FRANCHISE DISCLOSURE DOCUMENT

THE LASH FRANCHISE HOLDINGS, LLC
a Delaware limited liability company
550 Reserve Street, Suite 380
Southlake, Texas 76092
(734) 678-1224
franchise@thelashlounge.com
www.thelashlounge.com
www.twitter.com/thelashlounge
www.facebook.com/thelashlounge
www.youtube.com/thelashlounge

You will operate an upscale salon featuring the application of semi-permanent and temporary eyelash and other eye-enhancing services, as well as facial threading services, combined with a retail offering of private label cosmetic and skin care lines under the trade name and trademark THE LASH LOUNGE® ("Salon").

The total investment necessary to begin operation of a THE LASH LOUNGE® Salon ranges from $384,797 to $719,490. This includes the $68,000 that must be paid to the franchisor or affiliate. The total investment necessary to purchase the right to open two Salons and to begin operation of the first THE LASH LOUNGE® Salon ranges from $434,797 to $769,490. This includes the $118,000 that must be paid to the franchisor or affiliate. The total investment necessary to purchase the right to open three Salons and to begin operation of the first THE LASH LOUNGE® Salon ranges from $459,797 to $794,490. This includes the $143,000 that must be paid to the franchisor or affiliate.

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 Meg Roberts at 550 Reserve Street, Suite 380, Southlake, Texas 76092 or (734) 678-1224.

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: April 9, 2024, as amended November 4, 2024

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 Lash Lounge salon 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 Lash Lounge 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 and development agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. 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 Texas than in your own state.

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

3. **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. **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.

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

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.

THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, 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 October 26, 2018, and only do business under our corporate name. Our principal business address is 550 Reserve Street, Suite 380, Southlake, Texas 76092. We have been offering franchises of the type described in this Disclosure Document since April 2020, when we acquired the assets of our predecessor. We have never offered franchises or licenses in any other line of business.

Our predecessor, The Lash Lounge Franchise, LLC was a Texas limited liability company formed on September 2009. Its principal business address was 2200 Pool Road, Suite 106, Grapevine, Texas 76051. It offered franchises of the type described in this Disclosure Document from March 2010 until April 2020. It did not offer franchises or licenses in any other line of business.

Our parent, BCC Services Intermediate Holding Company d/b/a Head to Toe Brands, is a Delaware corporation, and its principal business address is 550 Reserve Street, Suite 380, Southlake, Texas 76092. Our parent only does business under its corporate name. It does not offer franchises in any line of business and is not otherwise engaged in any other type of business activity.

Our parent's parent company is BCC Services Holding Company, a Delaware corporation, and its principal business address is 550 Reserve Street, Suite 380, Southlake, Texas 76092. Our parent only does business under its corporate name. It does not offer franchises in any line of business and is not otherwise engaged in any other type of business activity.

BCC Services Holding Company is directly or indirectly controlled by Riverside Micro-Cap Fund VI, L.P. and Riverside Micro-Cap Fund VI-A, L.P. which are managed by The Riverside Company, a global private equity fund focused on investing in and acquiring growing businesses and it maintains its principal business address at 45 Rockefeller Center, 630 Fifth Avenue, Suite 400, New York, NY 10111.

We are affiliated with BCC Franchising, LLC ("Bishops"). Bishops and its predecessor have offered franchises since March 2007 under the mark "Bishops". Bishop's principal business address is 550 Reserve Street, Suite 380, Southlake, Texas 76092. A Bishops franchise offers haircuts, coloring, and barber services. As of December 31, 2023, Bishops had 40 franchises operating in the United States.

We are also affiliated with Frenchies, LLC ("Frenchies"). Frenchies has offered franchises since April 2015 under the mark "Frenchies Modern Nail Care". Frenchies' principal business address is 550 Reserve Street, Suite 380, Southlake, Texas 76092. A Frenchies Modern Nail Care franchise offers hand and foot care. As of December 31, 2023, Frenchies had 23 franchisees operating in the United States.

Through various private equity funds managed by The Riverside Company the following portfolio companies of The Riverside Company offer franchises in the United States:

Evive Brands

Executive Home Care Franchising, LLC ("Executive Care") has offered franchises under the mark "Executive Home Care" since June 2013. Executive Home Care's principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251. An Executive Home Care franchise offers in-home comprehensive care and medical services to home care clients, and supplemental healthcare staffing services to institutional clients. As of December 31, 2023, Executive Care had 21 franchises operating in the United States.

B & P Burke, LLC ("B&P") has offered franchises under the mark "Grasons" since May 2014. B&P's principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251. A Grasons franchise offers estate sale and business liquidation services. As of December 31, 2023, B&P had 31 franchises operating in the United States.

ALL Franchising, LLC ("ALL") and its predecessors have offered franchises under the mark "Assisted Living Locators" since May 2006. ALL's principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 85251. An Assisted Living Locators franchise assist seniors and their families in locating assisted living facilities, memory care communities, nursing homes, senior care homes and independent living senior communities. As of December 31, 2023, ALL had 134 franchises operating in the United States.

Brothers Parsons Franchising LLC ("Brothers") and its predecessor have offered franchises under the mark "The Brothers that just do Gutters" since July 2015. Brothers' principal business address is 8100 E. Indian School Road, Suite 201, Scottsdale, AZ 8525. A "The Brothers that just do Gutters" franchise provides gutter installation, maintenance, cleaning, repair, and related services and products. As of December 31, 2023, Brothers had 93 franchises operating in the United States.

Best Life Brands

Blue Moon Franchise Systems, LLC ("Blue Moon") has offered franchises under the mark "Blue Moon Estate Sales" since August 2013. Blue Moon's principal business address is 900 Wilshire Drive, Suite 102, Troy, MI 48084. A Blue Moon franchise sells personal property as well as the provision of consignment sales for those who are downsizing, relocating, or are deceased. As of December 31, 2023, Blue Moon had 109 franchises in operation in the United States.

Boost Franchise Systems, LLC ("Boost") has offered franchises under the mark "Boost Home Healthcare: since July 2021. Boost's principal business address is 900 Wilshire Drive, Suite 102,Troy, MI 48084. A Boost franchise offers intermittent care ordered by a doctor and performed by a home health aide and other licensed healthcare providers to patients of all ages with acute and chronic long term complex health conditions within the patient's residence or within health care facilities. As of December 31, 2023, Boost had 6 franchises in operation in the United States.

ComForCare Franchise Systems, LLC ("ComForCare") and its predecessor has offered franchise under the mark "ComForCare Home Care" since April 2021. ComForCare's principal business address is 900 Wilshire Drive, Suite 102, Troy, MI 48084. A ComForCare Home Healthcare franchise offers (i) companionship and personal/domestic care services, and other special needs services, primarily on a non-medical basis, for seniors and people of all ages so that they may remain in their residences, (ii) supplemental healthcare staffing services for persons who need this kind of assistance in their home or a facility in which they reside, and (iii) private duty nursing services. As of December 31, 2023, ComForCare had 230 franchises operating in the United States.

CarePatrol Franchise Systems, LLC ("CarePatrol") and its predecessor has offered franchises under the "CarePatrol" mark since April 2009. CarePatrol's principal address is 900 Wilshire Drive, Suite 102, Troy, MI 48084. A CarePatrol franchise offers senior living placement, referral, and consulting services to families. As of December 31, 2023, CarePatrol had 172 Care Patrol franchises operating in the United States.

Next Day Access, LLC ("Next Day") has offered franchises under the "Next Day Access: mark since 2012. Next Day's principal business address is 3150 Stage Post Drive, Suite 101. Bartlett, TN 38133. A Next Day Access franchise offers ramps and other products and accessories that enhance the life of physically disabled or challenged persons. As of December 31, 2023, Next Day had 27 franchises operating in the United States.

Threshold Brands

PHP Franchise, LLC ("PHP") has offered plumbing service franchises under the mark "Plumbing Paramedics" and heating and air conditioning installation and service franchises operating under the mark "Heating + Air Paramedics" since November 2021. PHP's principal business address is 750 E. 150th Street. Noblesville, IN 46060. As of December 31, 2023, PHP had 5 Plumbing Paramedics and 5 Heating + Air Paramedics franchises operating in the United States.

Maid Pro Franchise, LLC ("MaidPro") has offered franchises under the "Maid Pro" mark since February 1997. MaidPro's principal business address is 77 North Washington Street, Boston, MA 02114. A Maid Pro franchise offers home cleaning services for residential and commercial customers. As of December 31, 2023, MaidPro had 238 franchises operating in the United States.

FlyFoe, LLC d/b/a Patio Patrol ("Patio Patrol") has offered franchises since February 2018. Patio Patrol's principal business address is 77 North Washington Street, Boston, MA 02114. A Patio Patrol franchise offers residential and commercial mosquito, wasp, fly, tick control and other general pest control services. As of December 31, 2023, Patio Patrol had 7 franchises operating in the United States.

Men In Kilts US, LLC ("MIK") has offered franchises under the mark "Men in Kilts" since March 2019. MIK's principal place of business is 77 North Washington Street, Boston, MA 02114. A Men in Kilts franchise offers window cleaning, gutter cleaning, pressure washing, siding cleaning, snow removal and other related services. As of December 31, 2023, MIK had 20 franchises operating in the United States.

Pestmaster Franchise Network, LLC ("Pestmaster") and its predecessor has offered franchises under the "Pestmaster" mark since June 2021. Pestmaster's principal business address is 9716 South Virginia Street, Suite E, Reno, NV 89511. A Pestmaster franchise offers structural and agricultural pest control and related services. As of December 31, 2023, Pestmaster had 52 franchises operating in the United States.

USA Insulation Franchise, LLC ("USA Insulation") has offered franchises under the "USA Insulation" mark since March 2006. USA Insulation's principal business address is 17700 Saint Clair Avenue, Cleveland, OH 44110. A USA insulation franchise offers residential insulation services. As of December 31, 2023, USA Insulation had 100 franchises operating in the United States.

Granite Garage Floors Franchising, LLC ("Granite") has offered franchises under the mark "Granite Garage Floors" since June 2013. Granite's principal business address is 110 Mansell Circle, Suite 375, Roswell, GA 30075, A Granite Garage Floors franchise sells and installs residential garage floor coating systems. As of December 31, 2023, Granite had 44 franchises operating in the United States.

Mold Medics Franchising LLC ("Mold Medics") has offered franchises under the "Mold Medics" mark since December 2020. Mold Medics' principal business address is 811 Washington Avenue, Carnegie, PA 15106. A Mold Medics franchise offers mold remediation, air duct cleaning, radon testing and mitigation services, and other services and products. As of December 31, 2023, Mold Medics had 1 franchise operating in the United States.

Sir Grout Franchising, LLC ("Sir Grout") has offered franchises under the "Sir Grout" mark since August 2007. Sir Grout's principal business address is 77 North Washington Street, Boston, MA 02114. A Sir Grout franchise offers grout and tile cleaning, sealing, caulking and restoration services and other services. As of December 31, 2023, Sir Grout had 62 franchises operating in the United States.

Miracle Method LLC ("Miracle") and its predecessors have offered franchises under the "Miracle Method" mark since September 1996. Miracle's principal business address is 4310 Arrowswest Drive, Colorado Springs, CO 80907. A Miracle Method franchise offers refinishing and restoration of bathtubs, sinks, showers, tiles, countertops, and similar surfaces. As of December 31, 2023, Miracle Method had 194 franchises and 2 master franchises operating in the United States.

EverSmith Brands

U.S. Lawns, Inc. ("U.S Lawns") has offered franchises under the mark "U.S. Lawns" since August 1986. U.S. Lawns' principal business address is 6700 Forum Drive, Suite 150, Orlando, FL 32821. A U.S. Lawn franchise offers outdoor commercial property and landscaping services. As of its last fiscal year, U.S. Lawns had 208 franchises operating in the United States.

milliCare Franchising, LLC ("milliCare") and its predecessors have offered franchises since January 2011. milliCare's principal business address is 1515 Mockingbird Lane, Suite 410, Charlotte, NC 28209. A milliCare franchise offers cleaning and maintenance of floor coverings and interior finishes and related services under the mark "milliCare Floor & Textile Care." As of December 31, 2022, milliCare had 56 franchises operating in the United States.

Kitchen Guard Franchising, Inc. ("Kitchen Guard") has offered franchises s under the mark since August 2023. Kitchen Guard's principal business address is 1515 Mockingbird Lane, Suite 410, Charlotte, NC 28209. A Kitchen Guard franchise offers commercial kitchen exhaust system cleaning, inspection, maintenance, and restoration services. As of December 31, 2023, there were no Kitchen Guard franchises operating in the United States.

The Franchise Offered

We grant franchises for the operation of upscale salons ("Salon") featuring the application of semi-permanent and temporary eyelash and other eye-enhancing services, as well as facial threading services, combined with a retail offering of private label cosmetic and skin care lines under the trade name and trademark THE LASH LOUNGE® and other trademarks, service marks, logos and catch phrases ("Marks").

Our proprietary business format and system ("System") includes distinctive interior and exterior design, décor, color scheme, graphics, fixtures and furnishings, our proprietary products, operations, and customer service standards and procedures, advertising and marketing specifications and requirements, and other standards, specifications, techniques, and procedures that we designate for developing, operating, and managing a THE LASH LOUNGE® Salon, all of which we may change, improve, and further develop (collectively, our "Standards").

A typical Salon is located in or adjacent to a major shopping mall, outlet mall, retail strip mall or shopping center, or, in the alternative, in an urban storefront, and ranges between 1,000 to 1,715 square feet (the "Premises"). You will operate the Salon according to our standard franchise agreement (see Exhibit B) and our Standards, specifications, policies and procedures which will be communicated to you via our confidential operations manuals and other written directives (collectively, our "Manuals").

Multi-Unit Offering

We also offer qualified individuals and entities the right to open and operate multiple Salons 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 Salon (the "Development Schedule"). Development Agreements are most often offered in markets which fall within the top 200 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 200 MSAs").

You will have the right to find and secure locations from which to operate your Salon 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 or real-estate selection priority within this area. Site Selection Areas are assigned when you are actively seeking to open the next salon within the Development Agreement, not before.

You will be required to sign a Franchise Agreement for your initial Salon at the same time you sign your Development Agreement, with only the first salon being assigned a corresponding Site Selection Area of your choosing. You will sign our then-current form of franchise agreement for each subsequent Salon in accordance with a development schedule, with a site selection area assigned at that time.

Under the Development Agreement, you will pay us a one-time development fee that will be calculated based on the number of Salons 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 Salon to be developed pursuant to your Development Agreement.

Market and Competition

You will sell products and provide services that are part of THE LASH LOUNGE® standard portfolio and which appeal to beauty conscious women of all ages, but primarily within the 30 to 50 age range.

The semi-permanent and temporary eyelash market is an emerging industry. You will compete with various established national and local semi-permanent and temporary eyelash businesses as well as businesses offering skin care and general day spa services. THE LASH LOUNGE® Salon sales may be partially seasonal with higher sales during the holiday months and the traditional spring and summer wedding seasons.

Special Industry Regulation

A number of states and local jurisdictions have enacted laws, rules, regulations and ordinances which may apply to the operation of your Salon, including those which (1) establish licensing and certification requirements for businesses in general, (2) establish general standards, specifications and requirements for the construction, design and maintenance of the Salon location; (3) establish licensing and certification requirements for technicians (such as requirements that technicians be a certified health professional, licensed as either an esthetician, cosmetologist, or nurse), (4) regulate matters affecting the health, safety and welfare of your customers, such as general health and sanitation requirements for salons; (5) set standards pertaining to employee health and safety; (6) set standards and requirements for fire safety and general emergency preparedness, and (7) regulate the proper use, storage and disposal of waste and other

hazardous materials. We recommend you consult with legal counsel or other professional advisors to help you investigate and understand these laws before you purchase a franchise.

It is important to note that most states require technicians who provide certain services be a certified health professional, licensed as either an esthetician, cosmetologist, or nurse. In addition, some states impose a similar minimum certification or license requirement on technicians who apply eyelash and eyebrow extensions.

ITEM 2
BUSINESS EXPERIENCE

Chief Executive Officer and President: Meg Roberts

Ms. Roberts has served as our Chief Executive Officer and President since April 2020, before which she served in those capacities for our predecessor since July 2018. Meg has served as the CEO of our parent, Head to Toe Brands, since March 2024. Previously, from September 2012 to August 2018, Meg served as President of Molly Maid, Inc. in Ann Arbor, Michigan.

Chief Operating Officer (Head to Toe Brands): Kristin Kidd

Ms. Kidd has served as the Vice President of Operations since December 2021. Prior to being promoted to Vice President, Kristin served as the Director of Operations for us and our predecessor from 2018 to 2021. Previously, from July 2009 to March 2018, Kristin served as the Vice President of Sales and Operations, overseeing 27 School of Rock franchise locations, then transitioned in 2018-present as a multi-unit franchisee.

Kristin Kidd has served as the Chief Operating Officer of Head to Toe brands since June, 2024. Previously she served as the Vice President of Operations for The Lash Lounge from December 2021 to June 2024. Prior to being promoted to Vice President, Kristin served as the Director of Operations from 2018 to 2021 of The Lash Lounge. From July 2009 to March 2018, Kristin served as the Vice President of Sales and Operations, for 27 School of Rock franchise locations, then transitioned in 2019-present as a multi-unit franchisee.

Brand Leader: John Babcock

John Babcock has been the Brand Leader for The Lash Lounge since August 2024. Since 2018, John has owned two franchised Lash Lounge salons operating in the Detroit, Michigan Metro area.

Vice President of Operations and Training: Noelle Peter

Noelle Peter has been as the Vice President of Operations and Training since June 2024. Before stepping into this role, she was our Director of Operations from January 2023 to May 2024. Noelle previously served as our Senior Franchise Business Manager from January 2021 to December 2022, and Franchise Business Manager from May 2018 to December 2021. Alongside her corporate roles, Noelle has held an ownership interest in two Lash Lounge franchisees located in Pennsylvania since April 2021.

Board Member: Tom Silk

Mr. Silk has served as our Board Member since February 29, 2024. Tom has also served as a board member of our affiliate, Bishops, since April 2023 and Frenchies since November 2023. Mr. Silk has served on the board of our parent, Head to Toe Brands, since April 2023. In addition, Tom has served as Chairman for

TES Solutions in Cleveland, Ohio since September 2022. Previously, Tom served as CEO for WorkStride in New York, New York from January 2013 to April 2022.

Board Member, Aakeem Andrada

Aakeem Andrada has served as our Board Member since February 29, 2024. Aakeem has also served as a board member of our affiliate, Bishops, since April 2023 and Frenchies since November 2023. Aakeem has served on the board of our parent, Head to Toe Brands, since April 2023. In addition, Aakeem has served as a board member of Performance Systems Integration, LLC in Portland, Oregon since July 2020. He has served as an Analyst, Associate and Senior Associate at the Riverside Company in Santa Monica, California since June 2018.

Board Member: Anna Phillips

Anna Phillips has served as our Board Member since February 29, 2024. Ms. Phillips has served as the Chief Innovations Officer of The Lash Lounge since 2018 and is the brand's founder. Ms. Phillips will serve the brand in a variety of capacities as determined by the CEO.

ITEM 3
LITIGATION

SKB Ventures, Inc., et al. v. The Lash Lounge Franchise, LLC, Case No. 01-19-0001-8624. On June 14, 2019, SKB Ventures, Inc., a system franchisee, and its owners, Scott Barserian, and Kathleen Barserian filed a Statement of Claim with the American Arbitration Association ("AAA") against franchisor The Lash Lounge Franchise, LLC ("TLLF"), alleging that TLLF misrepresented salon construction and pre-opening training estimated costs, claiming fraudulent and negligent misrepresentation, violations of the Texas Deceptive Trade Practices Act, and Texas Business Opportunity Act, and violations of the California Franchise Investment Law and California Business & Professions Code, and seeking rescission of the underlying franchise agreements as well as actual and compensatory damages. Rather than continuing with the expense of litigation, without either party admitting liability the parties settled matter on February 4, 2020, and exchanged releases. Under the terms of the settlement SKB Ventures, Inc would remain a franchisee and continue operating two units. Franchisor agreed to pay SKB Ventures, Inc the sum of $50,000 and release SKB Ventures, Inc from the obligations of developing any additional units. The Franchisee was also granted temporary royalty relief.

Cilios Corporation, et al. v. The Lash Lounge Franchise, LLC, Case No. 01-19-0001-8628. On June 14, 2019, Cilios Corporation, a system franchisee, and its owners Carlos Bennazar, and Dana Bennazar, franchisee's guarantors and multi-unit developers, filed a Statement of Claim with the AAA against franchisor, TLLF, alleging that TLLF misrepresented salon construction and pre-opening training estimated costs, claiming fraudulent and negligent misrepresentation, violations of the Texas Deceptive Trade Practices Act and Texas Business Opportunity Act, and violations of the Florida Deceptive and Unfair Trade Practices Act and Florida Franchise Act, and seeking rescission of the underlying franchise agreement as well as actual and compensatory damages. On August 9, 2019, The Lash Lounge Franchise, LLC filed its answer to the Statement of Claim and filed a counterclaim against Carlos Bennazar and Dana Bennazar alleging breach of the Development Agreement and seeking damages in excess of $400,000. Without either party admitting liability the parties settled matter on February 10, 2020, and exchanged releases. Under the terms of the settlement Cilios Corporation would be required to cease operations as a franchisee, deidentify, and exit the system. Franchisor agreed to pay Cilios Corporation $31,000 upon deidentification so long as they complied with the terms. Cilios Corporation agreed to sell remaining development rights back to the Franchisor for the sum of $81,000. The Franchisee was also granted temporary royalty relief.

