or is adjudicated bankrupt, or if any action is taken by Developer, or by others against the Developer, under any insolvency, bankruptcy or reorganization act, or if Developer makes an assignment for the benefit of creditors or a receiver is appointed by the Developer; (iii) if Developer fails to meet its development obligations under the Development Schedule for any single Development Period, and fails to cure such default within 30 days of receiving notice thereof; and (iv) if any Franchise Agreement that is entered into in order to fulfill Developer's development obligations under this Agreement is terminated or subject to termination by Franchisor, pursuant to the terms of that Franchise Agreement.

7. Reservation of Rights. Except as provided in Article 1 of this Agreement, the parties agree and acknowledge that the rights granted in this Agreement are non-exclusive and that Franchisor and its affiliates reserve all other rights not expressly granted to Developer herein.

8. Sale or Assignment. Developer's rights under this Agreement are personal and Developer may not sell, transfer, or assign any right granted herein without Franchisor's prior written consent, which may be withheld in its sole discretion. Notwithstanding, if Developer is an individual or a general partnership, Developer has the right to assign its rights under this Agreement to a corporation or limited liability company that is wholly owned by Developer according to the same terms and conditions as provided in Developer's initial Franchise Agreement. Franchisor has the right to assign this Agreement in whole or in part in its sole discretion.

9. Acknowledgment. Developer acknowledges that this Agreement is not a Franchise Agreement and does not confer upon Developer any rights to use the Franchisor's Proprietary Marks or System.

10. Notices. All notices, requests and reports to be given under this Agreement are to be in writing, and delivered by either hand, overnight mail via recognized courier such as UPS or FedEx, or certified mail, return receipt requested, prepaid, to the addresses set forth above (which may be changed by written notice).

11. Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan, without reference to this state's conflict of laws principles.

12. Internal Dispute Resolution. Developer must first bring any claim or dispute between Developer and Franchisor to Franchisor's management, after providing Franchisor with notice of and a reasonable opportunity to cure an alleged breach hereunder. Developer must exhaust this internal dispute resolution procedure before bringing a dispute before a third party. This agreement to first attempt resolution of disputes internally will survive termination or expiration of this Agreement.

13. Mediation. The parties acknowledge that during the term and any extensions of this Agreement certain disputes may arise that the parties are unable to resolve, but that may be resolvable through mediation. To facilitate such resolution, Franchisor, Developer, and each Owner agree to submit any claim, controversy or dispute between Franchisor or its Affiliates (and Franchisor's and its Affiliate's respective owners, officers, directors, agents, representatives and/or employees) and you or your Affiliates (and your Owners, agents, representatives and/or employees) arising out of or related to ***(a)*** this Agreement or any other agreement between Franchisor and you, ***(b)*** Franchisor's relationship with you, or ***(c)*** the validity of this Agreement or any other agreement between Franchisor and you, to mediation before bringing such claim, controversy or dispute in a court or before any other tribunal.

13.1.2. The mediation shall be conducted by a mediator agreed upon by Franchisor and you and, failing such agreement within not more than 15 days after either party has notified the other of its desire to seek mediation, by the American Arbitration Association or any successor organization ("**AAA**") in accordance with its rules governing mediation. Mediation shall be held at the offices of the AAA in the city where Franchisor maintains its principal business offices. The costs and expenses of mediation, including the compensation and expenses of the mediator (but excluding attorneys' fees incurred by either party), shall be borne by the parties equally.

13.1.3. If the parties are unable to resolve the claim, controversy or dispute within 90 days after the mediator has been chosen, then, unless such time period is extended by written agreement of the parties, either party may bring an arbitration proceeding pursuant to Article 14. The parties agree that statements made during such mediation proceeding will not be admissible for any purpose in any subsequent legal proceeding.

13.1.4. Notwithstanding the foregoing provisions of this Article 13, the parties' agreement to mediate shall not apply to any controversy, dispute or claim related to or based on amounts owed to Franchisor pursuant to this Agreement or for temporary or preliminary injunctive or other extraordinary relief sought ("**Excepted Claims**").Either party may bring any Excepted Claims in any court of competent jurisdiction and the parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision..

14. Arbitration. Except for any Excepted Claims which either party has the right to bring in any court of competent jurisdiction, you and we agree to submit any claim, controversy or dispute (collectively, "**Dispute**") between us or any of our affiliates (and/or their respective shareholders, officers, directors, agents, representatives and/or employees) and you (and/or your owners, guarantors, agents, representatives and/or employees, as applicable) arising out of or related to ***(a)*** this Agreement or any other agreement between us and you, ***(b)*** our relationship with you, ***(c)*** the validity of this Agreement or any other agreement between us and you, or ***(d)*** any System standard, to arbitration.

The parties agree that notwithstanding anything to the contrary in this Agreement, Disputes shall be submitted to binding arbitration in accordance with this Section 19.3. The arbitration shall be conducted through the American Arbitration Association ("**AAA**") and in accordance with the AAA's Commercial

Arbitration Rules ("**Rules**"). The arbitration shall be conducted by one (1) arbitrator selected by agreement of the parties or (in the event the parties cannot agree) in accord with the Rules. The arbitrator shall apply the Federal Rules of Evidence during the conduct of the sessions with respect to the admissibility of evidence. The arbitration shall be governed by the United States Arbitration Act, 9 U.S.C. § 1-16. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof and will be final, binding and non-appealable, except as set forth below. The arbitrator shall be required to state in writing the reasoning on which the award is based.