Walter and Susan Mickens and MaxWorth 1, LLC v. The Lash Lounge Franchise, LLC, Franworth TLL Holdings, LLC, and Franworth, LLC, Case No. 01-19-0003-0770. On September 27, 2019, MaxWorth 1, LLC, a system franchisee and multi-unit developer, and its owners, Walter and Susan Mickens, filed a Statement of Claim with the AAA against franchisor The Lash Lounge Franchise, LLC, as well as its member affiliate, Franworth TLL Holdings, LLC and its service provider and member affiliate Franworth, LLC (together "Defendants"), alleging that the Defendants misrepresented salon construction and pre-opening training estimated costs, claiming fraud in the inducement, unjust enrichment, conversion, rescission, violations of the California Franchise Investment Law, the California Unfair Competition Law, the Michigan Franchise Investment Law, and the Texas Deceptive Trade Practices Act, and seeking rescission, and an unspecified amount of actual, compensatory, special, treble, and restitution damages, as well as pre- and post-judgement interest, arbitration and attorneys' fees and costs. Without either party admitting liability the parties settled matter on March 16, 2020, and exchanged releases. As part of the settlement, the development rights of MaxWorth 1, LLC were terminated. Franchisor paid $59,500 to MaxWorth 1, LLC.

Bobala Sparks Enterprises, LLC, The Main Spark, LLC, and Lash Concepts, LLC v. The Lash Lounge Franchise, LLC, Case No. 01-21-0002-4171. On March 23, 2021, Claimants (one current franchisee and two franchisees who had received notices of termination) filed a Demand for Arbitration with the AAA against The Lash Lounge Franchise, LLC ("TLLF"), alleging fraudulent misrepresentation and violations of state and federal law in connection with the sale of the franchises to Claimants. Claimants sought rescission, actual and compensatory damages, and attorneys' fees. TLLF asserted that two of the Claimants had wrongfully abandoned their franchises and sought lost future royalties from Claimants. Without either side admitting liability, the parties settled the matter on May 11, 2021. Under the terms of the settlement, TLLF agreed to repurchase two undeveloped units from the Claimants for $50,000, to allow Claimants a 3-month opportunity to sell one of their terminated franchises, to pay Claimants $35,000, and to grant Claimants temporary royalty relief and complimentary training to assist in their ongoing franchised salon. The settlement also included a mutual release.

Other than the above four matters, no litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee

When you purchase the right to develop a single Salon, at the time you sign the Franchise Agreement, you will pay us an Initial Franchise Fee of $60,000. If you qualify for the VetFran program sponsored by the International Franchise Association ("IFA") or if your franchise entity is at least 51% woman or minority owned, the Initial Franchise Fee you pay for a single Salon 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 Salons are offered in markets which are located within the Top 200 MSAs. If we grant you the right to develop multiple Salons, at the time you execute the Development Agreement, you will pay 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 Salon 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 typically execute our current form of Franchise Agreement for the first Salon 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 salon you open, you will sign the current Franchise Agreement, which may differ from the Franchise Agreement associated with your first salon.

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 franchisees.

Initial Training Fees

Prior to opening, you will pay to us a $8,000 initial training fee for our three-stage initial training program. The initial training fee is due in a lump sum at the time of signing and is not refundable under any circumstances. The initial training fee is uniformly imposed for first salons or salons that transfer ownership and includes a 9-day Business Training, currently hosted in Dallas, TX and concluding with on-site Salon Training with a salon opener and Corporate Stylist Trainer at the time of salon opening. This Initial Training Fee is due only in connection with your first Salon and does not apply to the subsequent Salons opened under a Development Agreement. Currently, Initial Training for subsequent salons will be offered at the rates provided in Item 6 and includes the fees associated with the return of a salon opener and Corporate Stylist as required by the franchisor.

ITEM 6
OTHER FEES

Franchise Agreement

Type of Fee[1]	Amount	Due Date	Remarks
Royalty Fee	6% of Gross Revenue per month. 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 Franchisor reserves right to collect weekly with 30-days' notice.	The first month may be either a full or partial calendar month, depending on what day the Salon opens for business. See Note 2 for the definition of Gross Revenue.
Marketing Fee	2% of Gross Revenue	Monthly, currently	See Item 11. See Note 2 for the definition of "Gross Revenue."

Type of Fee[1]	Amount	Due Date	Remarks
		the 9th business day of the month	
Local Advertising	At least $2,000 per month during first 12 full months of operation; Afterwards, at least $1,500 per month	Monthly local advertising requirement must be spent before the end of each month	You must spend the required minimum expenditure amount per month in your local market to promote the Salon. See Item 11.
MarTech Fee	Currently, $135 per month per salon, increasing to $185 per month in October 2024	Monthly, currently the 8th business day of the month	The MarTech fee is considered a component of the Local Advertising requirement but is collected by the Home Office in conjunction with Marketing Fee. The MarTech fee is applied directly to digital utilities, hosting and all other initiatives for which central billing to the Home Office can provide a single to the franchisee. We reserve the right to increase this fee in relationship to direct expenses with 30 days' notice. To be paid in the same manner and time frame as the Marketing Fee. See Item 11.
Cooperative Advertising	At least $1,500 per month, when established	Monthly, currently the 5th of the month	If we require you to participate in an established cooperative advertising campaign for your market area, your $1,500 minimum monthly cooperative contribution will satisfy your local advertising requirement once the Salon is open at least 12 full months.

Type of Fee[1]	Amount	Due Date	Remarks
Additional Training, including but not limited to advanced training, opening training, transfer/resale training, Ongoing Assistance, Continuing Education, Regional Meetings, Convention, Manager Training and the local salon trainer program	$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 fee of $300 per day, per attendee, is payable to us before we provide the applicable training. We may, at our option, send our personnel to your Salon to provide mandatory training if you have failed two consecutive quality inspections, are deemed non-compliant or have failed to attend or participate in mandatory training and/or meetings. You will be responsible for all training fees and associated travel costs is such training is required.
Continuing Education Requirements	Varies with circumstances	Upon demand	See Note 3.
Convention or Continuing Education 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, regional meeting or annual training meeting. For any required training you do not attend, you will pay the same registration fee as attendees – whether you attend or not. You are responsible for all costs of attending convention, including travel, lodging, meals and wages.
Technology Fee	Currently, $500 for the first month, then $215 per month per Salon	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. 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 reasonable 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 Salon is from an

Type of Fee[1]	Amount	Due Date	Remarks
			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 agreement	See Item 17 for more information regarding renewal
Audit	Amount disclosed in the audit, plus our costs to conduct the audit	Upon demand	If an audit discloses an underpayment of the Royalty Fee due to us of 2% more, you must pay us 1.5 times the amount in error plus our costs and expenses for the audit.
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 to us are not paid promptly when due.
Point of Sale (POS) and TextMessaging 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.
Required Bookkeeping Software (currently QuickBooks Online)	Currently, $28 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	Currently, $17 per month per telephone and $4 per	As incurred	You must use our designated supplier for your voice over

Type of Fee[1]	Amount	Due Date	Remarks
365, and Antivirus Software	month per telephone line, $17.50 per month for Email and Office 365, $4 per month for antivirus software		internet protocol phone system. This fee is imposed by us but payable to a third party and is subject to change.
Office Music Licensing	$25 per month	Monthly	This fee is payable to a third-party provider and subject to change. This fee covers monthly music licensing.
Office Fragrance Services	$25 to$109 per month	Monthly	This fee is payable to a third-party provider and subject to change
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 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

Type of Fee[1]	Amount	Due Date	Remarks
			Salon.

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 THE LASH LOUNGE® Salon; (2) all monies, trade value or other things of value that you receive from Salon operations at, in, or from the Salon 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 THE LASH LOUNGE® Salons (if you operate multiple Salons) 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 Salon premises; (b) returns to shippers, vendors, or manufacturers; (c) sales of fixtures or furniture after being used in the conduct of the Salon 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 technicians must comply with our mandated continuing education requirements. For certain technicians, 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 Salon.

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 Salon.

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	Lump sum	When Franchise Agreement is signed	Us
Lease Payment (first 3 months)[2]	$12,700 - $18,500	As arranged	As incurred	Landlord
Security Deposits[3]	$4,500 - $18,500	As arranged	As incurred	Landlord
Leasehold Improvements[4]	$155,492 - $300,000	As arranged	As required	Contractors and third-party suppliers

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Furniture, Fixtures, Décor, and Equipment[5]	$63,000 - 98,500	As arranged	As required	Approved Suppliers
Salon Layout, Architect, Engineer, Drawings, and Permits[6]	$3,200 - $17,500	As arranged	As required	Approved suppliers, your architect and engineer
Real-Estate and Construction Management[7]	$7,000 - $18,000	Lump sum	As incurred	Approved suppliers or third-party suppliers
Initial Supplies[8,]	$8,500 - $12,290	As arranged	As incurred	Approved suppliers
Outdoor Signage[9]	$6,000 - $22,500	As arranged	As incurred	Approved suppliers
Point of Sale ("POS") Register, Hardware, Software1[10]	$6,300 - $9,700	As arranged	As incurred	Approved suppliers
Pre-opening training expenses (per person)[11]	$8,000 - $10,000	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 - $500	As arranged	As incurred	Third party suppliers
Marketing (first three months)	$7,000 - $10,000	As arranged	As incurred	Approved suppliers
Business Licenses, Permits, etc. (first year)	$655 - $5,000	As agencies require	As agencies require	Applicable agencies
Insurance Deposits and Premiums (first three months)	$1,400 - $8,500	As agent requires	Before opening	Insurance carriers
Professional Fees (first year)	$800 - $10,000	As arranged	As incurred	Your accountant, attorney, and other professionals
Additional Funds - (first three months)[12]	$40,000 - $100,000	As arranged	As incurred	Various
Grand Total[13]	$384,797 - $719,490			

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 Salon	$324,797 - $659,490	Totals from Chart A of this Item 7 less the Initial Franchise Fee.		

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Grand Total[13]	$434,797 - $769,490 (2 Salons) $459,797 - $794,490 (3 Salons)	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 Salon 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 Salons.

Note 2. We reserve the right to approve the location of your Salon, and you must construct, remodel, alter and improve the location to our specifications. A typical salon 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 salon location will range from 1,000 to 1,600 square feet and the cost of leasehold improvements will vary depending upon factors such as size, condition of premises, and location. Monthly lease payments ranged from $4,209 to $5,832, however many variables contribute to final lease terms such as location, size and type of space. You may be asked to pay your first months' rent in advance.

Note 3. Based on our historical data, security deposits are generally required by utility providers, the landlord (one month's rent), and equipment lessors.

Note 4. Construction and remodeling costs vary widely, depending upon geography, real-estate demand, labor costs, the salon 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. The range assumes a Salon from 1,000 to 1,600 square feet. Construction costs will be higher if the size of your Salon is larger. Based on our and our franchisees' experience, such tenant improvement allowance can range between $0 per square foot to $55 per square foot, with an average tenant improvement allowance of $54,070. Build-out costs per square foot have ranged from $97 to $183, net of tenant improvement allowances, but can vary based on space requirements.

Note 5. Furniture, fixtures and equipment also includes all interior design elements, millwork, interior signage and bed packages, and initial cosmetic inventory. If any special or additional equipment or fixtures is needed to provide salon services you must acquire that equipment or fixture, the cost of which may be significant. Typically, salons will range from six to nine stations, with the most typical being eight beds and the largest being twelve. The number of beds in a salon is dependent upon the size of the size of the salon. Shipping costs and sales tax are included in this range but will vary depending on your location.

Note 6. This range includes our supplier's fee for your salon layout design.

Note 7. You are required to use our approved supplier for real estate and construction management services. The fee for these services is $17,500. The low end depicted in the chart represents the expected fee for franchisees currently in the system developing subsequent salons who may elect to use alternative construction services on a subsequent salon but are required to still use our real-estate project management. There may be occasions where an existing franchisee will forgo both real estate and construction services but only with pre-approval from the Home Office, adherence to all real estate standards and payment of a $2,000 breakage fee.

Note 8. The initial supplies accounted for in this range include all start-up supplies including office, backbar, merchandising, salon ambiance supplies and business supplies (such as stationery, business cards, brochures, and other print materials) and other general supplies. It also includes the initial cosmetic inventory that must be purchased from our designated supplier.

Note 9. This range covers the cost of outdoor signage. Th low range represents the cost of a single sign, while the high range covers the cost of two outdoor signs. We do not require two outdoor signs.

Note 10. 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, Salon 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 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, meals, and wages. 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 Dallas, Texas. Any fees related to additional training needed or requested beyond those which are initial are represented in the Franchise Agreement.

Note 12. These amounts are the total minimum recommended levels to cover operating expenses including your employees' salaries and stylist wages, and local marketing for three months. However, we cannot guarantee that those amounts will be sufficient. 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 franchisees.

Note 13. This range represents the total estimated initial investment required to open the initial Salon 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 Salons you agree to develop under your Development Agreement. These figures are estimates of your initial expenses covering the first three months of your operation. We cannot guarantee you will not have additional expenses starting the business. All amounts are non-refundable unless otherwise noted.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Purchases from Approved or Designated Suppliers

Salon Supplies

The integrity of our brand is directly related to our products and services. You must purchase from us, an affiliate or our designated suppliers, all products and supplies needed to provide Salon services including eyelash extensions, glue, eye pads, eyelash coloring and design products, and, if applicable, any other products that relate to our current or developing services. Currently, we are the supplier of these products and supplies.

Salon Retail Products Inventory

You must also purchase from us or from designated suppliers all private label cosmetics and skin care lines. 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 cosmetics and skin care line ("Private Label Products") which you must also purchase from us. You must purchase and maintain the minimum level of inventory of our Proprietary Products as needed to meet the Salon'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. None of our officers has an interest in any third-party suppliers, or a material interest in any publicly held suppliers of THE LASH LOUNGE® franchise system but reserve the right to do so in the future.

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

You will engage our designated supplier for the layout design of your Salon. We reserve the right to require that you use our approved supplier for construction management services. We require the use of a designated supplier for much of the Salon's furniture and fixtures. 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 Salon. 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, scent licenses and music licenses. See Item 11 for more information about computer hardware and software requirements.

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 you with an approved list of 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 of 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.

Except as stated in this disclosure document, you are not obligated to purchase from a particular approved supplier, but must use specific brands of equipment, and in some situations certain comparable brands of equipment may be acceptable, subject to our prior written approval.

Franchised Location and Lease

You are required to use our designated supplier for real-estate and site selection assistance and project management. You must acquire a site for your Salon that meets our site selection criteria and that we

approve. If you occupy the Salon 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 Salon 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 Salons under a Development Agreement, you may not enter into your Franchise Agreement for each subsequent Salon opened under your Development Schedule until you have received 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: The Lash Franchise Holdings, 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 Salon is located and must have an A.M. Best rating of "A" or higher.

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 may 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, 2023, we received $0 revenues as a result of franchisee purchases or lease. During its fiscal year ending December 31, 2023, our former affiliate The Lash Lounge Products, LLC derived $224,850 in revenue from required franchisee purchases. During its fiscal year ending December 31, 2023, our former affiliate Liberty Distribution, LLC derived $3,343,154 in revenue from required franchisee purchases.

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

We estimate that substantially all of your expenditures for leases and purchases in establishing your Salon and approximately 30% to 35% of your total annual operating expenses on an ongoing basis will be goods and services which are subject to sourcing restrictions (that is, for which suppliers must be approved by us, or which must meet our standards or specifications).

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 Salon 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
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., 12.3., and 12.4. Development Agreement: Article 2	Items 5, 6, 8 and 11

Obligation	Section(s) in Franchise Agreement and Development Agreement	Disclosure Document Item
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
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, The Lash Franchise Holdings, LLC, is not required to provide you with any assistance.

Pre-opening Obligations.

Before you open the Salon for business:

1. You will select and we will assign the Site Selection Area in which you may locate your Salon before you sign the Franchise Agreement, and we will approve or refuse to approve the specific Salon 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 Salons, we will designate your Site Selection Area where you will have the right to locate and secure a Premises for each of your Salons. At no time will a franchisee be provided exclusive rights to any Site Selection Area outside the single Site Selection Area in which they are currently in development. (Development Agreement, Section 1)

2. We will admit two individuals to our initial 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 on-site training to you and to your stylists. This training will be provided on-site at your Salon, 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 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 267 pages.

5. 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 Salon, 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. We do not directly contribute to the hiring of employees. However, we provide assistance in the initial training for opening the Salon. We will provide minimum service and retail pricing for all services and products. We have 5 pricing tiers which franchisees choose from based on their market dynamics, competitive assessment and market conditions. Although we assist with this choice, you will have the final determination on the pricing tier selection. We do not have any price maximums. (Franchise Agreement, Section 5.4.)

Continuing Obligations.

During the operation of the Salon:

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 Salon, advertising and marketing advice, and certain financial 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 THE LASH LOUNGE® Salons 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. Franchisees are required to use only pre-approved suppliers for print and promotional purposes to maintain the design efficacy of The Lash Lounge. Franchisees are permitted to engage in organic social media and events, always following the System Standards and without seeking approval. The franchisor maintains the right to adjust permissions, as necessary.

Marketing Fee

We do not require that you contribute to an advertising fund. As described in Item 6, however, we impose and collect 2% of Gross Revenue as a Marketing Fee which compensates us for certain 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 do so, it is our intent to spend Marketing Fee monies, or an equivalent amount, on 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 Salon'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 our most recently completed fiscal year, Marketing Fees were spent in the following approximate percentages: 19% media; 41% administrative expenses; 18% website; 12% creative; 5% professional fees; and 5% 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 during the first 12 full months of the Salon's operation on approved marketing and promotional activities in your market area. After the first 12 full months of operation, you must spend a minimum of $1,500 per month to promote the Salon in your market area. 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. As a component of your Local Marketing Spend, you will pay the then-current monthly MarTech fee to the Home Office as described in ITEM 6.

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 Salon 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.

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 Salon operations (the "Computer System"). You will use the Computer System as a cash register system, a customer data 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 Salon'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 $3,493 to $10,213. This amount includes the cost of installation and the POS initial set up fee described below. You must purchase both the required hardware and software from our designated and approved suppliers. Your Salon 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, 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 $28 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 and $4 per month for antivirus software.

We have also established a Technology Fee, currently $500 for the first month, the $215 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 plasma or LCD screens.

Except as described above, neither we, our affiliates, nor any third parties must provide ongoing maintenance, repairs, upgrades, or updates to your computer system or other computer equipment. Except

as described above, there are currently no optional or required maintenance/upgrade contracts for the Computer System or other computer equipment.

You must install any other hardware and/or software for the operation of the Salon 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 THE LASH LOUNGE® Salons.

Initial Training Program

The Initial Training Program consists of two components for a fee of $8,000. The initial training fee is due at the time of signing and is not refundable. The first component is "Business Training is typically hosted in Dallas, TX. The second component, "Salon Opening Training" including technical training is conducted in your salon, just prior to opening. You are eligible to attend 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 Business 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 salon operations, we strongly recommend you have them attend this training as well. 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 Business Training. Our training Director, Jill Biggs has over 7 years' experience in training in the health and beauty industry, including experience in the field of eyelash extensions, lash services, retail sales, selling, training protocol, guest assessment, sanitizing practices and all aspects of the professional training program for The Lash Lounge. The Initial Training Program is only required in connection with your first salon, so long as you will be the general manager of your subsequent salons.

The Initial Training Program Fee of $8,000 currently includes Business Training and the cost of travel for the corporate stylist trainer and salon opener to provide Salon Opening Training at your first Salon only. The cost of owner or manager related travel is not included in the $8,000 fee. Any/all additional training, including training for—if applicable, requested or required by the franchisor—your second and subsequent Salons, is currently provided at $300/day plus travel.