The place of arbitration shall be in the county in which Franchisor maintains its principal business offices at the time of arbitration, currently set in Washtenaw County, Michigan, unless otherwise mutually agreed between the parties. Franchisor reserves the right, but has no obligation, to advance Franchisee's share of the costs of any arbitration proceeding in order for such arbitration proceeding to take place and by doing so shall not be deemed to have waived or relinquished its right to seek the recovery of those costs in accordance with Article 20. The arbitrator, in the conduct of the arbitration, shall not have the authority to declare any Proprietary Mark generic or otherwise invalid and, to the fullest extent permitted by law, each party waves any right to or claim for any punitive, exemplary, incidental or consequential damages against the other. The arbitrator shall be required to state in writing the reasoning on which the award is based.

The parties agree that all Disputes submitted to arbitration shall be conducted on an individual, and not a class wide, basis, and that only Franchisor (and its affiliates and its and their respective owners, officers, directors, agents and employees, as applicable) and Developer (and its affiliates and its and their respective owners, guarantors, officers and directors, as applicable) may be the parties to any arbitration proceeding described in this Section, and that no such arbitration proceeding shall be consolidated with any other arbitration proceeding involving Franchisor and/or any other natural person, association, corporation, partnership, limited liability company or other entity.

If any party to an arbitration wishes to appeal any final award by the arbitrator, such party may appeal, within thirty (30) days of such final award, to a different arbitrator appointed in the same manner as set forth above. The issues on appeal will be limited to the proper application of the law to the facts found at the arbitration and will not include any trial de novo or other fact-finding function. The party requesting such appeal must have paid for a court reporter to make a written record of the arbitration hearing and must pay all costs charged by such appeal panel, as well as posting any bond deemed appropriate by the appeal panel. Any party that does not pay for or share in the payment for a transcript of the arbitration hearing cannot challenge any ruling by the arbitrator on appeal, even if the opposing party does appeal.

15. Jurisdiction and Venue. Subject to Sections 13 and 14 of this Agreement, the parties agree that any actions arising out of or related to this Agreement must be initiated and litigated to conclusion exclusively in the state court of general jurisdiction closest to Washtenaw County, Michigan or, if appropriate, the United States District Court for the Eastern District of Michigan (unless settled by the parties after such action is initiated). Developer acknowledges that Franchisor may bring an action in any other court of competent jurisdiction to seek and obtain injunctive relief as set forth in Section 14 above. Developer hereby irrevocably consents to the personal jurisdiction of the state and federal courts described in this Section.

16. Third Party Beneficiaries. Franchisor's officers, directors, shareholders, agents and/or employees are express third party beneficiaries of this Agreement and the dispute resolution procedures contained herein, including without limitation, the right to specifically utilize and exhaust the mediation procedure with respect to any and all claims asserted against such person(s) by Developer or its principals.

17. JURY TRIAL WAIVER. THE PARTIES HEREBY AGREE TO WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY,

REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER WILL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES HERETO WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR DEVELOPER'S PURCHASE FROM FRANCHISOR OF THE DEVELOPMENT RIGHTS DESCRIBED HEREIN.

18. WAIVER OF CLASS ACTIONS. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISED BUSINESS, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN DEVELOPER, DEVELOPER'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

19. Waiver of Punitive Damages. Developer waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) which Developer may have against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, Developer's recovery will be limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions will continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

20. Attorneys' Fees. If either party institutes any arbitration, judicial, or mediation proceeding to enforce any monetary or nonmonetary obligation or interpret the terms of this Agreement and Franchisor prevails in the action or proceeding, Developer will be liable to Franchisor for all costs, including reasonable attorneys' fees and court costs, incurred in connection with such proceeding.

21. Nonwaiver. Franchisor's failure to insist upon strict compliance with any provision of this Agreement will not be a waiver of Franchisor's right to do so, any law, custom, usage or rule to the contrary notwithstanding. Delay or omission by Franchisor respecting any breach or default will not affect Franchisor's rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Agreement will be cumulative. Franchisor's election to exercise any remedy available by law or contract will not be deemed a waiver or preclude exercise of any other remedy.

22. Severability. The parties agree that if any provisions of this Agreement may be construed in two ways, one of which would render the provision illegal or otherwise voidable or unenforceable and the other which would render it valid and enforceable, such provision will have the meaning, that renders it valid and enforceable. The provisions of this Agreement are severable, and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and partially valid and enforceable provisions will be enforced to the extent that they are valid and enforceable. If any material provision of this Agreement will be stricken or declared invalid, the parties agree to negotiate mutually acceptable substitute provisions. In the event that the parties are unable to agree upon such provisions, Franchisor reserves the right to terminate this Agreement.

23. Construction of Language. The language of this Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as Developer, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation.

24. Persons Bound. This Agreement shall be binding on the parties and their respective

successors and assigns. Each direct and indirect individual and entity owner of Developer ("**Owner**") shall execute the Personal Guaranty and Undertaking attached as Attachment B. Failure or refusal to do so shall constitute a breach of this Agreement. You and each Owner shall be joint and severally liable for each person's obligations hereunder and under the Personal Guaranty and Undertaking.

24. Successors. References to "Franchisor" or "Developer" include the respective parties' successors, assigns or transferees, subject to the limitations of Article 8 of this Agreement.

25. Additional Documentation. Developer must from time to time, subsequent to the date first set forth above, at Franchisor's request and without further consideration, execute and deliver such other documentation or agreements and take such other action as Franchisor may reasonably require in order to effectuate the transactions contemplated in this Agreement. In the event that Developer fails to comply with the provisions of this Section, Developer hereby appoints Franchisor as Developer's attorney-in-fact to execute any and all documents on Developer's behalf, as reasonably necessary to effectuate the transactions contemplated herein.

26. No Right to Offset. Developer may not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of the alleged nonperformance of Franchisor or any of its affiliates or as an offset against any amount Franchisor or any of its affiliates may owe or allegedly owe Developer under this Agreement or any related agreements.

27. Entire Agreement. This Agreement contains the entire agreement between the parties concerning Developer's development rights within the Site Selection Area; no promises, inducements or representations (other than those in the Franchise Disclosure Document) not contained in this Agreement have been made, nor will any be of any force or effect, or binding on the parties. Modifications of this Agreement must be in writing and signed by both parties. Franchisor reserves the right to change Franchisor's policies, procedures, standards, specifications or manuals at Franchisor's discretion. In the event of a conflict between this Agreement and any Franchise Agreement(s), the terms, conditions and intent of this Agreement will control. Nothing in this Agreement, or any related agreement, is intended to disclaim any of the representations Franchisor made to Developer in the Franchise Disclosure Document that Franchisor provided to Developer.

IN WITNESS WHEREOF, AND INTENDING TO BE LEGALLY BOUND HEREBY, THE PARTIES HERETO HAVE CAUSED THIS AGREEMENT TO BE EXECUTED EFFECTIVE THE DATE FIRST SET FORTH ABOVE.

FRANCHISOR:	**DEVELOPER:**
SUGARINGLA FRANCHISE, LLC	ENTITY
By: _____	By: _____
NAME, TITLE	NAME, TITLE
Date: _____	Date: _____

ATTACHMENT A
TO DEVELOPMENT AGREEMENT
DATA SHEET

1. Site Selection Area. The Site Selection Area, as referred to in Article 1 of the Development Agreement, is described below (or an attached map) by geographic boundaries and will consist of the following area or areas: _____

_____

2. Development Schedule. The Development Schedule referred to in Article 5 of the Development Agreement is as follows:

Expiration of Development Period (each, a "Development Period")	No. of New Studios Opened Within Development Period	Cumulative No. of Studios that Must Be Open and Operating
12 Months from Effective Date	1	1
Months 13 through 36 of the Development Agreement	1	2
Months 37 through 48 of the Development Agreement	1	3

FRANCHISOR:

SUGARINGLA FRANCHISE, LLC

By: _____
NAME, TITLE

Date: _____

DEVELOPER:

ENTITY

By: _____
NAME, TITLE

Date: _____

ATTACHMENT B

TO DEVELOPMENT AGREEMENT

PERSONAL GUARANTY AND UNDERTAKING

THIS PERSONAL GUARANTY AND UNDERTAKING is given this date of _____, by each of the undersigned below (each a "**Guarantor**").

In consideration of, and as an inducement to, the execution of that certain Area Development Agreement of even date (the "**Area Development Agreement**") by SUGARINGLA FRANCHISE, LLC (the "**Franchisor**"), and with _____ ("**Developer**"), each Guarantor hereby personally and unconditionally (a) guarantees to Franchisor, and its successor and assigns, for the term of the Area Development Agreement and as provided in the Area Development Agreement, that Developer shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Area Development Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Area Development Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, as though each were the Developer under the Area Development Agreement.

Each Guarantor hereby waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations guaranteed; (4) any right Guarantor may have to require that an action be brought against Developer or any other person as a condition of liability; and (5) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness or the performance of any obligation hereby guaranteed.

Each Guarantor hereby consents and agrees that: (1) such Guarantor's undertaking shall be direct, immediate and independent of the liability of, and shall be joint and several with, Developer and any other Guarantors; (2) Guarantor shall render any payment or performance required under the Area Development Agreement upon demand if Developer fails or refuses punctually to do so; (3) Guarantor's liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Developer or any other person; (4) Guarantor's liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant to Developer or to any other person, including the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this guaranty, which shall be continuing and irrevocable during the term of the Area Development Agreement; (5) this undertaking will continue unchanged by the occurrence of any bankruptcy with respect to Developer or any assignee or successor of Developer or by any abandonment of the Area Development Agreement by a trustee of Developer; (6) neither the Guarantor's obligations to make payment or render performance in accordance with the terms of this undertaking nor any remedy for enforcement shall be impaired, modified, changed, released or limited in any manner whatsoever by any impairment, modification, change, release or limitation of the liability of Developer or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency; (7) Franchisor may proceed against Guarantor and Developer jointly and severally, or Franchisor may, at its option, proceed against Guarantor, without having commenced any action, or having obtained any judgment against Developer; and (8) Guarantor shall pay all reasonable attorneys' fees and all costs and other expenses incurred in any collection or attempt to collect amounts due pursuant to this undertaking or any negotiations relative to the obligations hereby guaranteed or in enforcing this undertaking against Guarantor.