The initial training program is held on an as needed basis and is directed by our Vice President, Kristin Kidd. Kristin Kidd has over 15 years' experience in training in the health and beauty industry, conducting new store openings, and membership-based businesses. Ms. Kidd oversees all aspects of training, including the Corporate Training department led by Ms. Biggs. Ms. Kidd's experience includes leading all sales and management training, financial planning, employee hiring, marketing, operations, point of sale systems and data and KPI management. Each component of the initial training program must be completed to our satisfaction. 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 - 36	0	Dallas, Texas or such other designated training center
Retail Sales, Product Knowledge, Purchasing and Inventory	5	0 - 5	Dallas, Texas or such other designated training center
Marketing, Grand Opening and Ongoing Marketing	5	0 - 5	Dallas, Texas or such other designated training center
Owner Immersion to Stylist Training	20	0 - 20	Dallas, Texas or such other designated training center.
Stylist Service Training	0 - 20	0 - 40	On the job training: your Salon location
Salon Operations and Front Desk Management Training	8	0 - 8	On the job training: your Salon location
TOTAL	54 - 94	0 - 78	

If we determine, however, that you have not met the minimum requirements for the establishment of the Salon 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

When you sign the Franchise Agreement, we will agree on a "Site Selection Area" within the MSA which you must locate the Salon. If we grant you the right to open multiple franchises under our form of Development Agreement, you will be granted similar Site Selection Areas within the same MSA at which time you are approved to open the next salon in agreement with the requirements as set forth in your Development Schedule. Franchisees are approved to start pursuing subsequent salons upon a successful opening of their initial salon and after applying for consideration. This is typically 12-24 months from the initial salon opening and includes a review of their performance and financial statements to confirm they are ready to advance into the next salon. Matters pertaining to the disposition assignment of Site Selection Areas within an MSA are defined in the System Standards and may be updated from time to time. Once you have identified an acceptable location, we will define and provide you with a "Protected Area." This "Protected Area" will consist of an area, typically a circle, surrounding your premises containing a population of up to 40,000 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 Salon by no later than the Control Date identified in the Franchise Agreement, which is one year from the effective date of the Franchise Agreement and typically means securing a site no later than six months after signing the Franchise Agreement. If you fail to acquire an acceptable site and open by Control Date, we may grant you an extension so long as you have engaged our designated supplier for site selection services and are actively pursuing an acceptable Salon location. If you are not actively pursuing a salon location, we may terminate the Franchise Agreement. You acknowledge that Franchisee Fees are earned upon receipt and that no refund is available to you if you fail to open. For each proposed site that you identify through partnership with our required real-estate provider, 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. Factors the Franchisor considers in approving sites are demographics of the area, rent and square footage. Franchisor does not generally own the premises, nor leases it to the franchisee.

A Salon usually opens for business within twelve months after the Franchise Agreement is signed. You must find a site and enter into a lease within 9 months from signing your Franchise Agreement. 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 Salon by the Control Date, we can terminate the Franchise Agreement. If you have entered into a Development Agreement to open multiple Salons, your Development Agreement will include a Development Schedule containing a deadline by which each Salon must be open and operating. If you fail to develop each Salon by its corresponding deadline, we may terminate the Development Agreement.

ITEM 12
TERRITORY

Franchise Agreement

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.

You will operate the Salon at a location that we have accepted and may relocate the Salon 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 Salon 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 Salon location, which we accept, from within your designated "Site Selection Area" within the MSA identified in Attachment B. When the Salon 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 40,000 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 Salon under the trademark THE LASH LOUNGE® 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 eyelash extension and other related 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 Salon location. Therefore, so long as your customers come to your Salon 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 THE LASH LOUNGE® 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 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 Salons.

Development Agreement

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.

If you enter into a Development Agreement, we will assign an MSA and provide a Development Schedule. We will assign a Site Selection Area for each salon as needed. 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 initial Site Selection Area, within an MSA, 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 a 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 THE LASH LOUNGE® franchises you agreed to open as part of your Development Schedule within the MSA, with subsequent Site Selection Areas assigned only at which time you are approved to advance to the next salon opening. Franchisees are approved to start pursuing subsequent salons upon a successful opening of their initial salon and after applying for consideration. This is typically 12-24 months from the initial salon opening and includes a review of their performance and financial statements to confirm they are ready to advance into the next salon. We do require that you locate, review, and secure these locations using our approved supplier for site selection services. Your rights within the MSA and Site Selection Area are non-exclusive but are representative of the inventory of licenses we award within a given MSA. 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 Salon to be developed per your Development Agreement, we will grant you a Protected Area around that Salon 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 Salons Opened Within Development Period	Cumulative No. of Salons 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

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 Salons 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 THE LASH LOUNGE® Salons, 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 Salons, 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 Salons, other than as specifically provided for in your Development Agreement if you are granted multi-unit development rights. Regardless, each Salon 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 own the following Marks which have been registered on the Principal Register of the United States Patent and Trademark Office ("USPTO"):

Mark	Registration Number	Registration Date	International Class
THE LASH LOUNGE (standard characters)	3,866,558	October 26, 2010	44
THE LASH LOUNGE (stylized design)	3,959,255	May 10, 2011	44, 3

Mark	Registration Number	Registration Date	International Class
WELCOME TO YOUR NEW ADDICTION (standard characters)	3,899,136	January 4, 2011	44
THE LASH LOUNGE (stylized design)	5,883,686	October 15, 2019	44
THE LASH LOUNGE (stylized design)	6,066,783	June 2, 2020	44
THE LASH LOUNGE (stylized design)	6,011,504	March 17, 2020	44, 3
THE LASH LOUNGE (stylized design)	6,111,482	July 28, 2020	44, 3
THE LASH LOUNGE (stylized design)	6,111,483	July 28, 2020	44, 3

There are no currently effective material determinations of the USPTO, Trademark Trial and Appeal Board, or the trademark administrator of any state or any court. There are no pending infringement, opposition or cancellation proceedings, and no pending litigation involving any of the Marks that may significantly affect the ownership or use of any Mark listed above. On June 27, 2019, however, Anthony Vince Nail Spa, Inc filed a Petition for Cancellation with the Trademark Trial and Appeal Board against TLLF's Registration No: 3,866,558 (Proceeding No: 92071630). On August 13, 2019, TLLF (our predecessor and prior trademark owner) filed its Answer and independently filed a trademark infringement action against Anthony Vince Nail Spa, Inc. After successfully settling our trademark infringement action, Anthony Vince Nail Spa, Inc was required to and did in fact dismiss its Petition with the Trademark Trial and Appeal

Board. We have filed all required affidavits and renewals.

Although we have not conducted an exhaustive search of users of names which may be the same or similar to our marks, we are aware of certain businesses, as listed below, which use marks that are similar to ours. In North Haven, Connecticut; Lake Oswego, Oregon; Tucson, Arizona; San Clemente, California; and Palm Desert, California, there are unaffiliated salons that each operate under the name "The Lash Lounge." There are additional eyelash extension salons throughout the United States that use a mark that is similar, though not identical to ours. We are aware of multiple sites utilizing marks similar to ours. There may be confusingly similar uses of our Proprietary Marks in your market area that could materially affect your use of the Proprietary Marks. We cannot represent with certainty that we have exclusive or superior rights to the name THE LASH LOUNGE® in all geographic areas. There may be similar uses to our Proprietary Marks of which we are unaware, which could arise from prior users. We are currently in negotiations with several companies we believe to have a name that is confusingly similar to ours in order to ensure that they change their names and acknowledge our senior trademark rights.

You may use only the Proprietary Marks that we designate, must use them only in the manner that we authorize and permit, and must use them with the symbols, "®," "™," or "℠," as appropriate. You may use the Proprietary Marks only in connection with the operation and promotion of the Salon, and only in the manner we prescribe. You may not contest ownership or validity of the Proprietary Marks or any registration of the Proprietary Marks, or our right to use or to sublicense the use of the Proprietary Marks. You must sign all documents that we require in order to protect the Proprietary Marks and to maintain their validity and enforceability.

You may not use the Proprietary Marks or any part of the Proprietary Marks in your corporate name and may not use them to incur any obligation or indebtedness on our behalf.

You may not use the Proprietary Marks or any part or derivative of the Proprietary Marks on the Internet, except as expressly permitted in writing. This prohibition includes use of the Proprietary Marks or any derivative of the Proprietary Marks as part of any URL or domain name, as well as their registration as part of any user name on any gaming website or social networking website or as part of any unauthorized email address.

You must promptly notify us of any suspected unauthorized use of, or any challenge to the validity of the Proprietary Marks or Copyrighted Works, or any challenge to our ownership of, or license to use and to license others to use, or your right to use, the Proprietary Marks or Copyrighted Works. We have 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 of the proceeding. We or our affiliate has the right, but is not obligated, to take action against third parties for infringement of our Proprietary Marks or Copyrighted Works. We will defend you against any third-party claim, suit, or demand arising out of your use of the Proprietary Marks or Copyrighted Works. If we determine that you have used the Proprietary Marks and Copyrighted Works according to the terms of the Franchise Agreement, we will pay the cost of the defense, including the cost of any judgment or settlement. If we determine that you have not used the Proprietary Marks or Copyrighted Works according to the terms of the Franchise Agreement, you must pay the cost of the defense, including the cost of any judgment or settlement. In the event a lawsuit relating to your use of the Proprietary Marks or Copyrighted Works, you must sign all documents that we require and do all things that we consider necessary to carry out the defense or prosecution, which may include becoming a nominal party to the action. Unless the action is the result of your use of the Proprietary Marks or Copyright Works in a manner inconsistent with the terms of the Franchise Agreement, we may reimburse you for your associated costs.

We have the right to create new, modified or replacement Proprietary Marks, and to require you to use them in addition to or in lieu of any previously designated Proprietary Marks.

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 Salon 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 Salon, 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 Salon. 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 Salon 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 or Manager 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

Except as described below, you must offer and sell all only products and services that we require, and only the products and services that we have approved. We may add, eliminate 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 Salon. 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 Salon 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 Salon.

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 Salon 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.

Provision	Section in Franchise or Other Agreements	Summary
c. Requirements for franchisee to renew or extend	Sections 2.2.	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 Salon to comply with our then-current standards; demonstrate that you have the right to remain in possession of the Salon 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 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	Franchisees may terminate the agreements under any grounds permitted by 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

Provision	Section in Franchise or Other Agreements	Summary
		books or records, trademark misuse, failure to successfully complete training, failure to open a site by the Control Date, abandonment of the Salon, failure to maintain the right to operate the Salon, 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.
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 Salon. We may, at our option, assume your lease and purchase certain Salon 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 Salon; 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

Provision	Section in Franchise or Other Agreements	Summary
		which will be determined by a qualified independent third party 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 eyelash extension 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. Non-competition provisions are subject to state law.
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 eyelash extension business at your former Salon location, or within a 20-mile radius of your former Salon, or within a 20-mile radius of any other THE LASH LOUNGE® Salon location for a period of two years following expiration, termination or transfer. Non-competition provisions are subject to state law.
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, 19.3 and 19.4	You must first bring any claim or dispute between you and us to our CEO or President and provide us with 30 days' notice and opportunity to cure. At our option, all claims, controversies, or disputes from or relating to the Franchise Agreement must be mediated, except for claims for any federally protected intellectual property rights in the Proprietary Marks, the System, any Confidential Information; collection actions or actions seeking injunctive or extraordinary relief. Disputes, other than those for claims, will be resolved by arbitration.

Provision	Section in Franchise or Other Agreements	Summary
v. Choice of forum	Sections 19.2, 19.3 and 19.11	Mediation and arbitration at the AAA offices in the city in which we maintain our principal place of business at the time the mediation or arbitration is initiated. Subject to mediation and arbitration provision, any actions arising out of or related to the Franchise Agreement must be initiated and litigated to conclusion exclusively in the state or federal court closest to where we maintain its principal business offices at the time of filing, currently Tarrant County, Texas (unless settled by the parties after such action is initiated). We may bring an action in any other court of competent jurisdiction to seek and obtain injunctive relief. (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 Texas 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 Salon 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	Franchisees may terminate the agreements under any grounds permitted by state law.
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)

Provision		Section in Development Agreement	Summary
			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 Salons 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
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	Not Applicable	Nothing additional. Please see non-competition covenants set forth

Provision		Section in Development Agreement	Summary
	covenants after the franchise is terminated or expires		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	You must first bring any claim or dispute between you and us to our CEO or President and provide us with 30 days' notice and opportunity to cure. At our option, all claims, controversies, or disputes from or relating to the Development Agreement must be mediated, except for claims for any federally protected intellectual property rights in the Proprietary Marks, the System, any Confidential Information; collection actions or actions seeking injunctive or extraordinary relief. Disputes, other than those for claims, 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 or arbitration is initiated. Subject to mediation and arbitration provision, any actions arising out of or related to the Development Agreement must be initiated and litigated to conclusion exclusively in the state or federal court closest to where we maintain its principal business offices at the time of filing, currently Tarrant County, Texas (unless settled by the parties after such action is initiated). We may bring an action in any other court of competent jurisdiction to seek and obtain injunctive relief. (subject to applicable state law).
w.	Choice of law	Section 11	Subject to applicable state law, the Development Agreement is to be interpreted and construed under Texas 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 salons have earned this amount. Your individual results may differ. There is no assurance that you'll earn this much.

Table 1 – System Comparative Revenues and Averages

The table below contains revenue information, by month, for all franchised locations (each a "Measured Salon"). The "Measurement Period" for the primary information is the calendar year 2023. As of January 1, 2023, there were 117 franchised locations operating. By December 31, 2023, there were 126 franchised locations operating. The table also references revenue information for the prior year for comparison purposes (the "Prior Measurement Period"). For purposes of the comparison, the Prior Measurement Period includes all franchises open at any point in the calendar year 2022. The information in the table relating to "Averages" contains four groups of data. The first group contains revenue information by month for all franchised locations. The second group of information is a subset of the first group displaying only franchises operating for at least two years prior to 2023 ("Established Salons"). The third group of information contains the remainder of the salons, being those having opened less than two years as of the Measurement Period. The final group of information is comparison data between the Measurement Period and the Prior Measurement Period.

Definitions for Table 1

*"**High 2023**"* means the highest revenue generated by a salon for the month identified.
*"**Low 2023**"* means the lowest revenue generated by a salon for the month identified.
"**Total System Sales**" means the sum of all salons in the System for the Measurement Period.
*"**Average Salon Revenue**"* means the average revenue of all Measured Salons for the months identified.
*"**Average of Established Salons**"* means the average revenue of all Measured Salons for the months identified salons opened before January 2022.
*"**Average of Developing Salons**"* means the average revenue of all salons opened between January 2022 and December 2023 for the months identified.
*"**Prior Year Average (2022)**"* means the average revenue of all salons open and operating in 2021 for the months identified.

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Table 1 – System Comparative Revenues and Averages

	January	February	March	April	May	June	July	August	September	October	November	December
TOTALS												
High 2023	$102,645	$100,566	$117,037	$110,229	$134,993	$119,174	$124,980	$130,773	$124,455	$126,636	$118,284	$125,258
Low 2023	$5,944	$3,415	$2,715	$2,078	$11,737	$569	$2,943	$402	$1,510	$1,157	$268	$1,153
Total System Sales in 2023	$5,011,133	$4,965,103	$5,644,450	$5,426,615	$5,888,753	$5,809,935	$5,620,491	$6,007,974	$5,659,815	$5,655,507	$5,595,426	$6,073,891
Prior Year System Sales (2022)	$4,124,861	$4,335,875	$5,091,396	$5,186,930	$5,288,787	$5,296,242	$5,119,962	$5,295,587	$5,138,408	$5,190,883	$5,068,799	$5,462,962
Year over Year ("YoY") Difference	$886,273	$629,228	$553,054	$239,685	$599,966	$513,693	$500,529	$712,387	$521,407	$464,625	$526,628	$610,928
YoY Difference Percentage	21.49%	14.51%	10.86%	4.62%	11.34%	9.70%	9.78%	13.45%	10.15%	8.95%	10.39%	11.18%
AVERAGES												
Median Salon Revenue (2023)	**$39,570**	**$38,125**	**$42,429**	**$42,210**	**$45,597**	**$43,965**	**$41,363**	**$45,085**	**$40,941**	**$40,957**	**$40,541**	**$43,179**
Average Salon Revenue (2023)	**$42,830**	**$42,077**	**$47,432**	**$45,222**	**$49,073**	**$48,416**	**$46,837**	**$49,653**	**$46,015**	**$45,609**	**$44,763**	**$48,205**
Number of units ABOVE average	52	52	51	52	55	49	49	49	50	50	52	51
Number of units BELOW average	65	66	68	68	65	71	71	72	73	74	73	75
Median Salon Revenue - Established Salons	**$40,903**	**$39,689**	**$44,418**	**$42,948**	**$49,058**	**$46,186**	**$43,353**	**$47,484**	**$43,707**	**$43,096**	**$42,912**	**$46,807**
Average Salon Revenue - Established Salons	**$44,548**	**$43,746**	**$49,432**	**$47,410**	**$51,191**	**$50,838**	**$48,951**	**$52,012**	**$48,648**	**$48,460**	**$47,696**	**$51,875**
Number of units ABOVE average	46	46	47	44	48	41	44	45	42	44	45	45
Number of units BELOW average	61	61	60	63	59	65	62	61	64	62	61	60
Median Salon Revenue - Developing Salons	**$21,977**	**$26,204**	**$27,852**	**$27,988**	**$28,460**	**$30,249**	**$31,478**	**$33,425**	**$25,734**	**$24,994**	**$25,579**	**$27,969**
Average Salon Revenue - Developing Salons	**$24,447**	**$25,848**	**$29,601**	**$27,214**	**$31,636**	**$30,077**	**$30,832**	**$32,978**	**$29,595**	**$28,822**	**$28,400**	**$29,860**
Number of units ABOVE average	3	6	6	7	6	7	8	8	8	8	8	8
Number of units BELOW average	7	5	6	6	7	7	6	7	9	10	11	13
Prior Year Median (2022)	**$33,376**	**$36,994**	**$42,807**	**$43,839**	**$44,285**	**$46,664**	**$43,216**	**$45,207**	**$42,370**	**$43,119**	**$43,073**	**$43,759**
Prior Year Average (2022)	**$38,193**	**$39,779**	**$46,710**	**$47,587**	**$48,080**	**$49,498**	**$47,407**	**$49,033**	**$47,578**	**$46,765**	**$44,857**	**$47,504**
YoY Difference of Average	$4,637	$2,298	$722	($2,365)	$993	($1,081)	($570)	$619	($1,563)	($1,156)	($93)	$701
YoY Difference Percentage	12.14%	5.78%	1.55%	-4.97%	2.07%	-2.18%	-1.20%	1.26%	-3.29%	-2.47%	-0.21%	1.48%

Table 2 – System Key Performance Indicators (Comparative to Last Year)

The following table includes membership information by month during the Measurement Period. This table includes data from all salons except one affiliate location which uses a point-of-sale system that does not integrate with our reporting software.

Definitions for Table 2

*"**Total Members**"* means the sum of all total active, paid memberships as of the indicated month.
*"**New Members**"* means new memberships that activated and paid in indicated month
*"**Full Set New Guests**"* includes brand new clients who received a full set of lash extensions and paid minimum full price in calendar month. This does not include "training" sets or repeat guests.
*"**Revenue per Hour**"* is the total average revenue generated by stylists per hour.

	Total Members	YoY % Change	New Members	YoY % Change	Full Set - New Guests	YoY % Change	Revenue Per Hour	YoY % Change
January	17,841	3%	1,360	-4%	3,299	-2%	$62.80	24%
February	18,193	15%	1,634	8%	3,465	-8%	$63.78	9%
March	18,299	11%	1,616	-12%	4,262	-8%	$65.47	10%
April	18,471	9%	1,512	-14%	4,023	-4%	$65.68	9%
May	18,963	10%	1,713	-1%	4,530	4%	$66.40	2%
June	19,279	11%	1,699	7%	4,401	5%	$60.64	-7%
July	19,204	12%	1,496	-2%	4,049	4%	$52.60	-7%
August	19,616	14%	1,904	23%	4,483	10%	$65.35	0%
September	20,037	15%	1,842	14%	4,002	4%	$62.03	1%
October	20,224	15%	1,704	12%	4,064	3%	$61.48	-1%
November	20,348	15%	1,625	4%	3,560	4%	$63.44	44%
December	20,334	14%	1,384	3%	4,176	10%	$68.23	6%
Average YOY Growth		**12%**		**3%**		**2%**		**8%**

Table 3 – System Wide Revenue by Type

The following table displays the amount of revenue generated during Measurement Period by source type. All franchised salons operating at any point in 2023 are included.

Definitions

"***Recurring Revenue of Memberships***" means only such revenue that is derived from scheduled recurring memberships.
"***First time Guests & All Other Services***" means all revenue derived from the services or our stylists excluding Recurring Revenue of Memberships.
"***Retail Products***" means all revenue derived from the sale of our product line of goods.

Source	Revenue
Recurring Revenue of Memberships	$32,015,677.41
Retail Products	$2,194,286.35

Source	Revenue
First Time Guests & All Other Services	$33,444,999.87
Total Revenue	$67,905,586.13

Table 4.1 – Revenue Comparison by Quartile

The following group of tables includes representations from 118 locations by quartile. Except as otherwise described, the table includes all locations that operated for the entire Measurement Period. Excluded from this chart is one affiliate salon that utilized a point-of-sale system that does not integrate with our reporting software; and twelve franchised salons that opened during the Measurement Period. Affiliate locations are indicated by an asterisk.

REVENUE COMPARISON - QUARTILE 1				
Salon	**State**	**Open Date**	**Beds**	**Total Revenue**
Salon 1	IL	4/1/2019	7	$1,432,841
Salon 2	TX	11/26/2018	7	$1,296,599
Salon 3	TN	9/28/2021	9	$1,170,195
Salon 4	FL	10/26/2020	10	$1,099,565
Salon 5	OR	10/1/2018	8	$1,090,579
Salon 6	FL	7/23/2018	8	$1,031,135
Salon 7	TX	1/21/2019	8	$993,691
Salon 8	TX	1/28/2019	7	$939,106
Salon 9	FL	2/18/2019	7	$930,951
Salon 10	LA	10/14/2019	10	$930,791
Salon 11	GA	4/1/2017	5	$913,754
Salon 12	FL	7/23/2018	9	$908,119
Salon 13	TX	12/7/2018	8	$897,797
Salon 14	WA	8/6/2018	5	$888,880
Salon 15	TX	11/21/2017	5	$879,673
Salon 16	AR	9/10/2019	8	$876,423
Salon 17	WA	8/27/2018	5	$860,651
Salon 18	NM	8/6/2019	7	$852,379
Salon 19	FL	10/4/2018	8	$849,946
Salon 20	TX	10/10/2021	8	$835,603
Salon 21	KY	7/24/2018	6	$811,978
Salon 22	TX	5/7/2018	5	$805,970
Salon 23	NV	7/23/2019	8	$805,099
Salon 24	FL	11/11/2022	8	$801,976
Salon 25	GA	11/12/2018	8	$799,692
Salon 26	NV	2/18/2020	8	$797,990
Salon 27	TX	1/30/2017	10	$794,297
Salon 28	OR	4/1/2021	8	$775,444
Salon 29	OR	12/19/2018	7	$775,208
AVERAGE				**$925,736**

REVENUE COMPARISON - QUARTILE 2				
Salon	**State**	**Open Date**	**Beds**	**Total Revenue**
Salon 1	TX	5/25/2021	9	$773,196
Salon 2	TN	8/27/2018	6	$770,828
Salon 3*	TX	10/1/2007	8	$754,114
Salon 4	IN	9/3/2019	7	$747,966
Salon 5	MA	10/20/2018	7	$720,024
Salon 6	RI	12/17/2018	8	$706,515
Salon 7	TX	1/22/2018	8	$696,219
Salon 8	TN	8/30/2021	9	$684,513
Salon 9	MO	7/9/2018	6	$678,587
Salon 10	TX	12/21/2015	8	$673,337
Salon 11	MI	6/18/2018	8	$667,819
Salon 12	FL	12/1/2017	8	$657,796
Salon 13	CA	11/9/2018	5	$649,031
Salon 14	FL	2/24/2022	9	$647,569
Salon 15*	MI	7/1/2017	5	$612,910
Salon 16	CA	3/18/2019	6	$606,001
Salon 17	OH	6/25/2018	8	$600,446
Salon 18	FL	8/11/2020	8	$599,157
Salon 19	KS	1/1/2018	7	$584,707
Salon 20	MI	7/9/2018	8	$582,016
Salon 21	MA	10/21/2019	8	$580,529
Salon 22	CA	12/3/2018	7	$574,673
Salon 23	CA	9/10/2018	8	$570,809
Salon 24	CO	7/16/2018	6	$529,956
Salon 25	IL	4/27/2021	9	$527,708
Salon 26	TX	12/12/2017	6	$525,888
Salon 27	NY	9/24/2019	5	$524,796
Salon 28	TX	9/4/2017	8	$524,428
Salon 29	NJ	1/26/2019	5	$524,422
Salon 30*	TX	10/1/2015	5	$519,761
AVERAGE				**$627,191**

REVENUE COMPARISON - QUARTILE 3				
Salon	**State**	**Open Date**	**Beds**	**Total Revenue**
Salon 1	PA	7/6/2020	6	$518,814
Salon 2	OH	3/4/2019	8	$518,302
Salon 3	NJ	2/15/2020	8	$517,957
Salon 4	CA	10/1/2021	8	$516,603
Salon 5	OK	5/14/2019	6	$508,591
Salon 6	NC	6/3/2019	8	$497,280
Salon 7	OH	12/3/2018	7	$489,684
Salon 8	NC	7/4/2018	6	$489,318
Salon 9	TX	2/25/2019	6	$478,943
Salon 10	TX	11/19/2018	6	$472,485
Salon 11	PA	2/18/2019	5	$464,076
Salon 12	NY	11/26/2018	8	$455,227
Salon 13	TX	5/6/2022	8	$450,592
Salon 14	NC	6/4/2019	6	$450,561
Salon 15	NJ	11/5/2019	8	$448,705
Salon 16	NC	9/20/2018	7	$447,887
Salon 17	TX	12/20/2022	9	$443,135
Salon 18	CA	8/6/2019	6	$440,195
Salon 19	MI	10/20/2020	7	$436,715
Salon 20	IN	10/7/2022	10	$435,402
Salon 21	AZ	11/26/2018	7	$430,514
Salon 22	CA	1/7/2019	7	$427,528
Salon 23	NJ	7/16/2019	7	$426,366
Salon 24	KS	9/3/2019	6	$423,655
Salon 25	GA	5/20/2019	7	$423,317
Salon 26	NJ	11/11/2019	8	$416,128
Salon 27	TX	8/1/2022	7	$410,899
Salon 28	AL	9/9/2019	7	$400,525
Salon 29	CA	2/4/2019	7	$395,164
AVERAGE				**$456,364**

REVENUE COMPARISON - QUARTILE 4				
Salon	**State**	**Open Date**	**Beds**	**Total Revenue**
Salon 1	CA	2/24/2020	5	$392,927
Salon 2	PA	8/4/2020	6	$391,426
Salon 3	MA	4/22/2019	5	$377,354
Salon 4	NJ	12/3/2018	7	$375,106
Salon 5	UT	6/2/2020	7	$367,364
Salon 6	PA	2/11/2019	8	$365,216
Salon 7	NJ	3/10/2020	7	$344,355
Salon 8	CA	2/23/2021	6	$344,125
Salon 9	NV	7/23/2019	7	$340,926
Salon 10	PA	10/28/2019	7	$337,343
Salon 11	TX	12/17/2019	8	$331,424
Salon 12	TX	12/8/2020	8	$320,008
Salon 13	PA	6/23/2020	8	$313,368
Salon 14	CA	10/4/2021	9	$309,728
Salon 15	MI	12/13/2022	7	$306,265
Salon 16	NJ	11/19/2019	5	$301,078
Salon 17	CA	10/12/2022	6	$298,063
Salon 18	CA	10/4/2021	6	$292,469
Salon 19	CA	11/7/2019	6	$284,934
Salon 20	PA	1/21/2020	7	$284,810
Salon 21	TX	12/17/2019	8	$280,793
Salon 22	TX	12/8/2020	8	$278,627
Salon 23	PA	6/23/2020	8	$259,274
Salon 24	CA	10/4/2021	9	$238,815
Salon 25	MI	12/13/2022	7	$234,400
Salon 26	NJ	11/19/2019	5	$228,488
Salon 27	CA	10/12/2022	6	$206,278
Salon 28	CA	10/4/2021	6	$204,495
Salon 29	CA	11/7/2019	6	$191,105
Salon 30	PA	1/21/2020	7	$103,956
AVERAGE				**$296,817**

Table 4.2– Revenue Comparison Table By Quartile Vs Previous Years

The following table provides representations of "Average Salon Annual Sales," by quartile, over a three-year period. Also shown is the year over year percent change and the number of salons in each quartile for previous years. For the Measurement Period, this table includes all locations as described in Table 4.1. For previous years, this table includes all locations, including affiliate locations, which were operating during the entire calendar year represented.

Definitions

"***Average Salon Annual Sales***" means the average annual revenue of all measured salons during the Measurement Period."

Year	Quartile	High	Median	Low	Average Unit Annual Sales	Percent Change	Salons in Quartile	# of Salon in Quartile Above/Below Average
2021	1	$1,142,036	$697,527	$568,547	$720,122	64%	28	12/16
2022	1	$1,383,522	$816,390	$721,378	$891,027	24%	30	10/20
2023	1	$1,432,841	$879,673	$775,208	$925,736	4%	29	10/19
2021	2	$565,512	$484,231	$390,536	$479,553	93%	30	16/14
2022	2	$720,496	$568,643	$493,383	$582,053	21%	30	12/18
2023	2	$773,196	$609,456	$519,761	$627,191	8%	30	14/16
2021	3	$376,125	$315,521	$243,652	$309,314	133%	29	17/12
2022	3	$493,083	$418,886	$342,642	$419,056	35%	29	14/15
2023	3	$518,814	$448,705	$395,164	$456,364	9%	29	11/18
2021	4	$219,639	$152,374	$201	$138,756	191%	22	14/8
2022	4	$342,239	$202,124	$2,905	$187,542	35%	29	15/14
2023	4	$392,927	$303,672	$103,956	$296,817	58%	30	17/13

Table 5 – Revenue and Expense Information by Quartile

The table below shows financial information collected from surveyed franchisees. Individual franchisees who were open for the entire Measurement Period were invited to participate in the survey. Franchisees were excluded if: i) they did not operate for the entire Measurement Period; or ii) if they did not timely submit their financial statements in accordance with the survey. In total, 74 salons are represented in the table. The table contains information consisting of the defined terms below shown as averages, by quartile, and are grouped into: i) annual averages; ii) monthly averages; iii) the lowest quartile example; and iv) the highest quartile example. The cost information below can currently only be collected by surveying our franchisees. These figures represent at least one half of what our franchisees are earning and spending. Total locations per quartile; Quartile 1: 18, Quartile 2: 19, Quartile 3: 18, Quartile 4: 19.

Definitions

*"**Revenue**"* means all revenue from products and services as reported by salon for the 2023 calendar year as reported through the point-of-sale system. This amount includes revenues received from both services and product sales.

*"**Stylist Labor Expense**"* includes all stylist wages, associated payroll taxes and workers compensation insurance. It excludes any fixed labor expenses.

*"**BackBar, Client Lounge, and Cosmetics**"* includes back bar supply expenses, client lounge expenses, and other retail cost of goods.

*"**Fixed Labor Expense**"* includes the salaries and payroll taxes of managers and/or front desk clerks if applicable.

*"**Rent**"* includes the expenses associated with leasing the premises such as common area maintenance, property tax allocations and insurance allocations.

*"**Marketing**"* includes all advertising expenses incurred except those related to the Marketing Fee below.

*"**Royalties and Marketing Fee**"* includes all royalties paid to the Franchisor in the amount of 6% and marketing fee payments to the Franchisor in the amount of 2%.

*"**All Other Expenses**"* Includes all other business expenses.

ANNUAL AVERAGES				
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
General Account Category	Averages	Averages	Averages	Averages
Revenue	$955,502	$751,696	$547,773	$377,253
Stylist Labor Expense	$372,246	$298,094	$214,048	$159,724
BackBar, Client Lounge, and Cosmetics	$42,697	$43,226	$27,773	$19,763
Fixed Labor Expense	$141,145	$111,560	$93,181	$73,459
Rent	$67,013	$55,720	$54,776	$56,977
Marketing	$36,599	$30,212	$31,838	$25,924
Royalties and Marketing Fee	$70,946	$61,022	$39,073	$24,636
All Other Expenses	$105,081	$92,793	$69,357	$64,962
MONTHLY AVERAGES				
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
General Account Category	Category Average	Category Average	Category Average	Category Average
Revenue	$79,625	$62,641	$45,648	$31,438
Stylist Labor Expense	$31,021	$24,841	$17,837	$13,310
BackBar, Client Lounge, and Cosmetics	$3,558	$3,602	$2,314	$1,647
Fixed Labor Expense	$11,762	$9,297	$7,765	$6,122
Rent	$5,584	$4,643	$4,565	$4,748
Marketing	$3,050	$2,518	$2,653	$2,160
Royalties and Marketing Fee	$5,912	$5,085	$3,256	$2,053
All Other Expenses	$8,757	$7,733	$5,780	$5,414
LOWEST SALON IN QUARTILE				
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
General Account Category	Category Total	Category Total	Category Total	Category Total
Revenue	$849,946	$652,781	$464,497	$209,439
Stylist Labor Expense	$305,430	$240,984	$165,464	$139,394
BackBar, Client Lounge, and Cosmetics	$34,518	$70,158	$20,909	$21,471
Fixed Labor Expense	$119,383	$106,393	$64,638	$99,287
Rent	$58,613	$59,050	$37,333	$60,944
Marketing	$10,800	$50,251	$28,485	$48,494
Royalties and Marketing Fee	$68,007	$52,222	$37,224	$15,060
All Other Expenses	$98,418	$61,901	$45,350	$73,292

HIGHEST SALON IN QUARTILE				
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
General Account Category	Category Total	Category Total	Category Total	Category Total
Revenue	$1,269,138	$848,558	$619,503	$460,101
Stylist Labor Expense	$503,036	$285,863	$287,667	$177,843
BackBar, Client Lounge, and Cosmetics	$55,393	$41,244	$21,615	$28,226
Fixed Labor Expense	$228,664	$84,583	$151,545	$106,250
Rent	$60,933	$39,791	$52,532	$62,518
Marketing	$30,239	$25,477	$23,920	$32,486
Royalties and Marketing Fee	$106,456	$68,849	$12,866	$20,433
All Other Expenses	$170,363	$100,355	$70,853	$81,350
ANNUAL MEDIAN IN QUARTILE				
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
General Account Category	Category Total	Category Total	Category Total	Category Total
Revenue	$896,542	$766,915	$530,585	$426,352
Stylist Labor Expense	$371,213	$301,665	$218,893	$160,453
BackBar, Client Lounge, and Cosmetics	$43,160	$41,244	$27,266	$19,725
Fixed Labor Expense	$144,220	$112,082	$85,629	$75,670
Rent	$62,512	$55,071	$51,582	$58,386
Marketing	$36,117	$29,985	$26,819	$26,220
Royalties and Marketing Fee	$72,154	$61,583	$41,976	$25,774
All Other Expenses	$99,277	$91,067	$68,223	$59,097
MONTHLY MEDIAN IN QUARTILE				
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
General Account Category	Category Total	Category Total	Category Total	Category Total
Revenue	$74,712	$63,910	$44,215	$35,529
Stylist Labor Expense	$30,934	$25,139	$18,241	$13,371
BackBar, Client Lounge, and Cosmetics	$3,597	$3,437	$2,272	$1,644
Fixed Labor Expense	$12,018	$9,340	$7,136	$6,306
Rent	$5,209	$4,589	$4,298	$4,866
Marketing	$3,010	$2,499	$2,235	$2,185
Royalties and Marketing Fee	$6,013	$5,132	$3,498	$2,148
All Other Expenses	$8,273	$7,589	$5,685	$4,925

Substantiation of the data used in preparing this financial performance representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation we do not make any financial performance

representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Meg Roberts, CEO, The Lash Franchise Holdings, LLC, 550 Reserve Street, Suite 380, Southlake, Texas 76092(734) 678-0919, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2021 – 2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	109	109	0
	2022	109	117	+8
	2023	**117**	**126**	**+9**
Company Owned	2021	4	4	0
	2022	4	4	0
	2023	**4**	**4**	**0**
Total Outlets	2021	113	113	0
	2022	113	121	+8
	2023	**121**	**130**	**+9**

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Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2021 – 2023

State	Year	Number of Transfers
California	2021	4
	2022	3
	2023	**1**
Colorado	2021	0
	2022	2
	2023	**0**
Florida	2021	0
	2022	2
	2023	**0**
Illinois	2021	0
	2022	0
	2023	**0**
Indiana	2021	0
	2022	0
	2023	**1**
Kentucky	2021	0
	2022	0
	2023	1
Massachusetts	2021	1
	2022	0
	2023	1
North Carolina	2021	1
	2022	0
	2023	**0**
Pennsylvania	2021	2
	2022	0
	2023	**1**
Texas	2021	0
	2022	2
	2023	**0**
Utah	2021	0
	2022	0
	2023	**1**
Totals	2021	9
	2022	7
	2023	**6**

Table No. 3
Status of Franchised Outlets
For Years 2021 - 2023

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
Alabama	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
Arizona	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	1	1
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
Arkansas	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
California	2021	20	2	0	0	0	6	16
	2022	16	1	0	0	0	1	16
	2023	**16**	**0**	**0**	**0**	**0**	**1**	**15**
Colorado	2021	4	0	0	0	0	1	3
	2022	3	0	0	0	0	0	3
	2023	**3**	**0**	**0**	**0**	**0**	**0**	**3**
Florida	2021	7	0	0	0	0	0	7
	2022	7	2	0	0	0	0	9
	2023	**9**	**3**	**0**	**0**	**0**	**0**	**12**
Georgia	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	**3**	**1**	**0**	**0**	**0**	**0**	**4**
Illinois	2021	1	1	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	**2**	**0**	**0**	**0**	**0**	**0**	**2**
Indiana	2021	2	0	0	0	0	0	2
	2022	2	1	0	0	0	0	3
	2023	**3**	**0**	**0**	**0**	**0**	**0**	**3**
Kansas	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	**2**	**0**	**0**	**0**	**0**	**0**	**2**

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
Kentucky	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
Louisiana	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
Maryland	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	**0**	**1**	**0**	**0**	**0**	**0**	**1**
Massachusetts	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	**4**	**0**	**0**	**0**	**0**	**1**	**3**
Michigan	2021	3	0	0	0	0	0	3
	2022	3	1	0	0	0	0	4
	2023	**4**	**0**	**0**	**0**	**0**	**0**	**4**
Mississippi	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	**0**	**1**	**0**	**0**	**0**	**0**	**1**
Missouri	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
Nevada	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	**3**	**0**	**0**	**0**	**0**	**0**	**3**
New Jersey	2021	9	0	0	0	0	0	9
	2022	9	1	0	0	0	0	10
	2023	**10**	**0**	**0**	**0**	**0**	**0**	**10**
New Mexico	2021	1	0	0	0	0	0	1
	2022	1	1	0	0	0	0	2
	2023	**2**	**0**	**0**	**0**	**0**	**0**	**2**
New York	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	**2**	**0**	**0**	**0**	**0**	**0**	**2**

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
North Carolina	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	**4**	**0**	**0**	**0**	**0**	**0**	**4**
Ohio	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	**3**	**0**	**0**	**0**	**0**	**0**	**3**
Oklahoma	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
Oregon	2021	4	1	0	0	0	0	5
	2022	5	0	0	0	0	0	5
	2023	**5**	**0**	**0**	**0**	**0**	**0**	**5**
Pennsylvania	2021	7	0	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	**7**	**1**	**0**	**0**	**0**	**0**	**8**
Rhode Island	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
Tennessee	2021	1	2	0	0	0	0	3
	2022	3	0	0	0	0	0	3
	2023	**3**	**1**	**0**	**0**	**0**	**0**	**4**
Texas	2021	16	2	0	0	0	0	18
	2022	18	3	0	0	0	0	21
	2023	**21**	**3**	**0**	**0**	**0**	**0**	**24**
Utah	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	**1**	**0**	**0**	**0**	**0**	**0**	**1**
Washington	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	**2**	**0**	**0**	**0**	**0**	**0**	**2**
Wisconsin	2021	2	0	0	0	0	2	0
	2022	0	0	0	0	0	0	0
	2023	**0**	**0**	**0**	**0**	**0**	**0**	**0**

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
Totals	2021	109	9	0	0	0	9	109
	2022	109	10	0	0	0	2	117
	2023	**117**	**11/**	**0**	**0**	**0**	**2**	**126**

Table No. 4
Status of Company-Owned Outlets
For Years 2021 – 2023

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
Michigan	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
	2023	**1**	**0**	**0**	**0**	**0**	**1**
Texas	2021	3	0	0	0	0	3
	2022	3	0	0	0	0	3
	2023	**3***	**0**	**0**	**0**	**0**	**3***
Total	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
	2023	**4**	**0**	**0**	**0**	**0**	**4**

*These outlets became franchised locations in 2024.

Table No. 5
Projected Openings
As of December 31, 2023

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
Alabama	0	2	0
Arizona	0	1	0
California	3	6	0
Delaware	0	1	0
Florida	7	7	0
Georgia	1	3	0
Illinois	2	5	0

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
Indiana	0	1	0
Kansas	1	0	0
Kentucky	0	1	0
Louisiana	1	2	0
Maryland	1	0	0
Michigan	0	3	0
Missouri	1	0	0
Nevada	0	3	0
New Jersey	0	4	0
New Mexico	0	1	0
New York	0	5	0
North Carolina	1	5	0
Ohio	0	2	0
Oklahoma	0	1	0
Oregon	0	2	0
Pennsylvania	0	1	0
Rhode Island	0	2	0
Tennessee	1	2	0
Texas	3	9	0
Washington	1	1	0
Totals	**23**	**70**	**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.

The following independent franchisee organization has asked to be included in this disclosure document:

Independent Lash Lounge Association of Franchisees (ILLAF)
A Chapter of the American Association of Franchisees & Dealers
276 Hazard Ave, Suite 11
Enfield, CT 06082
Phone: 619-209-3775
Email: ILLAF@aafdchapters.org

ITEM 21
FINANCIAL STATEMENTS

Attached to this Franchise Disclosure Document as Exhibit F are:

The Lash Franchise Holdings, LLC's audited balance sheets as of December 31, 2023, December 31, 2022, and December 31, 2021, and the related statements of income, retained earnings, and of cash flows for the years then ended, as well as its unaudited financial statements for the interim period beginning January 1, 2024, and ending August 31, 2024.

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

THE LASH FRANCHISE HOLDINGS LLC

STATE APPENDIX TO DISCLOSURE DOCUMENT

FOR THE STATE OF HAWAII

Cover Page, Additional Disclosure:

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process: Commissioner of Securities, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

Franchise Disclosure Document, Additional Disclosure*:*

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.

Item 5

Payment of the Initial Franchise Fee/Development Fee will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Hawaii Department of Commerce and Consumer Affairs due to Franchisor's financial condition.

FOR THE STATE OF ILLINOIS

Payment of the Initial Franchise Fee/Development Fee will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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.