IN WITNESS WHEREOF, each Guarantor has executed this Guaranty and Assumption of Obligations as of the date set forth above.

GUARANTOR(S):

_____

Guarantor

_____

Guarantor

_____

Guarantor

CALIFORNIA AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT ("**Amendment**") dated _____ is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the "**Development Agreement**") dated _____ by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Developer**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

1. The California Department of Financial Protection and Innovation requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL. CORP. CODE Section 31000 et seq., and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 et seq., (collectively, the "**Act**"). To the extent that the Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

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

b. 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).

c. The 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.).

d. The Agreement contains a covenant not to compete that extends beyond the termination of the franchise. This provision may not be enforceable under California law.

e. The Agreement requires litigation, arbitration, or mediation to be conducted in a forum other than the State of California. This requirement may be unenforceable under California law.

f. The Agreement requires application of the laws of Michigan. This provision may not be enforceable under California law.

g. If the Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable.

2. To the extent that Section 19.1 of the Agreement (pertaining to choice of law) conflicts with California law, California law will control.

3. In the event of any conflict between the terms of this Amendment and the terms of the Development Agreement, the terms of this Amendment shall prevail.

4. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

5. No disclaimer, questionnaire, clause, or statement signed by a franchisee or prospective 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.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

SUGARINGLA FRANCHISE, LLC	**DEVELOPER**
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

ILLINOIS AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT ("**Amendment**") dated _____ is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the "**Development Agreement**") dated _____ by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Developer**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

1. The Illinois Attorney General's Office requires that certain provisions contained in franchise documents be amended to be consistent with Illinois law, including the Franchise Disclosure Act of 1987 ("FDA"), 815 ILCS 705/1-44. To the extent that this Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

a. Illinois Franchise Disclosure Act paragraphs 705/19 and 705/20 provide rights to you concerning nonrenewal and termination of this Agreement. If this Agreement contains a provision that is inconsistent with the Act, the Act will control.

b. Any release of claims or acknowledgments of fact contained in the Agreement that would negate or remove from judicial review any statement, misrepresentation or action that would violate the Act, or a rule or order under the Act shall be void and are hereby deleted with respect to claims under the Act.

c. If this Agreement requires litigation to be conducted in a forum other than the State of Illinois, the requirement is void with respect to claims under the Illinois Franchise Disclosure Act.

d. If this Agreement requires that it be governed by a state's law, other than the State of Illinois, to the extent that such law conflicts with the Illinois Franchise Disclosure Act, Illinois law governing claims arising under the Act will control.

e. If this Agreement requires a jury trial waiver, to the extent that such provision conflicts with the Illinois Franchise Disclosure Act, the Act will control.

f. Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.

2. In the event of any conflict between the terms of this Amendment and the terms of the Development Agreement, the terms of this Amendment shall prevail.

3. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

SUGARINGLA FRANCHISE, LLC	**DEVELOPER**
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

MARYLAND AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the "**Development Agreement**") dated _____, by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Developer**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

1. Any provision requiring you to bring an action against us in any state other than Maryland shall not apply to claims arising under the Maryland Franchise Registration and Disclosure Law. You may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Section 14-226 of the Maryland Franchise Registration and Disclosure Law, prohibits us from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. Any provisions which requires a prospective franchisee to disclaim the occurrence and/or non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law, in order to purchase a franchise 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.

3. The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

4. Notwithstanding anything to the contrary set forth in the Agreement, any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the franchise.

5. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

6. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Amendment.

7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[*Signature Page to Follow*]

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR	**DEVELOPER**
SUGARINGLA FRANCHISE, LLC	_____
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

MINNESOTA AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the "**Development Agreement**") dated _____, by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

1. Notwithstanding anything to the contrary set forth in the Agreement, Franchisor will comply with Minn. Stat. Section 80C.12, Subd. 1(g), (the "**Act**"), which requires us to protect your right to use the trademarks, service marks and trade names and indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of same.

2. Notwithstanding anything to the contrary set forth in the Agreement, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that a franchisee be given ninety (90) days' notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days' notice for non-renewal of the Agreement.

3. Notwithstanding anything to the contrary set forth in the Agreement, Franchisor will comply with Minn. Stat. Section 604.113 which limits charges for nonpayment due to insufficient funds to $30.

4. Notwithstanding anything to the contrary set forth in the Agreement, any general release you are required to assent to shall not apply to any liability we may have under the Act.

5. Minn. Stat. Section 80C.21 and Minn. Rule 2860.4400J prohibits the Franchisor from requiring litigation to be conducted outside of Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Agreement can abrogate or reduce any of Developer's rights as provided for in Minnesota Statutes, Chapter 80C, or Developer's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

6. In the event of any conflict between the terms of this Amendment and the terms of the Franchise Agreement, the terms of this Amendment shall prevail.

7. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

8. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR	**DEVELOPER**
SUGARINGLA FRANCHISE, LLC	_____
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

NEW YORK AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT ("**Amendment**") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the "**Development Agreement**") dated _____, by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware corporation, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Developer**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

1. Releases. The following language is added to the end of the Development Agreement:

> "If Franchisee is required to execute a release of claims or to acknowledge facts that would negate or remove from judicial review any statement, misrepresentation or action that would violate the General Business Law of the State of New York, regulation, rule or order under the Law, such release shall exclude claims arising under the General Business Law of the State of New York, Article 33, Sections 680 to 695 and the regulations promulgated thereunder, and such acknowledgments shall be void. It is the intent of this provision that non-waiver provisions of Sections 687.4 and 687.5 of the General Business Law be satisfied."

2. Termination. The following language is added to the end of Section 6 of the Development Agreement entitled Term and Termination:

> "You may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York."

3. Assignment. The following language is added to the end of Section 8 of the Development Agreement entitled Sale or Assignment:

> "However, no assignment will be made except to an assignee who in good faith and judgment of the Franchisor, is willing and financially able to assume the Franchisor's obligations under the Franchise Agreement."

4. Governing Law. The following language is added to the end of Section 11 of the Development Agreement entitled 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."

5. Conflicting Terms. In the event of any conflict between the terms of this Amendment and the terms of the Development Agreement, the terms of this Amendment shall prevail.

6. Miscellaneous. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

7. Franchise Questionnaires and Acknowledgements. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

FRANCHISOR	**DEVELOPER**
SUGARINGLA FRANCHISE, LLC	_____
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

VIRGINIA AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT ("**Amendment**") dated _____ is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the "**Development Agreement**") dated _____ by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Developer**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

1. Under Section 13.1-564 of the Virginia Retail Franchising Act, (the "**Act**"), it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Development Agreement does not constitute "reasonable cause", as that term may be defined in the Act or the laws of Virginia, that provision may not be enforceable.

2. In the event of any conflict between the terms of this Amendment and the terms of the Development Agreement, the terms of this Amendment shall prevail.

3. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

SUGARINGLA FRANCHISE, LLC	**DEVELOPER**
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

WASHINGTON AMENDMENT TO DEVELOPMENT AGREEMENT

THIS AMENDMENT TO DEVELOPMENT AGREEMENT ("**Amendment**") dated _____ is intended to be a part of, and by this reference is incorporated into that certain Development Agreement (the "**Development Agreement**") dated _____ by and between SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Ann Arbor, Michigan, and _____ ("**you**" or "**Developer**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

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

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

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

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

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

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

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

8. In the event of any conflict between the terms of this Amendment and the terms of the Development Agreement, the terms of this Amendment shall prevail.

9. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Amendment.

10. The release included in Items 17(c) and Item 17(m) of the FDD, and required by Sections 2.2.8 and 12.4.5 of the Franchise Agreement, does not apply to claims arising under the Franchise Investment Protection Act, chapter 19.100 RCW, or any rules or order adopted thereunder, in accordance with RCW 19.100.220(2).

IN WITNESS WHEREOF, the parties have executed this Amendment on the date first shown above.

SUGARINGLA FRANCHISE, LLC	**DEVELOPER**
By:_____	By: _____
Name: _____	Name: _____
Title:_____	Title: _____
Date:_____	Date: _____

EXHIBIT D

GENERAL RELEASE

(SAMPLE FORM ONLY)

GENERAL RELEASE

The undersigned and my heirs, administrators, executors, ancestors, and assigns, for good and valuable consideration, the receipt of which is hereby acknowledged, hereby remise, release, and forever discharge SugaringLA Franchise, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal business offices located at 4370 Varsity Dr. Suite G, Ann Arbor, MI 48108 and its Affiliates, and their respective owners, officers, directors, employees, and agents (collectively, the "**Franchisor Released Parties**") from any and all claims, whether at law or in equity, and all contracts, controversies, claims, and demands whatsoever, at law or in equity, that I ever had, now have, or that my respective heirs, administrators, ancestors, executors, and/or assigns may have against the Franchisor Released Parties including, without limitation, all claims arising out of or related to that certain Franchise Agreement between Franchisor and _____ dated _____, 20__, and the offer and sale of Sugaring LA® franchise opportunity.

I acknowledge that this general release extends to claims which I do not know or suspect to exist in my favor at the time of executing this Release Agreement, which if were known to me may have materially affected my decision to enter into this Release Agreement. I understand that the facts in respect of which this Release Agreement is given may hereafter turn out to be other than or different from the facts in that connection known or believed to be true. I expressly assume the risk of the facts turning out to be so different and agree that this Release Agreement shall be in all respects effective and not subject to termination or rescission by any such difference in facts. If RELEASOR is domiciled or has his or her principal place of business in the State of California, then RELEASOR hereby expressly waives and relinquishes all rights and benefits under Section 1542 of the California Civil Code, which provides: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

IN WITNESS WHEREOF, the parties hereto have executed this Release Agreement as of the date set forth below.