By reading this disclosure document, you are not agreeing to, acknowledging, or making any representations whatsoever to the Franchisor and its affiliates.

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 Texas . 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 MINNESOTA

1. Items 5 and 7 - Initial Fees. Payment of the Initial Franchise Fee/Development Fee will be deferred until the franchisee has commenced doing business. This financial assurance requirement was

imposed by the Minnesota Department of Commerce due to Franchisor's financial condition.

2. 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.

7. Limitations of Claims. Notwithstanding anything to the contrary in this disclosure document, to the extent that a claim is subject to Minnesota Statutes, Section 80C.15 Subd. 5, the statute shall control.

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

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

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

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

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

   B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

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

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

3. The following is added to the end of the "Summary" section 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

FOR THE STATE OF NORTH DAKOTA

For franchises and franchisees subject to the North Dakota Franchise Investment Law, the following information replaces or supplements the corresponding disclosures in the main body of the text of the Franchise Disclosure Document and corresponding provisions of the Franchise Agreement:

Item 17.

The North Dakota Securities Commissioner has determined that it is unfair and inequitable under the North Dakota Franchise Investment Law to the franchisor to require the franchisee to sign a general release upon renewal of the Franchise Agreement. Therefore, the requirement that the franchisee signs a release upon renewal of the Franchise Agreement is deleted from Item 17(c), and any other place it appears in the Franchise Disclosure Document and the Franchise Agreement.

The Commissioner has determined that any requirement for franchisees to consent to termination or liquidated damages is unfair, unjust, and inequitable within the intent of the North Dakota Franchise Investment Law. Any references in the Disclosure Document requiring franchisees to consent to termination penalties or liquidated damages are deleted in Disclosure Document and Franchise Agreement.

Covenants not to compete such as those mentioned in Item 17 of the Franchise Disclosure Document and the Franchise Agreement are generally considered unenforceable in the State of North Dakota.

Under the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota is void. Any mediation or arbitration will be held at a site agreeable to all parties. The laws of North Dakota will govern any dispute.

The Franchise Agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Franchise Agreement.

The Franchise Agreement requires franchisees to consent to a waiver of trial by jury. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Franchise Agreement.

The Franchise Disclosure Document and Franchise Agreement state that franchisees must consent to the jurisdiction of courts in the State of Texas. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Franchise Agreement.

The Franchise Agreement requires franchisees to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and, instead, the statute of limitations under North Dakota law will apply.

For North Dakota franchisees, the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorneys' fees.

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.

Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

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. Item 5 is supplemented by the following:

   The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed is pre-opening obligations under the franchise agreement and the Salon opens for business. This financial assurance requirement also requires that we defer your obligation to pay the Development Fee due under the Development Agreement until we have completed all of our pre-opening obligations to you under the first franchise agreement you execute in connection with the development agreement, and you have opened the first Salon for business.

2. Item 7 is supplemented by the following:

   Estimated Initial Investment. The franchisee will be required to make an estimated initial investment ranging from $384,797 to $719,490. This amount exceeds the franchisor's stockholders' negative equity as of December 31, 2023, which is $(3,055,433).

3. 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 The Lash Franchise Holdings, 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 5 of the Disclosure Document is supplemented by the following:

   Based on our current financial condition, the Washington Department of Financial Institutions Securities Division has imposed a financial assurance requirement. To comply with this requirement, we will defer your obligation to pay the Initial Franchise Fee due to us under the Franchise Agreement until we have completed all of our pre-opening obligations to you, and you have commenced doing business. This financial assurance requirement also requires that payment of the Development Fee will be released proportionally with respect to each THE LASH LOUNGE® Salon opened and is deferred until we have met all our pre-opening obligations under the Development Agreement, and you are open for business with respect to each such location.

3. 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.

4. 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.

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.

5. **Use of Franchise Brokers**. The franchisor may use the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Do not rely only on the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor's current and former franchisees to ask them about their experience with the franchisor.

EXHIBIT B

FRANCHISE AGREEMENT

THE LASH FRANCHISE HOLDINGS, LLC
FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

SUMMARY PAGES

EFFECTIVE DATE:	_____
FRANCHISEE:	_____
FRANCHISEE'S ADDRESS FOR NOTICES:	_____
	_____
TELEPHONE 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 ☐ $_____, 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 during the Salon's first 12 full months of operation; Afterwards, $1,500 minimum per month (refer to Section 9.4. of this Agreement)
ROYALTY FEE:	6% of Gross Revenue; after the first anniversary of the Control Date, a "Minimum Royalty" of $250 per week shall apply.
INITIAL TRAINING FEE:	$8,000, payable on execution on Franchise Agreement
TECHNOLOGY FEE:	Currently, $500 for the first month, and $215 per month thereafter, subject to increase.
RENEWAL FEE:	$3,000

_____ _____

Franchisor Initials Franchisee Initials

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:	The Lash Franchise Holdings, LLC 550 Reserve Street, Suite 380 Southlake, Texas 76092 Fax: (734) 808-0066 Attention: President

_____ _____

Franchisor Initials Franchisee Initials

THE LASH FRANCHISE HOLDINGS, LLC
FRANCHISE AGREEMENT

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THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, 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 salon ("**Salon**") featuring the application of semi-permanent and temporary eyelash and other eye-enhancing services, as well as facial threading services, combined with a retail offering of private label cosmetic and skin care lines under the trade name and trademark THE LASH LOUNGE® (the "**System**").

B. The distinguishing characteristics of the System include, without limitation, the combination of services provided, including semi-permanent and temporary eyelash extension services; private label cosmetics and skin care 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 "**THE LASH LOUNGE**" 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 an eyelash enhancement services salon under the System and Proprietary Marks (the "**Salon**" 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 THE LASH LOUNGE® 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 Salon location identified or to be identified in Attachment B ("**Franchised Location**"); and ***(b)*** to use the Proprietary Marks to advertise and promote the Salon.

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

1.2. Protected Area. When the physical Salon location is identified within the assigned Site Selection Area 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 40,000 individuals, and will not exceed a maximum diameter of six miles (or a radius of three miles). 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 Salon or ***(b)*** sell or license anyone the right to sell products and services under "THE LASH LOUNGE" 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 Salon location in accordance with the terms of this Section. Franchisor will provide written notice to you of the Closed Market Salon 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 Salon 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 Salon 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 Salons outside the Protected Area, regardless of their proximity to the Protected Area; ***(b)*** to own and operate THE LASH LOUNGE® Salons and license the use of the Marks and System or grant others the right to own and operate THE LASH LOUNGE® Salons 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 THE LASH LOUNGE® whether or not the business is the same as or competitive with THE LASH LOUNGE® Salons; or ***(b)*** owning, operating, or franchising one or more businesses offering similar products or services under the name THE LASH LOUNGE 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 Salon opening, but no later than 11 years from the Effective Date, regardless of the date on which the Salon 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 Salon 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 Salon 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 THE LASH LOUNGE® 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 Salon by the Control Date (the "**Control Date**") specified in the Summary Pages and Attachment B. You must agree to use our designated real-estate supplier to assist you in locating a site. Our designated real-estate 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. If you are opening a subsequent salon, you may apply for an exception, electing not to use the designated real-estate supplier. If Franchisor approves your exception in its sole discretion, you must pay a $2,000 breakage fee to the Home Office and agree to all self-managed real-estate requirements. Ultimately, site selection and decision to sign a lease is solely your responsibility. Once you have acquired the site for the Salon, 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 Salon will achieve a certain sales volume or level of profitability; it means only that the proposed site meets Franchisor's minimum criteria for THE LASH LOUNGE® Salons.**

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 executed within nine-months of the Franchise Agreement Effective Date and you are required to be open and operational by Control Date, and you shall provide to Franchisor a fully executed copy of the lease within 10 days after its execution.

3.4. Salon Design and Build Out. You agree to use Franchisor's procedures, programs and partners for the Salon construction and build out, and you agree to construct and build out the Salon according to Franchisor's standards and specifications for design, décor and layout, and shall equip the Salon according to Franchisor's requirements for fixtures, furnishings, equipment, interior and exterior signage, artwork and graphics, and awnings. If you are opening a subsequent salon, you may apply for an exception, electing not to use the designated project management and construction partner. If Franchisor approves your exception in its sole discretion, you must pay a $2,000 breakage fee to the Home Office and agree to all self-managed construction requirements. You are solely responsible for obtaining all government approvals, zoning classifications, permits, and clearances related to the Salon, 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 Salon is open and operating no later than the Control Date identified on the Summary Pages and Attachment B.

3.5.2. You may open the Salon 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 Salon 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 Salon 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 Salon 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 Salon 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 Salon 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 Salon 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 Salon 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 attendance for you and one additional representative at Business Training, and for our on-site Salon Opening 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. Beginning one year after the Control Date, you will pay the greater of the actual weekly Royalty Fee or the Minimum Royalty as described on the Summary Pages.

4.4. Marketing Fee. During the term of this Agreement, you shall pay to Franchisor a nonrefundable and continuing Marketing Fee (the "**Marketing Fee**") in the amount specified in 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.

4.5. MarTech Fee. During the term of this Agreement, you shall pay to Franchisor the then-current MarTech Fee (the "**MarTech Fee**"), which is both nonrefundable and continuing. The MarTech fee is considered a component of the Local Advertising requirement but is collected by the Home Office in conjunction with Marketing Fee. In consideration for the MarTech Fee, Franchisor will provide certain digital utilities, hosting and related marketing technology initiatives. Franchisor reserves the right to increase the MarTech Fee in relationship to direct expenses with 30 days' notice.

4.6. 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.

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

4.7.1. 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.

4.7.2. 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 confirm and pay all sales, use or other taxes now or hereinafter imposed by any governmental authorities on initial franchise fees, royalty fees and advertising fees.

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

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

4.8. No Set-Off Rights. You may not set off, deduct or otherwise withhold any fees or other amounts due to the 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.

4.9. 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.

4.10. 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 Salon'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.

4.11. 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.

4.12. 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 Salon 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.

4.12. 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.

4.13. 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. You agree to research your local tax requirements notwithstanding any support by us. You acknowledge that we will not research your local tax laws or advise on the same. You acknowledge and agree that you are wholly responsible for taxes relating to your Salon. You will notify us if your local laws require the collection of any taxes by your salon.

4.14. 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 Salon, court costs, expert witness fees, discovery costs and reasonable attorneys' fees and costs on appeal, together with interest charges on all of the foregoing.

4.15. 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 Salon 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 opening 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, which could include virtual training, 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 and the subsequent Owner Stylist Training Introduction, without additional tuition 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 Salon Opening Training. We provide one individual (corporate stylist trainer) to provide you with on-site stylist training services at your Salon for a period of up to 5 days ("**Stylist Training**"),

typically in conjunction with a second individual (salon opener for 3 days) to provide opening support, software and sales training ("**Opening Support Training**"). Collectively, the Stylist Training and Opening Support Training are referred to as "**Salon Opening Training**." The Initial Training Fee of $8,000 includes the cost of our travel, for the corporate stylist and salon opener trainer. Any additional training is charged at $300/attendee/day plus our travel costs if relevant. These programs and their content are subject to change as described in the Manuals.

5.2. Additional Opening Assistance. At your request or as required by Franchisor, 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 Salon 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 or as required by Franchisor, 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 Stylist Training, Local Salon Trainer (e.g., train the trainer), Advanced Lashing, Manager Training 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 Salon, 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 THE LASH LOUNGE® Salon, advertising and marketing advice, and financial and accounting advice. Such consultation and advice may be provided, in Franchisor's discretion, through Salon 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 Salon 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 Salon 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 Salon 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: i) fail two consecutive quality inspections; ii) are deemed non-compliant with our System Standards; iii) have failed to attend our convention or other required meetings; iv) or otherwise create continued quality concerns within your Salon, 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 additional 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, regional meeting or annual training meeting. You will pay the then-current enrollment fee and are responsible got all costs of attending the convention, including travel, lodging, meals and wages. For any required training you do not attend, you will pay the same registration fee as attendees. 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 Salon 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 Salon 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 Salon 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-salon 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 technicians 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 technicians, while working at the Salon, 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 technicians wear his or her THE LASH LOUNGE® 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 including but not limited to permanent makeup services 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 Salon 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 THE LASH LOUNGE® 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 Salon, you must purchase from Franchisor your initial inventory of its private label cosmetics and skin care 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. Once the Salon 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 Salon (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 plasma or LCD 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 of 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 THE LASH LOUNGE® Salons 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 Salon 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 Salon premises during regular business hours to inspect the Salon 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 THE LASH LOUNGE® 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 THE LASH LOUNGE® Salons 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 THE LASH LOUNGE managed, controlled, described or defined processes related to digital media and marketing. We may create, operate, and promote THE LASH LOUNGE in a digital environment to include websites, social media accounts, blogs, advertising, franchise opportunities, salon 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 Salon 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 Salon 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 THE LASH LOUNGE. Franchisees are required to use only pre-approved suppliers for print and promotional purposes to maintain the design efficacy of The Lash Lounge. Franchisees are permitted to engage in organic social media and events, always following the System Standards and without seeking approval. The franchisor maintains the right to adjust permissions as necessary. .

9.2. Marketing Fee. You must pay to Franchisor the **Marketing Fee** described in Section 4.4

9.3. 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 Salon; 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. Also, if Franchisor requires you to spend such amounts directly, then at least 30 days 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 THE LASH LOUNGE salon 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 salons. You are required to follow these System standards and guidelines which are subject to change at the sole discretion of the Franchisor. As a component of your Local Marketing Spend, you will pay the then current monthly MarTech Fee to the Home Office.

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

9.4.1. 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 Salon 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.

9.4.2. 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 salon. 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 Salon.

9.4.3. You also shall display at the Salon 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 THE LASH LOUNGE® franchise offering.

9.4.4. 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.

9.5. 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.

9.6. 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 Salons 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 Salon is located, you agree to participate in the Advertising Cooperative pursuant to the terms of this Section 9.6.

9.6.1. 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 THE LASH LOUNGE® Salon (including Salons 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 Salons 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.

9.6.2. 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.

9.6.3. 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.

9.6.4. 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 THE LASH LOUNGE® Salons ("**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 Salon; ***(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 Salon-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, including local marketing spend; ***(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 Salon'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 Salon'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 Salon 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 salons operating under the Proprietary Marks and System. Accordingly, you agree that you will cause the Salon 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).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 The Lash Franchise Holdings, 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 THE LASH LOUNGE® Salons 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 Salon, 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 Salon premises so that it meets Franchisor's image requirements for a new THE LASH LOUNGE® Salon;

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 to 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 salon 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 Salon 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 (including permanent makeup services without first obtaining Franchisor's prior written consent) from the Salon 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 9.4. or 9.5. 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 THE LASH LOUNGE® 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 Salon 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 Salon premises (including, without limitation, the changing of the color scheme and removing of all distinctive design features, including salon beds, sliding doors, salon chairs, carts, curtains 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 THE LASH LOUNGE® Salons, 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 Salon'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. 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 salon services featuring eyelash extension services and/or, if applicable to your Salon, permanent makeup services, other than a Salon 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 salon services featuring eyelash extension services and/or, if applicable to your Salon, permanent makeup services, other than a Salon 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 Salon or any other salon 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 THE LASH LOUNGE® Salon (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 THE LASH LOUNGE® Salon; 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 any reliable 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 ***(e)*** 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 Texas (without giving effect to any conflict of laws).

19.2. Internal Dispute Resolution Franchisee must first bring any claim or dispute between Franchisee and Franchisor to Franchisor's CEO or President and provide Franchisor with 30 days' notice and opportunity to cure. Franchisee must exhaust this internal dispute resolution procedure before Franchisee may bring its dispute before a third party. This agreement to first attempt resolution of disputes internally will survive termination or expiration of this Agreement.

19.3 Mediation.

19.3.1. At Franchisor's option, all claims or disputes between you, each Owner, and Franchisor or its affiliates arising out of or in any way relating to this Agreement or any other agreement between you, each Owner, and Franchisor or its affiliates, or any of the parties' respective rights and obligations arising from such agreements, which are not first resolved through the internal dispute resolution procedure set forth in Section 19.2 above, must be submitted first to mediation under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Mediation shall be held at the offices of the AAA in the city where Franchisor maintains its principal business offices. Each party will bear its own costs of mediation, and the compensation and expenses of the mediator (but excluding attorneys' fees incurred by either party), shall be borne by the parties equally.

19.3.2 Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, you must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of 30 days following receipt of such notice within which to notify you whether Franchisor or its affiliates elect to exercise our option to submit claims or disputes to mediation. You may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of Franchisor's written declaration. Franchisor's right to mediate, as set forth herein, may be specifically enforced by Franchisor. The parties agree that statements made during such mediation proceeding will not be admissible for any purpose in any subsequent legal proceeding.

19.3.3. Notwithstanding the foregoing provisions of this Section 19.3.3., the parties' agreement to mediate shall not apply to any controversy, dispute or claim related to or based on (a) any federally protected

intellectual property rights in the Proprietary Marks, the System, any Confidential Information, (b) amounts owed to Franchisor pursuant to this Agreement or (c) for temporary or preliminary injunctive or other extraordinary relief sought ("**Excepted Claims**"). Any Excepted Claims may be brought in any court of competent jurisdiction.

19.4. 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 19.4. 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 Tarrant County, Texas, 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 19.9. The arbitrator, in the conduct of the arbitration, shall not have the authority to declare any Proprietary Mark generic or otherwise invalid. 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.

19.5. 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.

19.6. 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.

19.7. **WAIVER OF PUNITIVE DAMAGES. YOU HEREBY WAIVE, 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) 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, YOUR RECOVERY IS 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.**

19.8. Right to Injunctive Relief. Nothing contained in this Agreement will prevent Franchisor from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction and/or other emergency relief available to safeguard and protect Franchisor's interests, without bond, against conduct or threatened conduct that will cause Franchisor loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary and permanent injunctions. If injunctive relief is granted, Franchisee's only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Franchisee expressly waives all claims for damages Franchisee incurred as a result of the wrongful issuance.

19.9. Limitation of Action. You further agree that no cause of action arising out of or under this Agreement may be maintained by you against Franchisor unless brought before the expiration of one year after the act, transaction or occurrence upon which such action is based or the expiration of one year after you become aware of facts or circumstances reasonably indicating that you may have a claim against Franchisor hereunder, whichever occurs sooner, and that any action not brought within this period will be barred as a claim, counterclaim, defense, or set-off. You hereby waive the right to obtain any remedy based on alleged fraud, misrepresentation, or deceit by Franchisor, including, without limitation, rescission of this Agreement, in any mediation, judicial, or other adjudicatory proceeding arising hereunder, except upon a ground expressly provided in this Agreement, or pursuant to any right expressly granted by any applicable statute expressly regulating the sale of franchises, or any regulation or rules promulgated thereunder.

19.10. Attorneys' Fees. If you are in breach of any monetary or non-monetary material obligation under this Agreement or any related agreement between you and Franchisor and/or its affiliates, and Franchisor engage an attorney to enforce its rights (whether or not formal judicial proceedings are initiated), you must pay all of Franchisor's reasonable attorneys' fees, court costs and litigation expenses Franchisor incurs. If you institute any legal action to interpret or enforce the terms of this Agreement, and your claim in such action is denied or the action is dismissed, Franchisor is entitled to recover its reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against same, and to have such an amount awarded as part of the judgment in the proceeding.

19.11. Jurisdiction and Venue. Subject to Sections 19.2, 19.3 and 19.4 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 or federal court closest to where Franchisor maintains its principal business offices at the time of filing, currently Tarrant County, Texas (unless settled by the parties after such action is

initiated). You acknowledge that Franchisor may bring an action in any other court of competent jurisdiction to seek and obtain injunctive relief as set forth in Section 19.8 above. You hereby irrevocably consents to the personal jurisdiction of the state and federal courts described in this Section.

18.12. 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**
THE LASH FRANCHISE HOLDINGS, LLC	**ENTITY**
By: _____ NAME, TITLE	By: _____ NAME, TITLE
Date: _____	Date: _____

THE LASH FRANCHISE HOLDINGS, 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 THE LASH LOUNGE® Salons; 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 salon at a site accepted by Franchisor for the development of the Salon.

"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 Salon 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 THE LASH LOUNGE® Salon; ***(b)*** all monies, trade value or other things of value that you receive from Salon operations at, in, or from the Salon 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 THE LASH LOUNGE® Salons (if you operate multiple Salons) 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 Salon 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 Salon, 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 Salon 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 "THE LASH LOUNGE" 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 THE LASH LOUNGE® Salon.

"**Salon**" means a physical structure, identified by the name THE LASH LOUNGE®, which is separated from other businesses by one or more exterior walls or interior demising walls, and at which semi-permanent and temporary eyelash extension services, other eye-enhancing services, facial threading services, and approved retail items such as Private Label Products are provided. The term "Salon" also includes facilities located in Closed Markets regardless of any differences (for example in offering, footprint, or structure) to other THE LASH LOUNGE® Salons.

"**System**" means a distinctive system relating to the establishment and operation of an upscale salon featuring the application of semi-permanent and temporary eyelash and eyebrow extensions and other eye-enhancing services, as well as makeup application and facial threading services, combined with a retail offering of private label cosmetic and skin care lines under the trade name and trademark THE LASH LOUNGE®.

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

THE LASH FRANCHISE HOLDINGS, LLC
FRANCHISE AGREEMENT

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

Section 3.1. Within the _____ MSA, The Site Selection Area is:

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

FRANCHISOR	**FRANCHISEE**
THE LASH FRANCHISE HOLDINGS, LLC	**ENTITY**
By: _____ NAME, TITLE	By: _____ 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 40,000 individuals, not 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 eyelash extension 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	**FRANCHISEE**
THE LASH FRANCHISE HOLDINGS, LLC	**ENTITY**
By: _____ NAME, TITLE	By: _____ NAME, TITLE

THE LASH FRANCHISE HOLDINGS, 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

THE LASH FRANCHISE HOLDINGS, LLC

By: _____
NAME, TITLE

FRANCHISEE

ENTITY

By: _____
NAME, TITLE

THE LASH FRANCHISE HOLDINGS, LLC
FRANCHISE AGREEMENT

ATTACHMENT D-1
PERSONAL GUARANTY AND UNDERTAKING

1. I have read the Franchise Agreement between The Lash Franchise Holdings, LLC ("**Franchisor**") 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. In consideration of the grant by Franchisor of a franchise pursuant to the Franchise Agreement, I hereby agree, to be firmly bound by all of the terms, provisions and conditions of the Franchise Agreement, and any other agreement between Franchisee and Franchisor and/or its affiliates, and do hereby unconditionally guarantee the full and timely performance by Franchisee of each and every obligation of Franchisee under the aforesaid Franchise Agreement or other agreement between Franchisor and Franchisee, including, without limitation, any indebtedness to Franchisor or its affiliates of Franchisee arising under or by virtue of the aforesaid Franchise Agreement.

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 THE LASH LOUNGE® Salon to any competitor or do anything to harm the goodwill associated with the Proprietary Marks and the System;

(b) 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 salon services featuring eyelash extension services and/or, if applicable to your Salon, permanent makeup services, other than a Salon 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 salon 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 THE LASH LOUNGE® Salon. 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 THE LASH LOUNGE® Salon.

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 any reliable 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: _____

THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, 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 THE LASH LOUNGE® (the "**Proprietary Marks**") and the system developed by Franchisor and/or its affiliates for operation and management of Salons (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 salon services featuring eyelash extension services or permanent makeup services within a 20-mile radius of any THE LASH LOUNGE® Salon, 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 Texas. 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 and federal courts in the county in which Franchisor maintains its principal business offices at the time of the claim, currently set in Tarrant County, Texas. I acknowledge that this Confidentiality Agreement has been entered into in the state of Texas, and that I am to receive valuable information emanating from Franchisor's offices in Southlake, Texas. In recognition of the information and its origin, I hereby irrevocably consent to the personal jurisdiction of the state and federal courts of Texas 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:_____

THE LASH FRANCHISE HOLDINGS, 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 _____

THE LASH LOUNGE® Salon Number & Location _____

Name and Email of Person to Receive ACH Debit Advice _____

Authorization Agreement

I (we) hereby authorize The Lash Franchise Holdings, 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:

Account Number: Checking ☐ Savings ☐

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:
The Lash Franchise Holdings, LLC, Attn: Accounting ATTACH CHECK HERE
550 Reserve Street, Suite 380, Southlake, Texas 76092

THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, LLC ("**Franchisor**") with its principal offices at 550 Reserve Street, Suite 380, Southlake, Texas 76092.

BACKGROUND

A. The Lash Franchise Holdings, LLC or its affiliates, and their successors or assigns ("**Franchisor**") franchises the operation of an upscale makeup salon , (each "**THE LASH LOUNGE® Salon**" or "**Salon**") featuring the application of semi-permanent and temporary eyelash and other eye-enhancing services, as well as facial threading services, combined with a retail offering of private label cosmetic and skin care lines under the name THE LASH LOUNGE® 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 THE LASH LOUNGE® Salon 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 Salon; and if the Salon 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 THE LASH LOUNGE® Salon 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 THE LASH LOUNGE® Salon.

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 Salon.

(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 THE LASH LOUNGE® System (as defined in the Franchise Agreement and as Franchisor may prescribe for the Salon).

(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 THE LASH LOUNGE® 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) Upon the termination, expiration or non-renewal of the Franchise Agreement, the Franchisor may elect to assume the Lease. If such an election is made the Franchisee agrees it shall assign the Lease 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: 550 Reserve Street, Suite 380, Southlake, Texas 76092.

(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: _____

The Lash Franchise Holdings, LLC

By: _____
Name: _____
Title: _____

THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, LLC (hereinafter the "**Assignee**").

WITNESSETH:

WHEREAS, the Assignee has developed and owns the proprietary system ("**System**") for the operation of an upscale salon featuring the application of semi-permanent and temporary eyelash and eyebrow extensions and other eye-enhancing services, as well as facial threading services, combined with a retail offering of private label cosmetic and skin care lines under the trademark and logo THE LASH LOUNGE (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 Texas. 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:**
THE LASH FRANCHISE HOLDINGS, LLC A Delaware limited liability company	**ENTITY**
By: _____ NAME, TITLE	By: _____ NAME, TITLE
Date: _____	Date: _____

HAWAII 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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process: Commissioner of Securities, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

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.

Initial Franchise Fees.

Payment of the Initial Franchise Fee/Development Fee will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Hawaii Department of Commerce and Consumer Affairs due to Franchisor's financial condition.

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

THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

Payment of the Initial Franchise Fee/Development Fee will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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.

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

THE LASH FRANCHISE HOLDINGS, LLC	**FRANCHISEE**
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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. Initial Fees. Payment of the Initial Franchise Fee will be deferred until the franchisee has commenced doing business. This financial assurance requirement was imposed by the Minnesota Department of Commerce due to Franchisor's financial condition.

2. 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.

3. 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.

4. 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.

5. 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.

6. 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.

7. Minn. Stat. Section 80C.17. Notwithstanding anything to the contrary in the Franchise Agreement, to the extent that a claim is subject to Minnesota Statutes, Section 80C.15 Subd. 5, the statute shall control.

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.

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.

[The Signature Page Follows]

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

FRANCHISOR **THE LASH FRANCHISE HOLDINGS, LLC**	**FRANCHISEE** _____
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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, 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.

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

FRANCHISOR **THE LASH FRANCHISE HOLDINGS, LLC**	**FRANCHISEE** _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

NORTH DAKOTA AMENDMENT TO FRANCHISE AGREEMENT

For franchises and franchisees subject to the North Dakota Franchise Investment Law, the following information replaces or supplements the corresponding disclosures in the main body of the text of the The Lash Franchise Holdings, LLC Franchise Disclosure Document and corresponding provisions of the Franchise Agreement:

Item 17.

The North Dakota Securities Commissioner has determined that it is unfair and inequitable under the North Dakota Franchise Investment Law to the franchisor to require the franchisee to sign a general release upon renewal of the Franchise Agreement. Therefore, the requirement that the franchisee signs a release upon renewal of the Franchise Agreement is deleted from Item 17(c), and any other place it appears in the Franchise Disclosure Document and the Franchise Agreement.

The Commissioner has determined that any requirement for franchisees to consent to termination or liquidated damages is unfair, unjust, and inequitable within the intent of the North Dakota Franchise Investment Law. Any references in the Disclosure Document requiring franchisees to consent to termination penalties or liquidated damages are deleted in Disclosure Document and Franchise Agreement.

Covenants not to compete such as those mentioned in Item 17 of the Franchise Disclosure Document and the Franchise Agreement are generally considered unenforceable in the State of North Dakota.

Under the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota is void. Any mediation or arbitration will be held at a site agreeable to all parties. The laws of North Dakota will govern any dispute.

The Franchise Agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Franchise Agreement.

The Franchise Agreement requires franchisees to consent to a waiver of trial by jury. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Franchise Agreement.

The Franchise Disclosure Document and Franchise Agreement state that franchisees must consent to the jurisdiction of courts in the State of Texas. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Franchise Agreement.

The Franchise Agreement requires franchisees to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and, instead, the statute of limitations under North Dakota law will apply.

For North Dakota franchisees, the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorneys' fees.

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.

Each provision of this Addendum to the Franchise Disclosure Document shall be effective only to the extent, with respect to such provision, the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

This Addendum is being entered into in connection with the Franchise Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

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

FRANCHISOR **THE LASH FRANCHISE HOLDINGS, LLC**	**FRANCHISEE** _____
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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, 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. As a condition to becoming registered to offer and sell franchises in the State of Virginia, we have agreed to defer your obligation to pay the Initial Franchise Fee, and the initial cosmetic inventory package fee (collectively the "**Initial Fees**") until we have met our material pre-opening obligations and you have commenced operation of the THE LASH LOUNGE® Salon (the "**Fee Deferral Requirement**"). Therefore, notwithstanding anything to the contrary in Sections 4.1., 6.5.2, and 7.5.2 of the Franchise Agreement, payment of the Initial Fees is due (a) at such time as when we have met all of our material pre-opening obligations to you and you have commenced operation of the THE LASH LOUNGE® Salon, or (b) when the Fee Deferral Requirement has been lifted, whichever occurs sooner.

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.

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

THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, 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. As a condition to becoming registered to offer and sell franchises in the State of Washington, we have agreed to defer your obligation to pay the Initial Franchise Fee until we have met our material pre-opening obligations and you have commenced operation of the THE LASH LOUNGE® Salon (the "**Fee Deferral Requirement**"). Therefore, notwithstanding anything to the contrary in Section 4.1. of the Franchise Agreement, payment of the Initial Franchise Fee is due (a) at such time as when we have met all of our material pre-opening obligations to you and you have commenced operation of the THE LASH LOUNGE® Salon.

9. 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.

10. 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.

11. Section 12.1 of the Franchise Agreement does not waive the rights of franchisees arising under the Washington Franchise Investment Protection Act, chapter 19.100 RCW, and the rules adopted thereunder.

12. 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.

THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, LLC, a Delaware limited liability with a business address at 550 Reserve Street, Suite 380, Southlake, Texas 76092 (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 salon ("**Salon**") featuring the application of semi-permanent and temporary eyelash and other eye-enhancing services, as well facial threading services, combined with a retail offering of private label cosmetic and skin care lines under the trade name and trademark THE LASH LOUNGE® (the "**System**").

B. The distinguishing characteristics of the System include, without limitation, the combination of services provided, including semi-permanent and temporary eyelash extension services and permanent makeup services; private label cosmetics and skin care 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 (the "**Confidential Information**"); 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 Salons are identified by means of certain trade names, service marks, trademarks, logos, emblems, and indicia of origin, including, but not limited, to the mark "**THE LASH LOUNGE**" 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 Salons 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 Salon 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 Salon 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 Salons within the Site Selection Area as set forth in this Agreement (each, a "**Salon**"), 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 Salons 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 _____ Salons 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 Salons 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 Salons 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 Salon that Developer is granted the right to open within the Site Selection Area under this Agreement (the "**Initial Salon**"); and (ii) each additional Salon that Franchisor has granted Developer the right to open hereunder (each, an "**Additional Salon**").

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 Salon 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 Salon 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 Salons during each of the development periods defined in the Development Schedule (each, a "**Development Period**"); and (ii) has the minimum cumulative number of Salons 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 THE LASH LOUNGE Salon 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 Salon is required to be opened and operating under the Development Schedule; or (ii) the date Developer actually opens the last Salon 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 Salon 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 Salons).

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 Salons 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 Texas, 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 CEO or President, 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. At Franchisor's option, all claims or disputes between Developer, Developer's owner, and Franchisor or its affiliates arising out of or in any way relating to this Agreement or any other agreement between Developer, Developer's owner, and Franchisor or its affiliates, or any of the parties' respective rights and obligations arising from such agreements, which are not first resolved through the internal dispute resolution procedure set forth in Section 12 above, must be submitted first to mediation under the auspices of the American Arbitration Association ("AAA"), in accordance with AAA's Commercial Mediation Rules then in effect. Mediation shall be held at the offices of the AAA in the city where Franchisor maintains its principal business offices. Each party will bear its own costs of mediation, and the compensation and expenses of the mediator (but excluding attorneys' fees incurred by either party), shall be borne by the parties equally. The mediation shall be conducted by a mediator agreed upon by Franchisor and Developer. The parties agree that statements made during such mediation proceeding will not be admissible for any purpose in any subsequent legal proceeding.

13.1. Before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, Developer must submit a notice to Franchisor, which specifies, in detail, the precise nature and grounds of such claim or dispute. Franchisor will have a period of 30 days following receipt of such notice within which to notify Developer whether Franchisor or its affiliates elect to exercise our option to submit claims or disputes to mediation. Developer may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless Franchisor fails to exercise its option to submit such claim or dispute to mediation, or such mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of Franchisor's written declaration. Franchisor's right to mediate, as set forth herein, may be specifically enforced by Franchisor. The parties agree that statements made during such mediation proceeding will not be admissible for any purpose in any subsequent legal proceeding.

13.2 Notwithstanding the foregoing provisions of this Section 13., the parties' agreement to mediate shall not apply to any controversy, dispute or claim related to or based on (a) any federally protected intellectual property rights in the Proprietary Marks, the System, any Confidential Information, (b) amounts owed to Franchisor pursuant to this Agreement or (c) for temporary or preliminary injunctive or other extraordinary relief sought ("Excepted Claims"). Any Excepted Claims may be brought in any court of competent jurisdiction.

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 Tarrant County, Texas, 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. 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 or federal court closest to where Franchisor maintains its principal business offices at the time of filing, currently Tarrant County, Texas (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 Developer is in breach of any monetary or non-monetary material obligation under this Agreement or any related agreement between Developer and Franchisor and/or its affiliates, and Franchisor engage an attorney to enforce its rights (whether or not formal judicial proceedings are initiated), Developer must pay all of Franchisor's reasonable attorneys' fees, court costs and litigation expenses Franchisor incurs. If Developer institutes any legal action to interpret or enforce the terms of this Agreement, and Developer's claim in such action is denied or the action is dismissed, Franchisor is entitled to recover its reasonable attorneys' fees, and all other reasonable costs and expenses incurred in defending against same, and to have such an amount awarded as part of the judgment in the 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**
THE LASH FRANCHISE HOLDINGS, 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 Salons Opened Within Development Period	Cumulative No. of Salons 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

THE LASH FRANCHISE HOLDINGS, 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 Development Agreement of even date (the "**Development Agreement**") by THE LASH FRANCHISE HOLDINGS, 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 Development Agreement and as provided in the Development Agreement, that Developer shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Development Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the 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 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 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 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 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

HAWAII 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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process: Commissioner of Securities, Department of Commerce and Consumer Affairs, Business Registration Division, Securities Compliance Branch, 335 Merchant Street, Room 203, Honolulu, Hawaii 96813.

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.

Initial Franchise Fees.

Payment of the Development Fee will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Hawaii Department of Commerce and Consumer Affairs due to Franchisor's financial condition.

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

THE LASH FRANCHISE HOLDINGS, LLC	**FRANCHISEE**
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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, and _____ ("**you**" or "**Developer**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

Payment of Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

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.

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

THE LASH FRANCHISE HOLDINGS, LLC	**DEVELOPER**
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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

1. Payment of the Development Fee will be deferred until the franchisee's first outlet has commenced doing business. This financial assurance requirement was imposed by the Minnesota Department of Commerce due to Franchisor's financial condition.

2. 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.

3. 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.

4. 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.

5. 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.

6. 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.

7. Minn. Stat. Section 80C.17. Notwithstanding anything to the contrary in the Franchise Agreement, to the extent that a claim is subject to Minnesota Statutes, Section 80C.15 Subd. 5, the statute shall control.

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.

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 **THE LASH FRANCHISE HOLDINGS, LLC**	**DEVELOPER** _____
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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, 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.

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

FRANCHISOR **THE LASH FRANCHISE HOLDINGS, LLC**	**DEVELOPER** _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

NORTH DAKOTA 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 Franchise Agreement (the "**Franchise Agreement**") dated _____, by and between The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, and _____ ("**you**" or "**Franchisee**"). Defined terms contained in the Development Agreement shall have the identical meanings in this Amendment.

The North Dakota Securities Commissioner has determined that it is unfair and inequitable under the North Dakota Franchise Investment Law to the franchisor to require the franchisee to sign a general release upon renewal of the Development Agreement. Therefore, the requirement that the franchisee signs a release upon renewal of the Development Agreement is deleted from Item 17(c), and any other place it appears in the Development Agreement.

The Commissioner has determined that any requirement for franchisees to consent to termination or liquidated damages is unfair, unjust, and inequitable within the intent of the North Dakota Franchise Investment Law. Any references requiring franchisees to consent to termination penalties or liquidated damages are deleted in the DevelopmentAgreement.

Covenants not to compete such as those mentioned in Item 17 of the Franchise Disclosure Document and the Development Agreement are generally considered unenforceable in the State of North Dakota.

Under the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a state other than North Dakota is void. Any mediation or arbitration will be held at a site agreeable to all parties. The laws of North Dakota will govern any dispute.

The Development Agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Development Agreement.

The Development Agreement requires franchisees to consent to a waiver of trial by jury. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Development Agreement.

The Franchise Disclosure Document and Development Agreement that franchisees must consent to the jurisdiction of courts in the State of Texas. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the Franchise Disclosure Document and Development Agreement.

The Franchise Agreement requires franchisees to consent to a limitation of claims within one year. That requirement will not apply to North Dakota franchisees and, instead, the statute of limitations under North Dakota law will apply.

For North Dakota franchisees, the prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorneys' fees.

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.

Each provision of this Addendum to the Development Agreement shall be effective only to the extent, with respect to such provision, the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently, without reference to this Addendum to the Franchise Disclosure Document, and only to the extent such provision is a then valid requirement of the statute.

This Addendum is being entered into in connection with the Development Agreement. In the event of any conflict between this Addendum and the Franchise Agreement, the terms and conditions of this Addendum shall apply.

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

FRANCHISOR **THE LASH FRANCHISE HOLDINGS, LLC**	**FRANCHISEE** _____
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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, 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. As a condition to becoming registered to offer and sell franchises in the State of Virginia, Franchisor has agreed to defer Developer's obligation to pay the Development Fee until Franchisor has met all of its material pre-opening obligations under Developer's initial Franchise Agreement with Franchisor and Developer has begun operation of its first THE LASH LOUNGE® Salon (the "**Fee Deferral Requirement**"). Therefore, notwithstanding anything to the contrary in Section 2 of the Development Agreement, payment of the Development Fee is due (a) at such time as when Franchisor has met all of its material pre-opening obligations to Developer under Developer's initial Franchise Agreement and Developer have commenced operation of its first THE LASH LOUNGE® Salon, or (b) when the Fee Deferral Requirement has been lifted, whichever occurs sooner.

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.

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

THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal office in Southlake, Texas, 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. As a condition to becoming registered to offer and sell franchises in the State of Washington, Franchisor has agreed that payment of the Development Fee will be released proportionally with respect to each THE LASH LOUNGE® Salon opened and is deferred until Franchisor has met all its pre-opening obligations under the Development Agreement and you are open for business with respect to each such location (the "**Fee Deferral Requirement**"). Therefore, notwithstanding anything to the contrary in Section 2 of the Development Agreement, payment of the Development Fee is due (a) proportionally with respect

to each THE LASH LOUNGE® Salon opened and is deferred until Franchisor has met its pre-opening obligations under the Development Agreement and you are open for business with respect to each such location.

9. 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.

10. 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.

11. 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.

THE LASH FRANCHISE HOLDINGS, 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 The Lash Franchise Holdings, LLC ("**Franchisor**"), a Delaware limited liability company, with its principal business offices located at 550 Reserve Street, Suite 380, Southlake, Texas 76092 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 THE LASH LOUNGE® 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."

The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

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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the LASH LOUNGE™

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FINANCIAL STATEMENTS

THE LASH FRANCHISE HOLDINGS, LLC AND SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2023, 2022 AND 2021
(With Independent Auditor's Report Thereon)

DoerenMayhew

THE LASH FRANCHISE HOLDINGS, LLC AND SUBSIDIARY

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DoerenMayhew

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members
The Lash Franchise Holdings, LLC and Subsidiary

Report on the Audits of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of The Lash Franchise Holdings, LLC and Subsidiary, which comprise the consolidated balance sheets as of December 31, 2023, 2022, and 2021, and the related consolidated statements of earnings, members' deficit and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of The Lash Franchise Holdings, LLC and Subsidiary as of December 31, 2023, 2022, and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Lash Franchise Holdings, LLC and Subsidiary's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditor's Responsibilities for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that 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 consolidated financial statements.