Signature:_____

Name:_____

Date:_____

[This General Release will be modified as necessary for consistency with any state law regulating franchising.]

EXHIBIT E

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- **SugaringLA Service Protocols**

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EXHIBIT F

UNAUDITED

FINANCIAL STATEMENTS

SugaringLA Franchise, LLC
Balance Sheet (in USD)
Year To Date 09/30/2023

Assets	
Current Assets	
Cash and Cash Equivalents	
10209 - SugaringLA - Checking	32,819.44
Total Cash and Cash Equivalents	32,819.44
Prepaid Expenses	
13105 - Prepaid Expenses	22,990.00
Total Prepaid Expenses	22,990.00
Total Current Assets	55,809.44
Total Assets	**$ 55,809.44**
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 - Accounts Payable	13,383.89
Total Accounts Payable	13,383.89
Accrued Liabilities	
22105 - Accrued expenses:Accounts Payable, other	10,523.74
Total Accrued Liabilities	10,523.74
Debt to Owners	
24134 - Due to Franworth - Deferred Mgmt Fees	385,000.00
24135 - Due to Franworth	107,964.06
Debt to Owners	492,964.06
Total Current Liabilities	516,871.69
Total Liabilities	516,871.69
Stockholders Equity	
Additional Paid In Capital	
30040 - Equity - FW SugaringLA	565,000.00
Total Additional Paid In Capital	565,000.00
Retained Earnings	
30400 - Retained Earnings	(111,153.89)
Total Retained Earnings	(111,153.89)
Net Income (Loss)	(914,908.36)
Total Stockholders Equity	(461,062.25)
Total Liabilities and Equity	**$ 55,809.44**

SugaringLA Franchise, LLC
DM- 01 P&L Actual vs Budget - Franworth (in USD)
As of September 30, 2023

Reporting Book: ACCRUAL
As of Date: 09/30/2023
Location: SugaringLA Franchise, LLC

	Month Ending 09/30/2023	Year To Date 09/30/2023
	Actual	Actual
Revenue		
Franchise Fee Revenue	0.00	0.00
Total Revenue	0.00	0.00
Expenses		
Franchise Development		
FD - Commission	0.00	0.00
FD - Conferences	6,000.00	22,373.34
FD - Broker D-Day	0.00	0.00
FD - Website	0.00	32,146.08
FD - Other Broker Fees	0.00	78,011.37
FD - Candidate D-Day	0.00	15,927.54
FD - Organic Lead Spend	0.00	7,538.47
FD - Travel	3,866.70	14,783.85
FD - Meals & Entertainment	326.03	1,438.49
FD - Network Fees	1,695.00	11,780.00
Total Franchise Development	**11,887.73**	**183,999.14**
RE and Constr.		
Real Estate - Design & Construction	0.00	27,589.95
Total Real Estate and Construction Cost	**0.00**	**27,589.95**
Finance		
Finance - Professional Fees	0.00	15,000.00
Total Finance	**0.00**	**15,000.00**
Legal		
Legal - Professional Fees	0.00	8,000.00
Legal - FDD Renewal	0.00	6,476.00
Legal - Settlement Payments	0.00	5,000.00
Total Legal Department Costs	**0.00**	**19,476.00**
Marketing		
Marketing - Salaries	7,500.00	67,500.00
Marketing - Payroll Taxes	567.60	5,139.90
Marketing - Benefits	371.33	3,342.37
Marketing - Travel	0.00	3,901.37
Marketing - Meals & Entertainment	0.00	86.80
Marketing - Website	4,250.50	13,401.66
Marketing - Creative	0.00	12.00
Marketing - Other Marketing and Promotional	0.00	1,245.82
Total Marketing Department	**12,689.43**	**94,629.92**
Operations		
Operations - Salaries	6,666.68	60,000.12
Operations - Payroll Taxes	509.62	4,852.71
Operations - Payroll Benefits	42.97	343.76

Operations - Travel	0.00	4,355.98
Operations - Meals & Entertainment	0.00	210.38
Operations - Professional Fees	2,544.00	4,489.00
Operations - Wisetail	0.00	5,000.00
Total Operations Department	**9,763.27**	**79,251.95**
Info. Tech.		
IT - Computer/Internet	4,135.20	24,058.40
IT - Technology Costs (mth/zee)	0.00	13,137.80
Total Information Technology	**4,135.20**	**37,196.20**
SG&A		
G&A - Salaries	12,500.00	112,500.00
G&A - Payroll Taxes	956.26	8,860.37
G&A - Payroll Benefits	63.73	1,128.56
G&A - 401 (K) Match	300.00	2,700.00
G&A - Worker's Compensation	0.00	289.42
G&A - Payroll Service Fee	450.00	4,050.00
G&A - Travel	777.80	7,098.70
G&A - Meals and Entertainment	0.00	1,603.08
G&A - Meeting and Seminar Fees	0.00	2,163.96
G&A - Office Supplies	0.00	255.61
G&A - Postage and Delivery	0.00	0.00
G&A - Bank Service Charges	103.62	765.50
G&A - Telephone Expense	150.00	1,350.00
G&A- FW Management Fee	35,000.00	315,000.00
Total SG&A Department	**50,301.41**	**457,765.20**
Total Expenses	88,777.04	914,908.36
EBITDA	(88,777.04)	(914,908.36)
Net Income	(88,777.04)	(914,908.36)

EXHIBIT F -2

AUDITED

FINANCIAL STATEMENTS

SUGARINGLA FRANCHISE, LLC

BALANCE SHEET

DECEMBER 31, 2022
(With Independent Auditor's Report Thereon)

SUGARINGLA FRANCHISE, LLC

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DoerenMayhew
CPAs AND ADVISORS

305 West Big Beaver Rd., Ste. 200
Troy, Michigan 48084
248.244.3000
doeren.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members
of **SugaringLA Franchise, LLC**

Report on the Audit of the Financial Statement

Opinion

We have audited the balance sheet of SugaringLA Franchise, LLC as of December 31, 2022, and the related notes to the financial statement.

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of SugaringLA Franchise, LLC as of December 31, 2022, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Audit of the Financial Statement section of our report. We are required to be independent of SugaringLA Franchise, LLC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement 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 the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SugaringLA Franchise, LLC's ability to continue as a going concern for one year after the date that the financial statement is issued.

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Report on the Audit of the Financial Statement (Continued)

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 financial statement.

In performing an audit in accordance with GAAS, we:

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

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

Troy, Michigan
February 14, 2023

SUGARINGLA FRANCHISE, LLC

BALANCE SHEET
DECEMBER 31, 2022

Assets	
Cash	$ 311,363
Total assets	$ 311,363
Liabilities and Members' Equity	
Liabilities:	
Accounts payable - related party (note 2)	$ 72,263
Accounts payable - trade	254
Total liabilities	72,517
Members' equity	238,846
Total liabilities and members' equity	$ 311,363

See accompanying notes to financial statement

SUGARINGLA FRANCHISE, LLC

NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2022

Note 1 - Nature of Business and Significant Accounting Policies

Nature of Business

SugaringLA Franchise, LLC (the "Company") was formed in November 2022. The Company's operations are principally related to the sale and support of franchises for skin care boutiques under the "SugaringLA" name in the United States of America. The Company was formed as a multiple member LLC with a perpetual existence. The liability of the members of the Company is limited to the members total capital contributions.

Cash

The Company places its temporary cash investments with high credit quality financial institutions. At times, such investments may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit.

Income Taxes

The Company is organized as a limited liability company in accordance with Delaware law. In accordance with the provisions of the Internal Revenue Code, a limited liability company is not subject to Federal income taxes and its income is included in its member's income tax returns. Therefore, no provision has been made in the accompanying financial statement for Federal income taxes or deferred income taxes.

The Company's income tax filings are subject to audit by various taxing authorities. The open audit period is 2022.

Estimates

The preparation of the financial statement 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 financial statement. Actual results could differ from those estimates.

Subsequent Events

The financial statement and related disclosures include evaluation of events up through and including February 14, 2023, which is the date the financial statement was available to be issued.

Continued

Note 2 - Related Party Transactions

The Company had accounts payable of $72,263 at December 31, 2022, due to Franworth, LLC. The payable represents mainly management fees due to Franworth, LLC.

Note 3 - Operating Agreement

The Company's operating agreement includes four types of membership units: Class A, Class B, Class C-1, and Class C-2 units. Class A and B units have full voting rights and Class C units are nonvoting. Class C-2 units are subject to an alternate membership interest sharing ratio than the other units.

Under the Company's Equity Incentive Plan, the Company may award its employees, officers, and directors up to 2,000 Class C-1 units and 2,100 Class C-2 units. The Plan is administered by the Company's Board of Directors.

As of December 31, 2022, the Company had issued 18,750 of Class A units and no Class B or C units.

*** * * End of Notes * * ***

EXHIBIT G

LIST OF CURRENT AND FORMER FRANCHISEES

LIST OF CURRENT FRANCHISEES

As of December 31, 2022

Franchisees with Outlets Open

None

Franchisees with Franchise Agreements Signed but Outlet Not Opened

None

LIST OF FORMER FRANCHISEES

As of December 31, 2022

The following are franchisees who have been terminated, canceled, not renewed, or have otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who have not communicated with us within 10 weeks of the date of issuance of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

None

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT H

LIST OF STATE ADMINISTRATORS

AND AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS

STATE	STATE ADMINISTRATOR
CALIFORNIA	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013 (213) 576-7505 (866) 275-2677
HAWAII	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington St., Room E-111 Indianapolis, Indiana 46204 (317) 232-6681
MARYLAND	Office of the Attorney General Securities Division

STATE	STATE ADMINISTRATOR
	200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
MICHIGAN	Department of Attorney General Consumer Protection Division Franchising Unit 525 West Ottawa Street G. Mennen Williams Building, 1st Floor Lansing, Michigan 48913 (517) 373-1837
MINNESOTA	Minnesota Department of Commerce 85 Seventh Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st FL New York, NY 10005 (212) 416-8222
NORTH DAKOTA	North Dakota Securities Department 600 East Blvd. Avenue State Capitol, Fifth Floor Dept. 414 Bismarck, North Dakota 58505 (701) 328-4712