In performing audits in accordance with GAAS, we:

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

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

Troy, Michigan
March 20, 2024

THE LASH FRANCHISE HOLDINGS, LLC AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2023, 2022 AND 2021

Assets	2023	2022	2021
Current assets			
Cash	$ 631,208	$ 522,214	$ 1,007,586
Accounts receivable, net			
Trade	545,841	597,964	412,305
Other	-	-	87,262
Other current assets	40,557	50,531	11,567
Deferred franchise costs, current portion	421,137	457,815	573,824
Total current assets	1,638,743	1,628,524	2,092,544
Property, equipment, and leasehold improvements - net	46,308	63,232	103,095
Right-of-use assets, operating leases	308,466	349,394	-
Deferred franchise costs, net of current portion	1,568,138	1,913,838	2,293,815
Goodwill - net	279,967	326,630	373,292
Deposits	10,088	10,088	10,088
Total assets	$ 3,851,710	$ 4,291,706	$ 4,872,834
Liabilities and Members' Deficit			
Current liabilities			
Accounts payable	$ 359,375	$ 69,607	$ 145,183
Accrued liabilities	205,171	426,187	880,376
Due to related parties	75,951	105,151	286,101
Deferred franchise revenue, current portion	603,095	647,241	743,996
Long-term debt - current	3,003,311	174,505	694,388
Lease liabilities - operating, current portion	121,377	51,032	-
Total current liabilities	4,368,280	1,473,723	2,750,044
Deferred franchise revenue, net of current portion	2,185,160	2,647,524	2,986,075
Long-term debt	138,563	3,141,884	3,145,083
Lease liabilities - operating, net of current portion	215,140	310,529	-
Total liabilities	6,907,143	7,573,660	8,881,202
Members' deficit	(3,055,433)	(3,281,954)	(4,008,368)
Total liabilities and members' deficit	$ 3,851,710	$ 4,291,706	$ 4,872,834

See accompanying notes to consolidated financial statements

THE LASH FRANCHISE HOLDINGS, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF EARNINGS
YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	2023	2022	2021
Revenues	$ 7,236,251	$ 7,037,160	$ 6,148,662
Operating expenses	6,747,425	6,027,234	5,968,233
Earnings from operations	488,826	1,009,926	180,429
Other income (expense)			
Interest expense	(262,305)	(286,033)	(323,405)
Paycheck Protection Program note forgiveness	-	-	275,335
Other income	-	2,521	87,262
Total other income (expense)	(262,305)	(283,512)	39,192
Net earnings	$ 226,521	$ 726,414	$ 219,621

See accompanying notes to consolidated financial statements

THE LASH FRANCHISE HOLDINGS, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF MEMBERS' DEFICIT
YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

Members' deficit - January 1, 2021	$ (4,227,989)
Net earnings	219,621
Members' deficit - December 31, 2021	(4,008,368)
Net earnings	726,414
Members' deficit - December 31, 2022	(3,281,954)
Net earnings	226,521
Members' deficit - December 31, 2023	$ (3,055,433)

See accompanying notes to consolidated financial statements

THE LASH FRANCHISE HOLDINGS, LLC AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023, 2022 AND 2021

	2023	2022	2021
Cash flows from operating activities			
Net earnings	$ 226,521	$ 726,414	$ 219,621
Adjustments			
Depreciation and amortization	63,587	86,525	82,281
Paycheck Protection Program note forgiveness	-	-	(275,335)
Decrease/(increase) in assets			
Accounts receivable, net	52,123	(98,397)	(273,441)
Other current assets	9,974	(38,964)	26,310
Deferred franchise costs	382,378	495,986	993,490
Increase/(decrease) in liabilities			
Accounts payable and accrued liabilities	68,752	(529,765)	(28,624)
Deferred franchise revenue	(506,510)	(435,306)	(672,515)
Right-of-use assets and liabilities, operating leases	15,884	12,167	-
Total adjustments	86,188	(507,754)	(147,834)
Net cash provided from operating activities	312,709	218,660	71,787
Cash flows from financing activities			
Repayments to related parties	(29,200)	(180,950)	(176,289)
Proceeds from Paycheck Protection Program note	-	-	275,335
Proceeds from long-term debt	-	-	500,000
Repayment of long-term debt	(174,515)	(523,082)	(1,745)
Net cash provided from (used in) financing activities	(203,715)	(704,032)	597,301
Net increase (decrease) in cash	108,994	(485,372)	669,088
Cash - beginning	522,214	1,007,586	338,498
Cash - ending	$ 631,208	$ 522,214	$ 1,007,586
Supplemental Disclosure of Cash Flow Information			
Cash paid during the period for interest	$ 312,123	$ 445,680	$ 391,273

See accompanying notes to consolidated financial statements

Note 1 – Nature of Business and Significant Accounting Policies

Nature of Business

The accompanying consolidated financial statements for The Lash Franchise Holdings, LLC and Subsidiary include the accounts of The Lash Franchise Holdings, LLC ("Lash") and TLL Investment Salon, LLC ("Salon") (collectively, the "Company").

Lash was formed as a Delaware Limited Liability Company with a perpetual existence. The liability of the members of the Company is limited to the members' total capital contributions. The Company's operations are principally related to the sale, support, and marketing of the rights to operate Lash Lounge franchises. Lash Lounge franchises provide eyelash extensions and other health, beauty and fashion related services and products. Lash accounted for approximately 92%, 92% and 90% of consolidated revenues for the years ended December 31, 2023, 2022, and 2021, respectively. The Company entered into franchise agreements for single franchise units that totaled 5, 17 and 21 units during the years ended December 31, 2023, 2022, and 2021, respectively. Franchise units in operation amounted to 126, 117 and 109 units as of December 31, 2023, 2022, and 2021, respectively.

Salon was formed as a Delaware Limited Liability Company and operates a Lash Lounge franchise location in Ann Arbor, Michigan. Salon was acquired by Lash on January 1, 2020. Salon accounted for approximately 8%, 8% and 10% of consolidated revenues for the years ended December 31, 2023, 2022, and 2021, respectively.

Principles of Consolidation

These consolidated financial statements include The Lash Franchise Holdings, LLC and its 100% owned subsidiary, TLL Investment Salon, LLC. All material intercompany balances and transactions have been eliminated.

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.

Accounts Receivable

Accounts receivable are stated at the invoice amount and consist of billings due from franchisees for royalty and advertising fees that have not yet been received. Past due balances and other higher risk amounts are reviewed individually for collectability.

The Company recognizes an allowance for losses on accounts receivable in an amount equal to the current expected credit losses. The estimation of the allowance is based on an analysis of historical loss experience, current receivables aging, and management's assessment of current conditions and reasonable and supportable expectation of future conditions, as well as an assessment of specific identifiable customer accounts considered at risk or uncollectible. The Company assesses collectability by pooling receivables where similar characteristics exist and evaluates receivables individually when specific customer balances no longer share those risk characteristics and are considered at risk or uncollectible.

Continued

The expense associated with the allowance for expected credit losses is recognized in operating expenses. The Company did not experience significant write-offs during 2023, 2022, and 2021, and no allowance was recorded as of December 31, 2023, 2022, and 2021. The Company has omitted all credit loss related disclosures.

The beginning and ending balances of accounts receivable are as follows:

	December 31, 2023	December 31, 2022	December 31, 2021	January 1, 2021
Accounts receivable - trade	$ 545,841	$ 597,964	$ 412,305	$ 226,126
Accounts receivable - other	$ -	$ -	$ 87,262	$ -

Property, Equipment, and Leasehold Improvements

Property, equipment, and leasehold improvements are recorded at cost. Upon sale or retirement, the cost and related accumulated depreciation are eliminated from the respective accounts, and the resulting gain or loss is included in operations. The cost of property and equipment is depreciated using the straight-line method over the estimated useful lives of the related assets (3 to 10 years). Leasehold improvements are amortized over the shorter of the useful life or the lease term, including estimated renewals. Maintenance and repairs are charged to expense as incurred.

Goodwill

Goodwill represents the purchase price less the fair value of net assets acquired. Goodwill is accounted for under private company accounting standards, which provides an accounting alternative for private companies related to accounting for goodwill and permits certain intangible assets to be subsumed in goodwill. Accordingly, goodwill is amortized on a straight-line basis over a period of ten years.

Also pursuant to the accounting alternative, goodwill is tested for impairment upon the occurrence of an event or circumstance that may indicate the fair value of the Company is less than its carrying amount and has elected to perform this test at the Company level. If events or circumstances are present that may indicate the fair value of the Company is less than its carrying value, the estimated fair value of the Company is compared to its carrying amount and an impairment loss is recognized for the excess of the carrying amount over fair value (if any), not to exceed the carrying amount of goodwill. Management concluded there were no indicators of impairment of goodwill during the years ended December 31, 2023, 2022, and 2021.

Income Taxes

The Company is organized as a limited liability company. 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 consolidated financial statements 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 will be 2021 - 2023.

Continued

Revenue Recognition

Lash earns revenue through franchise fees and ongoing royalty and advertisement fees under the Company's franchise agreements. Salon earns revenue through services provided at its franchise location and recognizes that revenue when the services are provided.

Initial franchise fee revenue is recognized over the life of the franchise agreements, as the fee is for the right to use Lash's intellectual property over the term of the agreement. Initial franchise fee payments received by Lash that have not yet been recognized are recorded as deferred franchise revenue. Expenses incurred related to the franchise agreements, consisting mainly of broker fees, are deferred and recognized over the life of the associated franchise agreement. See Note 2 for further disclosures related to deferred franchise revenue.

Royalty, technology and advertisement fees are based on a percentage of franchisee sales and are recorded as revenue as the fees are earned and become receivable from the franchisees. Lash recognized royalty, technology and advertisement fees of $5,501,799, $4,937,281 and $3,774,286 for the years ended December 31, 2023, 2022, and 2021, respectively.

The Company's other revenue related to salon services, training and other services provided to franchisees are recorded as earned and totaled $908,942, $898,261 and $877,761 for the years ended December 31, 2023, 2022, and 2021, respectively.

Costs relating to selling, general, and administrative functions and those incidental to the provision of services are charged to expense as incurred. These costs primarily consist of payroll, marketing, and IT related expenses.

Revenue recognized at a point in time and over time are as follows:

	2023	2022	2021
Revenue earned at a point in time	$ 6,410,741	$ 5,835,542	$ 4,652,047
Revenue earned over time	825,510	1,201,618	1,496,615
Total revenues earned	$ 7,236,251	$ 7,037,160	$ 6,148,662

Estimates

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

Continued

Leases

The Company recognizes right-of-use assets and lease liabilities for leases with terms greater than 12 months. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method (finance leases) or on a straight-line basis over the term of the lease (operating leases). The Company's right-of-use assets and lease liabilities primarily relate to buildings. Renewal periods are included in the expected lease term if they are reasonably certain of being exercised.

Right-of-use assets and lease liabilities are recorded at the net present value of future lease payments and include any initial direct costs incurred at lease commencement. The incremental borrowing rate is used to determine the net present value of the lease when the rate implicit in the lease is not readily determinable. This represents the rate of interest the Company would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms. Right-of-use assets under finance leases are amortized over the life of the lease or, if shorter, the life of the leased asset, on a straight-line basis. Right-of-use assets under operating leases are reduced as lease expense is incurred.

Short-term leases (initial terms less than 12 months) are expensed on a straight-line basis over the lease term.

Adoption of New Accounting Standard

On January 1, 2022, the Company adopted new guidance under Accounting Standards Codification (ASC) Topic 842, *Leases*. Under the new guidance, the Company recognizes right-of-use assets and lease liabilities for leases with terms greater than 12 months. Leases are now classified as either finance or operating leases which dictates whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease.

The Company adopted Topic 842 using the modified retrospective method. Accordingly, the new guidance was applied retrospectively to leases that existed as of January 1, 2022 (the date of initial application). As result, the Company recorded right-of-use assets of $436,000 and current and long-term lease liabilities of $110,000 and $362,000**,** respectively. The adoption did not have a significant impact on the Company's members' equity, results of operations or cash flows.

The Company elected the following practical expedients and accounting policy elections:

1) Expired or existing contracts were not reassessed to determine whether they are or contain leases upon adoption.

2) Previous classification of existing leases (operating or finance) was retained as of the date of adoption.

3) Initial direct costs were not reassessed upon adoption.

4) Lease capitalization is not required for contracts with terms of 12 months or less.

Continued

Subsequent Events

Effective February 28, 2024, all membership interests of the Company were purchased by an unrelated party.

The consolidated financial statements and related disclosures include evaluation of events up through and including March 20, 2024, which is the date the consolidated financial statements were available to be issued.

Note 2 – Deferred Franchise Costs and Revenue - Franchise Fees

Franchise development costs related to deferred franchise fee revenues as of December 31, 2023, 2022, and 2021 and activity for the years then ended can be summarized as follows:

	2023	2022	2021
Beginning	$ 2,371,653	$ 2,867,639	$ 3,861,129
Franchise development costs	195,000	334,700	285,195
Less: expense recognized	(577,378)	(830,686)	(1,278,685)
Ending	$ 1,989,275	$ 2,371,653	$ 2,867,639

Deferred revenue related to franchise fees as of December 31, 2023, 2022, and 2021 and activity for the years then ended can be summarized as follows:

	2023	2022	2021
Beginning	$ 3,294,765	$ 3,730,071	$ 4,402,586
Franchise fees	319,000	766,312	824,100
Less: franchise fee revenue recognized	(825,510)	(1,201,618)	(1,496,615)
Ending	$ 2,788,255	$ 3,294,765	$ 3,730,071

Deferred franchise costs and revenue expected to be recognized in the future can be summarized as follows:

	Cost	Revenue
2024	$ 421,137	$ 603,095
2025	370,704	524,255
2026	348,737	469,713
2027	326,951	418,916
2028	269,742	347,154
Thereafter	252,004	425,122
Total	$ 1,989,275	$ 2,788,255

Continued

Note 3 – Property, Equipment, and Leasehold Improvements

The principal categories of property and equipment may be summarized as follows:

	2023	2022	2021
Leasehold improvements	$ 49,074	$ 49,074	$ 49,074
Furniture and fixtures	73,920	73,920	73,920
Equipment	3,214	3,214	7,450
Software	17,462	17,462	85,006
Total cost	143,670	143,670	215,450
Less: accumulated depreciation	(97,362)	(80,438)	(112,355)
Undepreciated cost	$ 46,308	$ 63,232	$ 103,095

Note 4 – Goodwill

Goodwill in the amount of $466,615 was recognized in the acquisition of Salon, which consists largely of the customer relationships, memberships, work force in place, and business reputation of the franchise. As of December 31, 2023, 2022, and 2021, the Company had the following amounts related to goodwill:

	2023	2022	2021
Gross carrying amount	$ 466,615	$ 466,615	$ 466,615
Accumulated amortization - beginning	139,985	93,323	51,328
Amortization	46,663	46,662	41,995
Accumulated amortization - ending	186,648	139,985	93,323
Net book value	$ 279,967	$ 326,630	$ 373,292

The Company elected to amortize goodwill over ten years under a straight-line basis. Estimated amortization expense for the five years succeeding December 31, 2023 and thereafter is as follows:

2024	$ 46,662
2025	46,662
2026	46,662
2027	46,662
2028	46,662
Thereafter	46,657
Total	$ 279,967

Continued

Note 5 – Long-Term Debt

The Company has a promissory note ("FCIV Note") with a third-party in the amount of $3,000,000. The FCIV Note was amended in 2021, resulting in an increase in borrowings from $2,500,000 to $3,000,000 and an interest rate reduction from 12.0% per annum to 8.0% per annum. The Note requires interest only monthly payments through the maturity of the note in December 2024, at which time all unpaid interest and principal is due. The FCIV Note is secured by a first priority lien on all assets and convertible to equity with certain stipulations at the option of the lender based on certain formulas provided by the FCIV Note agreement. Accrued interest on the FCIV Note totaled $-0-, $-0- and $165,020 as of December 31, 2023, 2022, and 2021, respectively. The note was fully paid off in 2024.

The Company has a promissory note ("Hunt Note") with a third-party in the amount of $400,000. The Hunt Note is secured by a second priority lien on all assets of the Company and payable in monthly interest only payments. The Hunt Note was amended in 2021, resulting in an interest rate reduction from 12.0% per annum to 8.0% per annum. The Hunt Note and related accrued interest was paid in full during 2022. Accrued interest on the Hunt Note totaled $2,667 at December 31, 2021.

In conjunction with the acquisition of the Salon in 2020, the Company executed notes payable ("Salon Notes") totaling $120,000 with certain former members of the Salon. These notes were unsecured, with no interest through December 31, 2020. After 2020, interest on the notes was at 9.9%. The Salon Notes and related accrued interest were paid in full in 2022. Accrued interest on the Salon Notes totaled $11,880 at December 31, 2021.

In conjunction with the acquisition of the Salon in 2020, the Company assumed a note payable ("FW Note") for $171,316. The note is unsecured and accrued interest at 9.9%. The FW Note and related accrued interest were paid in full in 2023. Accrued interest on the FW Note totaled $49,818 and $29,898 at December 31, 2022 and 2021, respectively.

In June 2020, the Company borrowed $149,900 under a Small Business Administration ("SBA") program. The note ("SBA Note") requires principal and interest payments of $731 beginning 12 months from the date of the loan and accrues interest at 3.75%. The loan matures in June 2050 and is secured by all assets of the Company. The note was fully paid off in 2024.

The principal categories of long-term debt may be summarized as follows:

	2023	2022	2021
FCIV Note	$ 3,000,000	$ 3,000,000	$ 3,000,000
Hunt Note	-	-	400,000
Salon Notes	-	-	120,000
FW Note	-	171,316	171,316
SBA Note	141,874	145,073	148,155
Total	3,141,874	3,316,389	3,839,471
Less: current portion	(3,003,311)	(174,505)	(694,388)
Total long-term debt	$ 138,563	$ 3,141,884	$ 3,145,083

Continued

Future maturities for the above notes for the five years succeeding December 31, 2023 and thereafter are as follows:

2024	$ 3,003,311
2025	3,437
2026	3,568
2027	3,705
2028	3,846
Thereafter	124,007
Total	$ 3,141,874

Note 6 – Payroll Protection Program (PPP)

In 2021, Lash and Salon entered into Loan Agreement and Promissory Notes (SBA Loan) pursuant to the Paycheck Protection Program (PPP) under the enacted Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") administered by the U.S. Small Business Administration. Lash and Salon received PPP loan proceeds totaling $201,430 and $73,905, respectively, during 2021. During the year ended December 31, 2021, the Company applied and received loan forgiveness related to the Company's PPP loans. The PPP loan proceeds were recognized as "other income" in the consolidated statements of earnings during the year ended December 31, 2021.

Note 7 – Related Party Transactions

The Company had accounts payable due to Franworth, LLC ("Franworth"), a related party through common ownership with the minority member of the Company, totaling $75,951, $105,151 and $286,101 at December 31, 2023, 2022, and 2021, respectively. These balances relate to expenses paid on the Company's behalf. The Company has a service agreement with Franworth related to management and accounting services to the Company. The Company also leases certain employees of the Company from Franworth. The Company pays Franworth $50,000 per month in exchange for these services. Management fees of $600,000 were incurred for the years ended December 31, 2023, 2022, and 2021.

Note 8 – Lease Agreements

The Company leases various facilities under long-term, non-cancellable operating leases that expire at various dates through 2027, some of which may include options to extend the leases for up to five years. Monthly payments range from approximately $3,000 to $7,000, with the agreements escalating annually through the lease termination date and requiring a monthly charge for common area maintenance based on actual costs incurred.

The Company's lease expense consists of the following for the years ended December 31, 2023 and 2022:

	2023	2022
Operating lease cost	$ 120,487	$ 98,946
Short-term lease cost	73,130	108,522
Total lease cost	$ 193,617	$ 207,468

Continued

Lease expense totaled $225,466 for the year ended December 31, 2021.

Supplemental lease information is as follows for the years ended December 31, 2023 and 2022:

	2023	2022
Cash paid for amounts included in measurement of lease liabilities		
Operating cash flows from operating leases	$ 126,145	$ 122,895
Right-of-use assets obtained in exchange for operating lease liabilities	-	472,102
Weighted-average remaining lease term - operating leases	2.77	3.86
Weighted-average discount rate - operating leases	3.00%	3.00%

Remaining lease payments are as follows as of December 31, 2023:

2024	$ 129,500
2025	132,935
2026	66,088
2027	21,920
Total minimum lease payments	350,443
Less: imputed interest	(13,926)
Present value of lease liabilities	$ 336,517

Note 9 – Operating Agreement

The Company's operating agreement includes three types of membership units, Class A, B and C Units. Class A and B units have full voting rights and Class C units are nonvoting.

As of December 31, 2023, the Company had issued 2,040 of Class A units, 1,960 Class B units, and 211 Class C units.