STATE	STATE ADMINISTRATOR
RHODE ISLAND	Securities Division Department of Business Regulation 1511 Pontiac Avenue, Building 69-1 Cranston, Rhode Island 02920 (401) 462-9585
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 S. Euclid, 2nd Floor Pierre SD 57501 (605) 773-3563
TEXAS	Statutory Document Section Secretary of State P.O. Box 12887 Austin, Texas 78711
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street. 9th Floor Richmond, Virginia 23219 (804) 371-9051
WASHINGTON	Washington Dept. of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760

WISCONSIN	Securities and Franchise Registration Wisconsin Securities Commission 345 West Washington Street, 4th Floor Madison, Wisconsin 53703 (608) 266-3364

LIST OF STATE AGENTS FOR SERVICE OF PROCESS

STATE	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Commissioner Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, California 90013
ILLINOIS	Illinois Attorney General 500 South Second Street Springfield, Illinois 62706
INDIANA	Indiana Secretary of State 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204
MICHIGAN	Michigan Department of Labor & Economic Growth Commercial Services & Corporations Bureau 611 West Ottawa Street Lansing, Michigan 48909
MARYLAND	Maryland Securities Commissioner Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MINNESOTA	Minnesota Commissioner of Commerce 85 Seventh Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600

STATE	AGENT FOR SERVICE OF PROCESS
NEW YORK	Secretary of State of the State of New York One Commerce Plaza 99 Washington Avenue Albany, New York 11231
RHODE ISLAND	Director of Business Regulation Division of Banking and Securities 233 Richmond Street, Suite 232 Providence, RI 02903-4232 (401) 222-3048
VIRGINIA	Clerk, State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 1st Floor Richmond, Virginia 23219
WASHINGTON	Director, Department of Financial Institutions Securities Division 150 Israel Road, S.W. Tumwater, Washington 98501
WISCONSIN	Wisconsin Commissioner of Securities 345 W. Washington Avenue, 4th Floor Madison, WI 53703

EXHIBIT I

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	May 18, 2023
Illinois	May 22, 2023
Indiana	April 12, 2023
Maryland	Pending
Michigan	April 14, 2023
Minnesota	June 30, 2023
New York	Pending
Rhode Island	May 2, 2023
Virginia	May 12, 2023
Washington	Pending
Wisconsin	April 11, 2023

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT J

RECEIPTS

Receipt

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If SugaringLA Franchise, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

Applicable state laws in (a) Michigan requires us to provide you the disclosure document at least 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale and (b) New York and Rhode Island require us to provide you the disclosure document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If SugaringLA 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 Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Exhibit H to this disclosure document).

The franchisor is SugaringLA Franchise, LLC, 106 E. Liberty St., Suite 310, Ann Arbor, MI 48104. Its telephone number is 734-619-0919

Issuance Date: March 31, 2023

The franchise seller for this offering is:

Name	Principal Business Address	Telephone Number
Marisa Kochnover	19924 Jetton Road, Suite 203, Cornelius, NC 28031	917-757-7172
Rachel Stender	19924 Jetton Road, Suite 203, Cornelius, NC 28031	612-226-1408
Trisha Evans Bertelson	19924 Jetton Road, Suite 203, Cornelius, NC 28031	651-315-0305

I received a Disclosure Document with an issuance date of March 31, 2023. State registration effective dates are listed on the State Registrations page contained in the Disclosure Document. The Disclosure Document included the following Exhibits:

Exhibit A – State Specific Appendix
Exhibit B – Franchise Agreement and all Attachments
Exhibit C – Development Agreement
Exhibit D – General Release (Sample Form Only)
Exhibit E – Table of Contents of Confidential Operations Manual
Exhibit F – Financial Statements
Exhibit G – List of Current and Former Franchisees
Exhibit H – List of State Administrators and Agents for Service of Process
Exhibit I – State Effective Dates
Exhibit J – Receipts

Dated:_____	Dated:_____
_____	_____
Printed Name	Printed Name
_____	_____
Signed, individually and as an officer of	Signed, individually and as an officer of
_____(a Corporation)	_____(a Corporation)
_____(a Partnership)	_____(a Partnership)
_____(a Limited Liability Company)	_____(a Limited Liability Company)

[KEEP THIS PAGE FOR YOUR RECORDS]

Receipt

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If SugaringLA Franchise, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

Applicable state laws in (a) Michigan requires us to provide you the disclosure document at least 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale and (b) New York and Rhode Island require us to provide you the disclosure document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If SugaringLA 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 Commission, Washington, D.C. 20580 and any applicable state agency (as listed in Exhibit H to this disclosure document).

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Dated:_____ Dated:_____

_____ _____

Printed Name Printed Name

_____ _____

Signed, individually and as an officer of Signed, individually and as an officer of

_____(a Corporation) _____(a Corporation)
_____(a Partnership) _____(a Partnership)
_____(a Limited Liability Company) _____(a Limited Liability Company)

[Please return this completed form to SugaringLA Franchise, LLC by Fax: 734-808-0066, E-mail: [franchise@sugaringla.com; or Regular Mail: 106 E. Liberty St., Suite 310, Ann Arbor, MI 48104]