Continued

Note 10 – Franchise Information

The following is a summary of the franchise activity for franchises for the years ended December 31, 2023, 2022, and 2021:

	2023	2022	2021
Franchises open at beginning of period	117	109	109
Franchises opened during the period	11	10	9
Franchises closed during the period	(2)	(2)	(9)
Franchises open at end of period	126	117	109

THE FINANCIAL STATEMENTS OF THE FRANCHISOR FOR THE INTERIM PERIOD BEGINNING JANUARY 1, 2024, AND ENDING AUGUST 31, 2024, HAVE BEEN PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAS AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

The Lash Franchise Holdings, LLC
Interim Financial Statements
For the 8 months ended August 31, 2024
(unaudited)

Revenues	$5,513,725
Cost of Sales	$1,590,300
Gross Profit	$3,923,425
Operating expenses	
Sales and Marketing	$246,400
General and Administrative	$1,463,900
Total Operating Expenses	**$1,710,300**
Operating Income	**$2,213,125**

EXHIBIT G

LIST OF CURRENT AND FORMER FRANCHISEES

LIST OF CURRENT FRANCHISEES
As of December 31, 2023

Franchisees with Outlets Open

Name	Street Address	City	State	Zip Code	Center Phone
Anjanette Spencer*	4800 Whitesburg Dr. Ste. 40	Huntsville	AL	35802	(256) 633-5274
Pamela Percy*	15147 N. Scottsdale Rd. Ste. 120	Scottsdale	AZ	85254	(480) 725-5274
Andres Manon*	5204 W. Village Pkwy.	Rogers	AR	72758	(479) 777-7954
Mohamed Ahmed*	2852 Ygnacio Valley Rd	Walnut Creek	CA	94598	(925) 900-5665
Scott Barserian*	70 El Camino	Fresno	CA	93720	(559) 377-7118
Scott Barserian*	8961 N. Cedar Ave. Ste. 101	Fresno	CA	93720	(559) 794-3544
Julie DeWolf	6701 B La Tijera Blvd	Los Angeles	CA	90045	(424) 352-7410
Christopher Johnson*	5108 Broadway Ste. K-103	Oakland	CA	94611	(510) 901-5274
Anita Mathew	1730-C Avenida de Los Arboles	Thousand Oaks	CA	91362	(805) 864-5274
Kristen Mcneill*	1590-B Rosecrans Avenue	Manhattan Beach	CA	90266	(424) 373-5274
Mark Price*	4805 East 2nd St.	Long Beach	CA	90803	(562) 521-9465
Harini Sabnis*	2540 Tuscany St., Suite D13-104	Corona	CA	92881	(909) 531-5274
Mahaneeya Sarathi*	731 Pleasant Grove Blvd. Ste. 170	Roseville	CA	95678	(916) 620-9200
Mahaneeya Sarathi*	405 K St. Ste. 265	Sacramento	CA	95814	(916) 620-9100
Baylor Triplett*	3550 Rosecrans St D	San Diego	CA	92110	(619) 648-5274
Baylor Triplett*	282 N. El Camino Real Ste. A	Encinitas	CA	92024	(760) 616-5274
Prachi Vaidya*	28251 Crown Valley Pkwy, Ste F	Laguna Niguel	CA	92677	(714) 695-5274
Prachi Vaidya*	2376 N. Tustin St.	Orange	CA	92865	(714) 695-5274
Kevin Horn	10431 Town Center Dr	Westminster	CO	80021	(720) 893-8393
Michelle Lee*	2424 Arapahoe Ave. Unit 290	Boulder	CO	80302	(720) 753-5274
Michelle Lee*	9090 Sky Ridge Ave Suite 100	Lone Tree	CO	80124	(720) 730-5274
Mark Dungey*	101 Marketside Ave., Ste 403	Ponte Vedra	FL	32081	(904) 440-0202
Reena Patel*	141 South New York Ave Ste. 113	Winter Park	FL	32789	(321) 617-5274
Reena Patel*	3311 Daniels Rd., Ste 106	Winter Garden	FL	34787	(407) 675-3774
Reena Patel*	229 Wheelhouse Ln, Ste 1221	Lake Mary	FL	32746	(407) 250-8866
Reena Patel*	5022 Dr. Phillips Blvd.	Orlando	FL	32819	(407) 955-5274
Richelly Perez*	9517 South Dixie Highway	Pinecrest	FL	33156	(787) 380-0036
Richelly Perez*	13630 SW 120th Avenue	Miami	FL	33186	(786) 384-5274
Richelly Perez*	3005 Ponce de Leon Blvd, Ste 241	Coral Gables	FL	33134	(305) 549-5404
Michael Pothetos*	9110 Wiles Road	Coral Springs	FL	33067	(754) 254-5274
Aparna Reddy*	11966-B Pines Blvd.	Pembroke Pines	FL	33026	(954) 280-5274
Laurensia Spurgin	2270 Town Center Ave., Ste 101	Viera	FL	32940	(321) 985-5274
Cassandra Wheatley*	304 3rd Street South	St Petersburg	FL	33701	(727) 788-5274
Julie Cartee*	1815 E. Victory Dr. Ste. 103	Savannah	GA	31404	(912) 250-7687
MJ Harmon*	3005 Old Alabama Rd Suite 70	Alpharetta	GA	30022	(404) 341-5274
Catherine G. Snyder*	4600 Roswell Road, Suite E140	Sandy Springs	GA	30342	(404) 857-3796
Catherine Snyder*	2484 Briarcliff Rd. NE	Atlanta	GA	30329	(404) 844-5274
Michael Jania*	126 W. Chicago Ave. Ste. 2	Chicago	IL	60654	(312) 626-5274
Kelly Luzum	3690 Green Mount Crossing Drive	Shiloh	IL	62269	(618) 448-5274
Jay Dieckmann*	858 N. Superior Drive	Crown Point	IN	46307	(219) 356-6544
Imran Lodhi*	726 Adams Street, Suite 120	Carmel	IN	46032	(317) 868-2217
Imran Lodhi*	8395 E. 116th St. Ste. 153	Fishers	IN	46038	(317) 527-4544

Chris Uhlig*	6435 W. 135th Street	Overland Park	KS	66223	(913) 270-0710
Chris Uhlig*	4155 Somerset Dr	Prairie Village	KS	66208	(913) 686-6809
Mark Nance*	3934 Chenoweth Square	Louisville	KY	40207	(502) 353-1414
Jeremie Ertle*	421 N. Carrollton Ave., Ste 2A	New Orleans	LA	70119	(504) 226-5550
Vinicius Ribeiro*	1907 West Street, Ste 101B	Annapolis	MD	21401	(410) 352-7477
Lisa Callahan	193 Boston Turnpike, Suite 6110	Shrewsberry	MA	01545	(774) 462-5274
Kathleen Isabelle*	124 Medway Rd., Unit 2	Milford	MA	01757	(508) 469-5274
Kathleen Isabelle*	1250 S. Washington St., Suite 10B	North Attleboro	MA	02760	(508) 388-5274
John Babcock*	1182 Walton Blvd	Rochester Hills	MI	48307	(947) 282-5274
John Babcock*	6911 Orchard Lake Rd.	West Bloomfield	MI	48322	(947) 888-9465
Jess Bailie*	26144 Ingersol Drive	Novi	MI	48375	(248) 955-2749
Kati Prater	856 N. Old Woodward, Suite 110	Birmingham	MI	48009	(248) 965-5665
Dallas Embry*	5338 Goodman Road, Suite 103	Olive Branch	MS	38654	(662) 804-5274
Gregory LaCombe**	1728 A Clarkson Rd.	Chesterfield	MS	63017	(314) 858-5520
Mallika Golz*	7385 South Rainbow Blvd., Ste 150	Las Vegas	NV	89139	(702) 710-5687
Elizabeth Mancuso	13915 S. Virginia St. Unit 108	Reno	NV	89511	(775) 318-5665
Michelle Waggoner*	2280 Paseo Verde Pkwy., Suite 140	Henderson	NV	89052	(702) 820-5274
Roc Azzarello*	349 Lake Avenue, Suite 105	Metuchen	NJ	08840	(732) 532-3302
Inderjit Chhatwal*	423 Springfield Ave.	Summit	NJ	07901	(862) 325-5274
Inderjit Chhatwal*	1130 Town Center Way	Livingston	NJ	07039	(973) 828-0101
Laura Mclaughlin	3535 US Highway 1	Princeton	NJ	08540	(609) 829-5274
Sam Nasab*	1 Towne Centre Drive	Cliffside Park	NJ	07010	(201) 597-5274
Naresh Nookala*	601 Texas Rd. Ste. S2	Old Bridge	NJ	08857	(732) 313-3677
Naresh Nookala*	105 Broad St.	Red Bank	NJ	07701	(732) 365-3539
James Rappolt*	538 Shoppes Blvd.	North Brunswick	NJ	08902	(732) 798-5274
James Rappolt*	100 Reaville Ave.	Flemington	NJ	08822	(908) 777-7028
James Rappolt*	336 Chimney Rock Rd	Bound Brook	NJ	08805	(908) 332-5274
Brooke Baldwin*	5901 Wyoming Blvd. NE	Albuquerque	NM	87109	(505) 509-5274
Brooke Baldwin*	3601 Old Airport Rd	Albuquerque	NM	87114	(505) 300-2230
Andrei Kisselev*	35 Hamilton Street	Dobbs Ferry	NY	10522	(914) 313-3656
Stephen Pearson*	2359 Central Park Ave	Yonkers	NY	10710	(914) 425-5274
Yvonne Chmielowiec*	7107 Waverly Walk Ave, Ste A-4	Charlotte	NC	28277	(704) 504-7800
Yvonne Chmielowiec*	4625 Piedmont Row Dr. Ste. 135A	Charlotte	NC	28210	(704) 504-7800
Gregory Pittenger*	4233 Corners Pkwy. Ste. 220	Raleigh	NC	27617	(984) 400-5274
Gregory Pittenger*	2603 Glenwood Ave. Ste. 161	Raleigh	NC	27608	(919) 504-5556
Dennis Baughman*	19920 Detroit Rd.	Rocky River	OH	44116	(216) 910-5274
Daryl Halvacs*	2021 Polaris Parkway	Columbus	OH	43065	(614) 942-5274
Joel Pietrantozzi*	252 Crocker Park Blvd.	Westlake	OH	44145	(216) 208-5274
Andres Manon*	8205 E. Regal Ct., Ste. 105	Tulsa	OK	74133	(918) 480-8558
Kim Fjeldsted*	2260 NE Allie Ave	Hillsboro	OR	97124	(503) 966-2875
Cathy Maloney*	4888 NW Bethany Blvd. Ste. K-4	Portland	OR	97229	(971) 803-5274
Sandro Pitari*	365 Second Street	Lake Oswego	OR	97034	(971) 407-5274
Sandro Pitari*	617 NW 23rd Ave.	Portland	OR	97210	(971) 203-0722
Sandro Pitari*	12930 SE 162nd Avenue	Happy Valley	OR	97086	(503) 563-2875
John Babcock*	990 Dekalb Pike	Blue Bell	PA	19422	(610) 978-5274
John Babcock*	909 E. Willow Grove Ave	Wyndmoor	PA	19038	(267) 310-2875
Scott Backo	100 Siena Drive	Pittsburgh	PA	15241	(412) 844-5274

Nick Florentino	2802 S Eagle Road	Newtown	PA	18940	(215) 607-2875
Michael Jania*	5510 Carlisle Pike	Mechanicsburg	PA	17050	(717) 500-2875
Paul Jeffers*	82 E. Lancaster Ave. Store C-3A	Paoli	PA	19301	(610) 486-5274
Paul Jeffers*	222 East Main St.	Collegeville	PA	19426	(484) 854-2799
Marcus Stevens	100 Evergreen Dr. Ste. 113	Glen Mills	PA	19342	(484) 509-9465
Curt Lindenberger*	1000 Chapel View Blvd, Suite 138	Cranston	RI	02920	(401) 406-4146
Julie Aram	4117 Hillsboro Pike, Suite 102	Nashville	TN	37215	(615) 398-6755
Dallas Embry*	681 S. White Station Road	Memphis	TN	38119	(901) 459-5274
Sarah Otero*	3046 Columbia Avenue	Franklin	TN	37064	(312) 560-6089
Sarah Otero*	2615 Medical Center Pkwy, Ste 2035	Murfreesboro	TN	37129	(615) 801-8836
Tarani Arunachalam	4680 Windhaven Pkwy, Ste 150	The Colony	TX	75056	(469) 283-5274
Erin Bender	4801 W. Park Blvd., Suite 421	Plano	TX	75093	(469) 299-5274
Noelle Boyle*	3300 Bee Cave Rd., #630	Austin	TX	78746	(512) 361-5274
Noelle Boyle*	1911 Aldrich Street, Suite 140	Austin	TX	78723	(512) 648-5274
Noelle Boyle*	1335 E Whitestone Blvd.	Cedar Park	TX	78613	(512) 817-2848
Carla Bravo*	750 Richland Blvd., Suite 40	Prosper	TX	75078	(469) 812-5274
Natesh Chandrashekar*	10300 Louetta, D 116	Houston	TX	77070	(832) 353-2875
Avery Cowan*	1411 Keller Parkway, Suite 500	Keller	TX	76248	(817) 993-5274
Paul Fletcher*	930 Watters Creek Blvd	Allen	TX	75013	(214) 504-3961
Paul Fletcher*	6465 E. Mockingbird Lane #372	Dallas	TX	75214	(214) 549-9885
Yvonne Hemphill	5801 Long Prairie Road, Ste 830	Flower Mound	TX	75028	(972) 853-8755
Jada Henderson	9609 Ten Gallon Drive	Fort Worth	TX	76123	(817) 765-5274
Melissa Jimenez	6845 Peek Rd., Suite 250	Katy	TX	77493	(346) 268-5274
Jason Landry*	120 S. Denton Tap Road, Suite 450	Coppell	TX	75019	(817) 968-5274
Cynthia Mackinnon*	4580 Kingwood Drive	Kingwood	TX	77345	(281) 502-2545
Anna Phillips*[#]	2600 W. 7th St., Ste 106	Fort Worth	TX	76107	(817) 332-5274
Anna Phillips*[#]	5717 Legacy Dr., Ste 1307	Plano	TX	75024	(972) 616-4205
Anna Phillips*[#]	1161 E. Southlake Blvd, Ste 206,	Southlake	TX	76092	(817) 527-5028
Klaenyza Pritchard*	3004 Yale Street, Ste 700	Houston	TX	77018	(281) 462-5274
Klaenyza Pritchard*	4015 Washington Ave	Houston	TX	77007	(346) 500-5274
Shane Pudenz*	11940 Broadway St., Suite 110	Pearland	TX	77584	(713) 804-5274
Michael Silas*	5355 Dallas Parkway, Ste 635	Frisco	TX	75034	(469) 210-5274
Michael Silas*	1555 US Hwy 380, Ste #200	Frisco	TX	75033	(469) 312-5274
Stephanie Summers*	5560 West Lovers Lane	Dallas	TX	75209	(214) 228-6510
Amanda Vu	12525 Memorial Dr.	Houston	TX	77024	(713) 597-5274
Danee Waddill*	17619 LaCantera Pkwy, Ste 211	San Antonio	TX	78257	(210) 696-5274
Danee Waddill*	20811 US Hwy 281 Suite#406	San Antonio	TX	78258	(210) 361-5274
Matthew B. Wirth	9294 South Village Shop Drive	Sandy	UT	84094	(801) 919-8802
Richard Eastern*	7430 164th Ave. NE Ste. B135	Redmond	WA	98052	(425) 399-7070
Richard Eastern*	240 Bellevue Way NE	Bellevue	WA	98004	(425) 440-3458

*****These franchisees are also multi-unit developers.

*[#]These units became franchised units in 2024.

Franchisees with Franchise Agreements Signed but Outlet Not Opened

Owner	Street Address	City	ST	Zip	Phone
Mohamed Ahmed*	2043 East Rd. #309	Concord	CA	94520	(510) 557-0849
Julie DeWolf*	2209 Graham Ave.	Redondo Beach	CA	90278	(818) 480-8464
Tina Patel	2711 N. Sepulveda Blvd, Ste 326	Manhattan Beach	CA	90266	(310) 740-0008
Vijay Babu*	3234 SW 105th St.	Gainesville	FL	32608	(859) 396-5447
Megan Boyden*	9008 Galaxia Way NE	Albuquerque	NM	87111	(775) 250-6019
Mark Dungey*	953 W. Tennessee Trace	Saint Johns	FL	32259	(904) 403-9896
Falguni Joshi*	28945 Revaro Lane	Wesley Chapel	FL	33543	(972) 439-2542
Brook Kwak	6235 Cypress Chase Drive	Windermere	FL	34786	(407) 454-1522
Reena Patel*	208 Callipe Street	Ocoee	FL	34761	(407) 421-2052
Richelly Perez*	3535 NW 83rd Ave.Ste 109	Doral	FL	33122	(787) 380-0036
MJ Harmon*	700 Old Knoll View	Alpharetta	GA	30022	(770) 402-6173
Brian Bandarra*	253 E. Arboretum Cir.	Wheaton	IL	60189	(630) 926-2862
Michael Jania*	1769 Winnetka Ave.	Northfield	IL	60093	(630) 881-8721
Chris Uhlig*	11464 Lowell Ave.	Overland Park	KS	66210	(913) 568-5008
Ericka Breaux	492 Hamilton Street	Gretna	LA	70053	(504) 428-8056
Vinicius Ribeiro*	109 Natalie Lane	Millersville	MD	21108	(305) 801-2263
Gregory LaCombe*	17480 Princeton Ridge Court	Wildwood	MO	63025	(636) 271-1336
Takesha Sheard	175 Canoe Pole Lane	Mooresville	NC	28117	(252) 266-1478
Jennifer White	117 County Road 965	Calhoun	TN	37309	(503) 269-7646
Noelle Boyle*	8428 Etienne Cove	Austin	TX	78759	(512) 694-3265
Carla Bravo*	3742 Weeburn Drive	Dallas	TX	75229	(214) 960-9292
Mosaab Hasan	19311 Terra Brook	San Antonio	TX	78255	(210) 612-2987
Richard Eastern*	6510 155th Ave. SE	Bellevue	WA	98006	(206) 612-5541

***** These franchisees are also multi-unit developers.

LIST OF FORMER FRANCHISEES
As of December 31, 2023

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.

Owner	Street Address	City	ST	Zip	Mobile
Linda Fraser*	3832 N. 35th St.	Phoenix	AZ	85018	(602) 733-9219
Holly Cunningham#	7751 Macaw Lane	San Diego	CA	92123	(619) 651-5207
Corinne Tran*	516 Villa Centre Way	San Jose	CA	95128	(408) 610-0643
Roderick Henley*	PO Box 452496	Los Angles	CA	90045	(715) 815-1419
Jesse Peoples*	520 Ava Way NE	Washington	DC	20017	(202) 210-4219
Robert 'Mike' Board*	18936 Crooked Lane	Lutz	FL	33548	(813) 787-9994
Jennifer Mosley	1309 Upland Crest Court	Gulf Breeze	FL	32563	(404) 229-5225
Mark Nance#	726 Adams Street, Suite 120	Carmel	IN	46032	(502) 353-1414
Jennifer Kalmey#	314 Coralberry Rd.	Louisville	KY	40207	(502) 897-5915
Jim Blatt	365 Revolution Dr.	Somerville	MA	02145	(339) 235-6971
John Donahue	30 Pine	Boston	MA	02481	(857) 272-5800
Andrew Craze#	108 Rolling Meadow Dr.	Holliston	MA	01746	(508) 282-9224
Matt Kurowski#	1559 Glastonbury Rd.	Ann Arbor	MI	48103	(443) 322-6696
Carl Morelli#	8459 S. 1275 E	Sandy	UT	84094	(801) 916-2539

*****These franchisees never opened.
#These franchisees transferred their outlets.

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 www.dfpi.ca.gov Ask.DFPI@dfpi.ca.gov
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 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	New York State Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl New York, New York 10005 (212) 416-8222
NORTH DAKOTA	North Dakota Securities Department 600 East Blvd. Avenue State Capitol, Fifth Floor Dept. 414 Bismarck, North Dakota 58505

STATE	STATE ADMINISTRATOR
	(701) 328-4712
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 Department of Financial Institutions Securities Division PO Box 41200 Olympia, WA 98507 (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 (866) 275-2677 www.dfpi.ca.gov Ask.DFPI@dfpi.ca.gov
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
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
TEXAS	Anna Phillips 7300 Vanguard Court Colleyville, Texas 76034
VIRGINIA	Clerk, State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 1st Floor Richmond, Virginia 23219

STATE	AGENT FOR SERVICE OF PROCESS
WASHINGTON	Washington Dept. of Financial Institutions Securities Division 150 Israel Rd SW Tumwater WA 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	Different Form of FDD
Hawaii	Pending Registration
Illinois	Pending Registration
Indiana	Pending Registration
Maryland	Different Form of FDD
Michigan	April 10, 2024
Minnesota	Pending Registration
New York	Pending Registration
North Dakota	Pending Registration
South Dakota	Different Form of FDD
Rhode Island	Pending Registration
Virginia	Pending Registration
Washington	Pending Registration
Wisconsin	Pending Registration

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 The Lash Franchise Holdings, 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 The Lash Franchise Holdings, 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 Lash Franchise Holdings, LLC authorizes the respective state agencies identified on Exhibit H to receive service of process for it in the particular state.

The franchisor is The Lash Franchise Holdings, LLC, 550 Reserve St. Suite 380, Southlake, TX, 76092; (734) 678-1224.

Issuance Date: April 9, 2024, as amended November 4, 2024

The franchise seller for this offering is:

Name	Principal Business Address	Telephone Number
Meg Roberts	550 Reserve St. Suite 380, Southlake, TX, 76092	734-678-1224
Anna Phillips	550 Reserve St. Suite 380, Southlake, TX, 76092	817-442-5274

I received a Disclosure Document with an issuance date of April 9, 2024, as amended November 4, 2024. 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 The Lash Franchise Holdings, 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 The Lash Franchise Holdings, 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 Lash Franchise Holdings, LLC authorizes the respective state agencies identified on Exhibit H to receive service of process for it in the particular state.

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Anna Phillips	550 Reserve St. Suite 380, Southlake, TX, 76092	817-442-5274

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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)

[Please return this completed form to The Lash Franchise Holdings, LLC by Fax: (734) 808-0066, E-mail: franchise@thelashlounge.com; or Regular Mail: 550 Reserve St. Suite 380, Southlake, TX, 76092.]